



Doncaster Council

Report

Date: 21st December, 2017

To the Chair and Members of
COUNCIL

MAYORS DRAFT BUDGET PROPOSALS 2018/19 – 2020/21

EXECUTIVE SUMMARY

1. This report launches the Mayor's budget proposals for 2018/19 to 2020/21. Our budget plan is linked to the Doncaster Growing Together Plan, which is also informed by the State of the Borough Assessment. The Doncaster Growing Together Plan aims to continue to grow the local economy and place and to develop public services in a way that ensures all of Doncaster's people and communities benefit. It is a partnership strategy, requiring collaboration from across the whole of the Council and from a wide range of public services, voluntary and community organisations and the business community. It is designed to target partners' attention and resources on the issues that matter most to Doncaster's present and its future.
2. The Council continues to face the significant challenge of setting a balanced budget with reducing funding and increasing costs, whilst continuing to invest in the borough and protecting the most vulnerable in our communities. The Council is estimating having to find £16.9m of savings in 2018/19 and £43.3m for the period 2018/19 to 2020/21. This increases the overall savings required from 2017/18 to £64.9m a year by 2021.
3. The £43.3m budget gap arises due to expected government grant reductions of over £9m a year from 2018/19, by 2020/21. On top of the grant reductions, the Council is facing significant expenditure pressures, estimated at £14.5m in 2018/19 and increasing to over £34m by 2020/21. This includes pay and price inflation; with £3m set aside for Adults, Health & Wellbeing in 2018/19 for Adult Social Care contracts including the impact of the Government National Living Wage. Further details on the budget gap are provided in Appendices A and B. The service specific budget pressures amount to £5.4m in 2018/19 and are detailed in Appendix C; this includes providing £2.2m for Adults, Health & Wellbeing pressures in 2018/19.

Explanation of the Budget Gap

	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m	Total 2018/19 - 2020/21 £m	Total Incl. 2017/18 £m
Estimated Reduction Government Grants	11.4	1.9	1.9	5.5	9.3	20.7
Grant Exit Strategies	-0.9	-1.5	-0.7	-0.1	-2.3	-3.2
Pay Inflation	2.4	3.5	4.1	-2.5	5.1	7.5
Price Inflation	5.3	5.5	5.1	5.0	15.6	20.9
Service Budget Pressures	5.4	5.5	4.5	3.6	13.6	19.0
Funding Gap	23.6	14.9	14.9	11.5	41.3	64.9
Use of One-off Reserves	-2.0	2.0	-0.7	0.7	2.0	0.0
Adjusted Funding Gap	21.6	16.9	14.2	12.2	43.3	64.9

4. Whilst the financial circumstances that we face are not of our making, it is our responsibility to ensure we propose a robust, clear and balanced budget and that we face up to and deliver changes to our services to the best of our abilities in these very challenging circumstances. Although the reductions are lower than previous years the savings are more challenging to achieve, whilst continuing to deliver high quality services. We are committed to being a council that promotes growth and prosperity for its residents. We must ensure that services are targeted and make a difference to those people who need them most, making the most of technology, re-designing our services so they are fit for the future and working in partnership with our local communities, voluntary, charity and faith sectors to deliver services together as detailed in our Doncaster Growing Together Plan.
5. This report summarises the draft saving proposals to close the remaining £43.3m gap for 2018/19 – 2020/21; these are detailed in paragraphs 20 to 26 and Appendix D. This includes the Adults, Health and Wellbeing Transformation Programme, which focuses on helping people to look after their own health and wellbeing, but making sure that high quality health and social care is available if they need it, further details are provided in paragraph 22.
6. The draft savings proposals include an increase in Council Tax of 1.99% in 2018/19, which will generate £1.97m and is required in order to meet the budget gap and deliver a budget in line with the financial strategy. This will increase the council tax by 47p per week (31p Band A). Although the Council Tax system is disproportionate across the country, it is not something we can resolve overnight and the Council is aiming to improve the position by continuing to utilise the Government Social Care “precept”. The Council Tax proposals include a further increase through the Government’s 2% Social Care “precept” which equates to £1.98m of additional income for Doncaster. This will contribute towards the pressures for Adults, Health & Wellbeing including price inflation, pay inflation, investment in the care ladder and growth in the number of clients from projected changes in the population. The 2% Social Care “precept” will also increase council tax by 47p per week (32p Band A). The current council tax bill is £1,237.81 Band D (£825.21 Band A), overall this will increase the council tax to £1,287.20 per annum Band D (£858.13 Band A) which means an additional £49.39 for Band D council tax per annum or 94p per week (£32.93 for Band A per annum or 63p per week).
7. Doncaster continues to have one of the lowest Council Tax rates in comparison to other Metropolitan Districts and Unitary Authorities (the 9th lowest in 2017/18) as shown in Appendix F.
8. The analysis, at Appendix G, shows the current position regarding earmarked reserves. The balance on the uncommitted General Fund reserve for 2018/19 is estimated at £9.3m; this will reduce further to £8.6m in 2019/20.

EXEMPT REPORT

9. Not applicable.

RECOMMENDATIONS

10. Council is asked to note the Mayor's budget plan for 2018/19 to 2020/21 including the draft budget proposals to close the budget gap on the 21st December 2017, in preparation for approval at Council on the 5th March 2018.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER

11. The Council will continue to care for and protect the most vulnerable in society but it is inevitable that as the Council becomes a leaner organisation that citizens will see services delivered in new and different ways.

BACKGROUND

Medium-term Financial Forecast (MTFF)

12. The MTFF includes all the budget changes that are outside of the Council's control, as detailed in paragraphs 2 and 3; this has identified that the Council needs to make significant savings of £16.9m in 2018/19. Further details are provided in Appendices A and B, which shows details of the MTFF for 2017/18 to 2020/21.

13. In addition to the government funding reductions, the Council is also facing significant budget pressures. These include rising pay costs and increasing pension contributions, estimated at £3.5m in 2018/19 and £7.5m a year by 2021. The additional costs of contract inflation estimated at £5.5m in 2018/19 and £20.9m a year by 2021; this mainly provides £3m for the Adult Social Care contracts including the impact of the National Living Wage. It also provides the funding necessary to meet growth in the services and other service pressures. This includes providing £2.2m in 2018/19 for Adult Social Care to meet the increasing costs of supported living placements, more direct payments and the impact of an ageing population across all services.

14. The Council is currently forecasting a £3m overspend for the 2017/18 financial year; which needs to be managed and reduced to begin the 2018/19 financial year on a sustainable basis. We are also putting aside circa £2.0m each year for other service pressures, which will include providing additional funding for some of the areas that are overspending in 2017/18. A summary of the pressures for 2018/19 to 2020/21, is provided below and further detail in Appendix C.

Pressures	2018/19 £m	2019/20 £m	2020/21 £m	Total 2018/19 to 2020/21 £m
Adults Transformation Programme:				
Demographics	0.405	0.441	0.460	1.306
Direct Payments	0.309	0.461	0.303	1.073
Supported Living	1.183	1.150	0.436	2.769
Transitions	0.265	0.265	0.265	0.795
Additional Aiming High / Short Breaks	0.118	0.059	0.000	0.177
LO-CYP: Education Services Grant	0.500			0.500
Remove Early Help savings duplicated	0.200			0.200
Data Protection Lead Officers	0.172			0.172
Medical Examiners		0.175		0.175
Treasury Management	0.600			0.600
Other Service Pressures – to be considered and specific pressures identified.	1.682	2.000	2.000	5.682
Total	5.434	4.551	3.464	13.449

15. The pensions actuary have reported a considerable improvement in the financial position of the pension fund deficit; Doncaster's deficit is estimated to have changed from a £160m deficit to a slight surplus. This is mainly due to a rise in UK equities and foreign equities and a fall in the pound. An estimated reduction in the general fund deficit pension budget has been included in the MTFP for 2020/21, when the next tri-annual valuation in 2020 will take effect. The amount included takes into account the protection that is expected to be put in place.
16. The proposals have also been updated to include an estimate of the potential additional cost based on the recent Local Government pay offer (subject to consultation). The actual increase to the pay bill is over £6.2m by 2019/20 (6.8%). The additional cost for 2018/19 will be funded from a mixture of New Homes Bonus additional funding and other funding. The 2019/20 additional cost will be mainly funded from reserves and some New Homes Bonus; the reserves will be replaced in 2020/21 with reductions in the pension deficit budgets, subject to hedging in place.
17. The MTFP details the funding reductions and pressures up to 2020/21; this clearly demonstrates the importance of increasing income by raising the Council Tax, Social Care "precept" and other income from fees and charges. As government grants significantly reduce and the Council becomes more reliant on the income it generates, it must take every opportunity over the next 3 years to raise its income base through the individual rates and overall volume i.e. the number of council tax and business rates properties.
18. The next Government Spending Review will take place in 2020, we have included assumptions for 2020/21 and have based the government grant reductions on the current trajectory.

Autumn Budget 2017 Announcement

19. The Autumn Budget 2017 included a number of announcements, which will affect the Council budget, although further details are required to understand the full impact. These include: -
- Business rates – changing the indexation from the Retail Price Index (RPI) to the main measure of inflation Consumer Price Index (CPI); legislating retrospectively to address the so-called "staircase tax"; continuing the £1,000 business rate discount for public

houses per the conditions; and increasing the frequency with which the Valuation Office Agency (VOA) revalues non-domestic properties by moving to revaluations every three years following the next revaluation, currently due in 2022. The government will consult on the implementation of these changes in the spring. Local government will be fully compensated for the loss of income as a result of these measures.

- Local authorities can increase the council tax premium from 50% to 100% on empty properties. It is expected that this change will be implemented from 2020/21 at the earliest and the additional income is estimated at circa £0.3m.
- £45 million additional funding in 2017/18 to tackle around 900,000 potholes across England; based on previous allocations this could equate to circa £0.25m for the Council.
- £42 million additional funding for the Disabled Facilities Grant in 2017/18, supporting people to stay in their own homes, Doncaster has been allocated £0.17m.
- Plans to raise housing supply to a net additional 300,000 homes per year by the mid-2020s. This will have an impact on the 'homes for all programme' of Doncaster Growing Together, particularly the Housing Delivery theme. A range of measures to stimulate house building across the country have been announced: -
 - £1.5 billion Home Building Fund for SME's to build more homes;
 - £630 million Small Site Fund for remediation and infrastructure;
 - £2.7 billion to extend the Housing Infrastructure Fund;
 - £1.1 billion Land assembly fund to assemble fragmented pieces of land that are viable to build on;
 - £400 million available to Regeneration estates.
- Housing Revenue Account (HRA) borrowing caps will be lifted for councils in areas of high affordability pressure, so they can build more council homes. Local Authorities will be invited to bid for increases in their caps from 2019/20, up to a total of £1 billion by the end of 2021/22.

Draft Saving Proposals

20. The process of identifying and delivering savings is robust but flexible so that options can be identified and plans can be amended as and when required. This strategy will enable the Council to become a more efficient, leaner organisation with a greater understanding of the costs of delivering services and a sound financial base position.

21. The following draft saving proposals have been discussed over several months with both members and managers, further details are provided in Appendix D: -

Savings	2018/19 £m	2019/20 £m	2020/21 £m	Total 2018/19 to 2020/21 £m
Adults Transformation Programme:				
Admin and business support	-0.342	0.000	0.000	-0.342
Community Safety	-0.020	-0.172	0.000	-0.192
Customer Journey	-0.200	-0.715	-0.161	-1.076
Day Opportunities	-0.328	-0.336	-0.145	-0.809
Home Care	-0.588	-0.490	-0.386	-1.464
Housing related support services	-0.719	-0.719	0.000	-1.438
Leisure Trust	0.000	-0.250	0.000	-0.250
Residential Care - Older People	-0.862	-0.611	-0.502	-1.975

Savings	2018/19 £m	2019/20 £m	2020/21 £m	Total 2018/19 to 2020/21 £m
Residential Care - Working Age	-0.400	-1.537	-1.274	-3.211
Stronger Communities	0.000	0.000	-0.200	-0.200
Supported Living	-0.900	-0.443	-0.418	-1.761
Children's Trust (VFM)	-2.000	-2.000	-0.500	-4.500
Business Rates earmarked reserve	-0.700	0.000	0.000	-0.700
Business Rates Income	-0.989	-0.035	-1.072	-2.096
Commissioning	-0.100	0.000	0.000	-0.100
Council Tax 1.99% Increase	-1.967	-2.061	-2.161	-6.189
Council Tax Base Growth	-0.788	-0.819	-0.852	-2.459
Council Tax Collection Fund	-0.208	0.658	0.087	0.537
Council-wide - Reduce Senior Management	0.000	-0.100	0.000	-0.100
Fees & Charges	-0.350	-0.350	-0.350	-1.050
General Fund Contingency	-0.427	-0.099	-0.096	-0.622
Government's 2% Social Care "precept"	-1.976	-2.071	-2.171	-6.218
Metropolitan Debt Levy	-0.078	0.051	0.039	0.012
Parish Councils	-0.064	-0.094	-0.094	-0.252
Pension	-0.180	-0.100	-0.100	-0.380
Procurement	-0.250	-0.127	-0.287	-0.664
Sheffield City Region Levy	-0.055	0.000	0.000	-0.055
Audit Fee	-0.030	0.000	0.000	-0.030
Corporate Services	0.000	-0.200	-0.200	-0.400
Revenues & Benefits	-0.118	0.000	0.000	-0.118
LO-CYP: Management Restructure	-0.500	-0.300	0.000	-0.800
Assets Rationalisation	-0.423	-0.493	-0.200	-1.116
Highways (general fund)	-0.500	0.000	-0.500	-1.000
Highways and Streetscene	0.000	-0.500	0.000	-0.500
Independent Travel Training Scheme	0.000	0.000	-0.025	-0.025
Planning and Building Control	-0.100	0.000	0.000	-0.100
Regulation & Enforcement	-0.200	0.000	0.000	-0.200
South Yorkshire Passenger Transport Executive (SYPTe)	-0.335	-0.335	-0.335	-1.005
Waste Contract	-0.200	0.000	-0.300	-0.500
Total Savings	-16.897	-14.248	-12.203	-43.348

22. As detailed in paragraph 5, the Adults Health and Wellbeing Transformation Programme is committed to helping people to use their strengths and those of local communities to keep their independence for as long as possible, which is ultimately the right thing to do for most individuals. If more people are supported to live in their own homes, there will be less need for long term or traditional care, which in turn is expected to contribute significantly to the delivery of £4.3m savings in 2018/19 and £12.5m by 2020/21. The programme also focuses on making sure that high quality health and social care is available if they need it. There will be investment in services and additional funding provided for growth, of £2.2m in 2018/19 and £5.9m by 2020/21. The savings required in this area are significant and as such their delivery is key to the achievement of the Council's MTF. The main savings initiatives are: -

- a. Residential Care (Older People) – The number of people in long term care will continue to reduce as a result of helping more people over the age of 65 to continue to live in their own homes. Taking into account the additional funding for increased demand due to an ageing population, the 2018/19 saving equates to a further net reduction of 36 places. Due to the phasing of the reduction, £0.3m one-off improved Better Care Fund (iBCF) funding will be used in 2018/19 and the full-year effect of the changes will not be felt until 2019/20.
- b. Housing related support service – The Council and its partners are reviewing (discretionary) housing related support services, with a view to the transition of current service users to more appropriate forms of support. This is planned to save £0.7m in each year 2018/19 and 2019/20, which represents 55% of the net budget.
- c. Supported Living – The ambition is to help people in supported living to live more independently as part of the community and therefore need less traditional social care, including fewer care hours. Existing service users will also be encouraged to move to individual budgets (Direct Payment, Individual Service Fund or other option) to support choice and control. This is planned to reduce costs by £0.9m in 2018/19 and £1.8m by 2020/21. There will also be significant investment in supported living to facilitate the increase in demand due to the shift from long term residential care.
- d. Homecare – The savings are expected to be achieved through new ways of working and the introduction of initiatives to support people to keep their independence for longer, including an increased focus on rehabilitation and re-ablement. People will be encouraged to source their own support through better information, advice and guidance and to make best use of assistive technology solutions. This will reduce the demand for care hours, providing savings for customers as well as the Council. Overall savings equate to £0.59m in 2018/19 and £1.46m by 2020/21. The 2018/19 saving is equivalent to 64 clients (approximately 39,600 hours). Due to the time it will take to change homecare, £0.5m in one-off iBCF funding will be used in 2018/19 and the full-year effect of the saving will be delivered in 2019/20.
- e. The financial picture above highlights the significant pressure on the iBCF one-off funding in 2018/19 and the critical need to deliver the savings in preparation for 2019/20, when the one-off funding will reduce considerably.

23. The draft budget proposals include a £0.5m pressure for LO-CYP in relation to the Education Services Grant (ESG) and £0.5m savings from the Functional Review in 2018/19 and £0.3m in 2019/20. Further details are provided below: -

- £0.5m pressure – In 2017/18 the ESG reduced by £1.76m in total, £1.36m of this relating to LO-CYP services. School improvement service remodelling achieved savings of £0.55m against this cut, leaving £0.81m to be delivered; this was partly offset in 2017/18 by transitional ESG received for April to August 2017 of £0.52m. Achieving this saving on an on-going basis remains a challenge due to the level of future savings required and the amount of savings already delivered in 2017/18 through the management and early help restructures. Therefore £0.5m has been included in the budget proposals as a pressure.
- Functional Review savings – In total the LO-CYP's management review delivered general fund staff savings of £0.89m, in addition to Early Help restructure savings of £0.78m and school improvement service remodelling savings of £0.55m for 2017/18. These savings totalled £2.2m and reduced the overall general fund staffing budgets for LO-CYP from £7.1m to £4.9m, an overall reduction of 31%. LO-CYP's Functional Review is currently anticipated to be able to meet the 2018/19 savings target of £0.5m. It is envisaged that the general fund staffing budget will be reduced to £4.2m at the end of 2018/19, which is a further reduction of 14%. Further savings of £0.3m

are also required for 2019/20 against the functional review, which the service are anticipating being identified following the review and directorate process efficiencies.

24. The Council has negotiated a set of savings with the Children's Trust. These are aimed at bringing the cost that the Council pays for the Children's Trust more into line with benchmarked costs over a 3-year period. The Council is budgeting for savings of £2m in each of 2018/19 and 2019/20 and a further £0.5m in 2020/21. The Children's Trust is setting itself the same overall £4.5m target but on a more ambitious timescale starting with £3.1m in 2018/19. This is with the intention of the Children's Trust being able to save enough to set aside some reserves, which it needs to do as its reserves are under £0.1m. The Council will still be funding the costs of the pay award in the Children's Trust, inflation on the costs of children looked after, additional funding for the increasing numbers of children in the care system and on-going investment in a number of specific projects aimed at improving the care of children but at reduced costs. Council officers have seen the detail of the changes and savings that the Children's Trust plans to implement and these are summarised in Appendix D.
25. Fees and charges increases are expected to generate £0.35m in 2018/19 (and future years); this is based on the principle that charges are raised by RPI (3.9% in September 2017).
26. Where specific grants cease or reduce, it is assumed that the activities associated with the specific grant will cease and the Council will no longer incur expenditure in these areas, i.e. there will be exit strategies for all grant reductions. Further details are provided at Appendix E.

Post Reductions

27. A review of the 2018/19 to 2020/21 budget proposals has been undertaken, which has identified 153 f.t.e. potential post reductions within the council (this includes 17.5 f.t.e. post reductions due to grant exit strategies). This is an initial estimate calculated on the draft budget proposals and includes 63 f.t.e.'s for 2018/19, 68 f.t.e.'s for 2019/20 and 22 f.t.e.'s for 2020/21. Further work will be undertaken with managers as the savings proposals are developed further to refine this figure prior to the budget meeting in March 2018. The post reduction by individual budget proposals are provided in Appendix D. To achieve the savings the Council will initially look to delete vacant posts, then seek volunteers, then redeployment with compulsory redundancy being the last resort.

Grants to Third Sector Organisations

28. The 2018/19 grants proposed to third sector organisations (£0.7m) are detailed in Appendix F. The Council's strategy is to move more clearly commission and contract service activity, which provides greater certainty and continuity of provision of service for both the service provider (voluntary sector) and service users.

Financial Strategy

29. The financial strategy and 2018/19 budget is informed by the State of the Borough Assessment and the Doncaster Growing Together (DGT) Prospectus: -
- a. **Doncaster Learning** – ensuring we prepare our young people for fulfilling lives, with bold reforms that will broaden their horizons and ambitions, bringing our education system and business community together to give our young people more exposure and opportunities to flourish. The key budget proposals in relation to this area are LO-CYP management restructure and the previous year's ESG reduction, which has created a pressure in 2018/19.
 - b. **Doncaster Working** – developing the economy through continued inward investment, targeting higher skilled jobs and more emphasis on supporting existing businesses to grow. Ensuring local people can connect to opportunities is a key aim here. A key

budget proposal in relation to this area is the additional income from business rate growth; this is based on more developments in the borough and increased inward investment.

- c. **Doncaster Caring** – supporting our most vulnerable residents, whether children, adults, disabled people, families, older people. The emphasis here is on joining up social and health care and support and on shifting our focus to prevention and support that enables people to enjoy life with their families and communities. The key budget proposals in relation to this area are the Adults Transformation programme budget proposals and the Children’s Trust saving.
- d. **Doncaster Living** – developing Doncaster as an attractive and secure place to live, including meeting housing needs, including for vulnerable people, developing town centres and the arts culture and leisure offer and using physical activity, including cycling to improve population health and well-being. A key budget proposal for this area is the Highways and Streetscene proposal for 2019/20.
- e. The Doncaster Growing Together programme includes 5 principles for action:
 - i. We will deliver value – this covers all areas of the financial strategy, including the following specific aims in particular: -
 - reducing the number of buildings and concentrating our services in buildings that are cost-effective and are as multi-use as possible, e.g. Assets savings.
 - being as productive as possible which may involve redesigning some services, pushing for more commercial value for money processes and encouraging modern forms of service delivery. Our people are our greatest resource and we have to ensure that they are supported to deliver the best possible services for local people, e.g. Admin and business support (Adults Transformation Programme).
 - being a modern digital authority both internally and externally, with all services on-line. Providing a modern, high quality and efficient integrated front office with resulting improved service delivery through redesigned business processes, improved technology, mobile working and higher skilled staff. Utilising the resulting business intelligence to become a more intelligent and proactive organisation focused on assisting Doncaster as a place and its people to thrive, e.g. Customer Journey (Adults Transformation).
 - focused on reducing high cost services and ensuring we provide affordable services, e.g. Children’s Trust saving.
 - ensuring that our services fully recover their costs where possible and that there are no subsidised services without a clear decision to do so.
 - ii. Keep it simple – ensuring our financial strategy and budget plan is understood by all and focused on what we can do, not what we can’t do.
 - iii. Be ambitious – we want to help modernise and shape our services to encourage a culture that increases productivity, flexibility and ability to adapt to change as part of every-day business. We need to change the way we work to deliver services in a motivating and effective way, at the same time improving services for the public, e.g. Streetscene Streetlamp initiative phase 2.
 - iv. Do it together – we will work better with our partners, the voluntary sector, communities and businesses to commission and procure local services that make a real difference. We want well-managed services where our residents are at the heart of what we do. We are committed to delivering services in-house if

they deliver best value, e.g. joining up commissioning and creating a people department.

- v. Expect contribution – in all four policy areas, the strategy and programme emphasise the need for contribution from Doncaster citizens, who need to play a key role in the next stage of journey. We will help our communities and our residents to get the services that they really need and are right for them. That means the Council wants to know what works best for individuals and wants to help residents find the services that best suit their needs. We want to enable people and communities to help themselves and improve self-sufficiency, e.g. Adults Transformation Programme.
30. The Council will contribute significantly to the Doncaster Growing Together programme but equally will need to be ready for the future demands placed upon it. A Connected Council theme will identify the internal improvements required to ensure this happens, guided by five principles for action contained within Doncaster Growing Together.
 31. The financial strategy should also be read in conjunction with other Council strategy documents including Capital Programme, HRA budget, Treasury Management Strategy and ICT Strategy.

HRA

32. Rents will reduce by 1% in 2018/19 which is the third year of four that this reduction will apply. The Government have announced that post 2020 rent increases can return to CPI plus 1%, rent increases for future years will be considered as part of budget setting.
33. HRA resources have been identified to fund the installation of sprinklers in all nine high rise blocks and to fund other fire safety measures which have been identified.
34. Full service for Universal Credit (UC) began on 11 October 2017, it is estimated that full roll out will take up to 5 years with 7,500 tenants affected and an additional £23.8m of rent income to collect each year. Additional resources have been identified to prepare for the full roll out of UC and to assist tenants who are affected.

Capital

35. The capital programme for 2018/19 to 2020/21 includes a number of projects that will assist the Council to deliver on-going revenue savings. For example, providing one-off capital funding for the property investment company to be used to buy assets to increase Council income returns and contribute towards the Appropriate Assets savings target.
36. The capital programme is a multi-year rolling programme that is reviewed every quarter through the quarterly Finance and Performance Report.
37. The Council is investing in the following major capital programmes: -
 - a. £14m in a new, single, Central Library, Museum, Art Gallery and Archives for the Borough;
 - b. Continued investment in a range of projects in the urban centre aligned with the Urban Centre Master Plan which will attract more businesses into the borough and additional business rate income £21m;
 - c. Investment in major transport schemes, mainly using grants from the Sheffield City Region Investment Fund (SCRIF). This includes additional investment in the DN7 project and West Moor Link Dualling Road £26m;
 - d. 65 new Council owned affordable homes will be completed or acquired in 2018/19 through the Council's Affordable Housing building programme, investing £6.7m in 2018/19.

Reserves

38. A summary of earmarked reserves is shown at Appendix G, these have recently been reviewed and £1.4m reallocated in the quarter 2 finance and performance improvement report. The uncommitted general fund reserves are expected to reduce to £9.3m by 2018/19; this takes into account the quarter 2 projected overspend of £3m, potential additional investment required in the Children's Trust £0.3m and one-off expenditure requirements, e.g. £0.3m for the Tour de Yorkshire. It is also expected that £0.7m will be utilised in 2019/20 to fund the estimated additional cost of the recent Pay Offer (subject to consultation) thereby reducing the reserves to £8.6m. This one-off saving in 2019/20 will be replaced with on-going reductions in the pension deficit budget from 2020/21 onwards.
39. It is estimated that the 153 post reductions, detailed at paragraph 27, could cost circa. £1.5m (based on 30% Voluntary Early Retirement/Voluntary Redundancy post reductions). The anticipated balance of the VER/VR earmarked reserve is £3.5m as at 31st March 2018; therefore it is expected that the balance of £2m will not be required over the period. It is proposed to transfer this balance to the Service Transformation Fund in the quarter 3 Finance and Performance Improvement Report. This will provide some necessary one-off funding required to deliver the on-going savings in the future and increases the current unallocated balance of the Service Transformation Fund from £1m to £3m.
40. A full risk assessment of the Council's level of reserves is carried out each financial year, when setting the budget and updating the financial plan. This will be presented to Council when Council formally approves the 2018 /19 Revenue Budget at its meeting in March 2018.

Council Tax Capping & Referenda

41. Authorities are required to seek approval of their electorate in a referendum if any proposed Council Tax increase exceeds the principles set by Parliament. The Government will confirm the Council Tax Referendum Cap for 2018/19 as part of the provisional Financial Settlement in mid-December 2017 but it is expected to be 5.0% for those authorities that have decided to implement up to the maximum 3.0% adult social care "precept".
42. Full details of the calculation will be presented as part of the Council Tax setting report to Council in March 2018.

OPTIONS CONSIDERED

43. A menu of options for the savings have been produced and considered over the preceding months.

REASONS FOR RECOMMENDED OPTION

44. The budget proposals seek the appropriate balance in meeting the savings whilst still delivering on the key priorities; protecting front-line services where possible in particular children's social care services.

IMPACT ON THE COUNCIL'S KEY PRIORITIES

45. These are detailed in the table below: -

Priority	Implications
<p>We will support a strong economy where businesses can locate, grow and employ local people.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Be a strong voice for our veterans</i> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	<p>Council budget therefore impacts on all priorities</p>
<p>We will help people to live safe, healthy, active and independent lives.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
<p>We will make Doncaster a better place to live, with cleaner, more sustainable communities.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Creating Jobs and Housing</i> • <i>Mayoral Priority: Safeguarding our Communities</i> • <i>Mayoral Priority: Bringing down the cost of living</i> 	
<p>We will support all families to thrive.</p> <ul style="list-style-type: none"> • <i>Mayoral Priority: Protecting Doncaster's vital services</i> 	
<p>We will deliver modern value for money services.</p>	
<p>We will provide strong leadership and governance, working in partnership.</p>	

RISKS AND ASSUMPTIONS

46. The additional savings proposals outlined in this report are underpinned by the Council's comprehensive risk management strategy that helps to minimise risk. The Council's Strategic Risk Register is reviewed and updated on a quarterly basis and each service has formally documented its key risks and the actions taken to mitigate those risks in service plans. Key risks in relation to the 2018/19 budget include: -

- a. 2017/18 projected overspend position of £3.0m. This includes the projected overspend for the Doncaster Children's Services Trust; key pressures include Out of Authority placements, 18+ accommodation and CIC transition accommodation.
- b. Potential shortfall on the delivery of the savings, which are increasingly more challenging to deliver. In particular, the Adults Transformation Programme which will deliver significant service changes and savings. There is significant pressure on the iBCF allocation in 2018/19 and ongoing as detailed in paragraph 22. In addition, risks surrounding the interrelationship between Council funding and spend on Adult Social Care, taking into account the iBCF 2015 settlement allocation. The iBCF will need careful managing, including reducing on-going cost pressures and delivering alternative proposals to contain costs within the available funding.
- c. Risks around the Medium-term Financial Strategy budget assumptions, including: -
 - i. An estimate has been included for price inflation; there is a risk that the actual costs could be greater given the rising inflation (CPI 3.1% for November 2017). Price inflation is only provided for specific contracts and there is a cash freeze assumed for all other non-pay budgets.

- ii. An estimate has been included for budget pressures based on experience in previous years; the service pressures will be further developed as we produce the draft budget proposals for the budget meeting in March.
 - iii. There are a number of one-off grants decreasing or ending over the next 3 years, which require expenditure to reduce or cease completely retrospectively, i.e. iBCF one-off funding.
- d. Future budget pressures, e.g. Apprentices – any proposals to increase Apprentice pay to the national minimum wage could have a significant impact, Highways – additional funding may be required post 2021/22 for highways, estimated at circa £0.35m.
 - e. Council will consider the risk assessment of the level of reserves at its meeting on 5th March 2018.
 - f. There is a risk that the Council does not deliver the planned level of capital receipts that are required to fund items identified in the capital programme.
 - g. The 2020/21 budget is outside the current spending review period, the 2020 Government Spending Review will determine the funding available. Therefore there is a risk that the actual funding available may differ to the estimated figures included.

LEGAL IMPLICATIONS

- 47. The Council must set a balanced budget ensuring that resources are sufficient to meet its proposed spending plans. The Chief Financial Officer is required to advise the Council of the adequacy of its reserves and the robustness of estimates used in preparing its spending plans.
- 48. The Local Government Finance Act 1992 places a duty on Local Authorities to set an amount of Council Tax on or before 10th March, in the financial year preceding that for which it is set.
- 49. The Localism Act 2011 introduced a new Chapter into the Local Government Finance Act 1992, which makes provision for Council tax referendums to be held if an authority increases its Council tax by an amount exceeding principles determined by the Secretary of State.
- 50. The Council Tax (Demand Notices) (England) (Amendment) Regulations 2016 allow Local Authorities to increase Council Tax by 5% (3% on adult social care and 2% on all other expenditure) without the need to hold a referendum on the increase.
- 51. The Council will need to be satisfied that the budget set will ensure the Authority is able to discharge its statutory duties.
- 52. Under the general principles of public law, the Council must also act fairly when making budgetary changes or changes to services which potentially involve the reduction or removal of a previously enjoyed benefit. Acting fairly includes consulting fairly with those affected, conscientiously taking into account the results of the consultation and, where appropriate, having due regard to equality impact.
- 53. Some of the proposals outlined within the budget will affect service users and other individuals, particularly those with protected characteristics within the meaning of the Equality Act 2010. In appropriate cases, the budget may only be implemented by further decision making by either Cabinet or other duly authorised decision taker. That decision will need to be taken in full consideration of the Council's duties under the Equalities Act 2010 after full consideration of an appropriate due regard statement.

FINANCIAL IMPLICATIONS

54. These are contained within the body of the report.

HR IMPLICATIONS

55. The implications of some of the proposals contained within the 2018/19 to 2020/21 Budget are that a number of post reductions will be required to deliver the required efficiencies. Timely and meaningful consultation must take place with affected staff and trade union representatives with appropriate formal notifications. Every effort is made to manage post reductions through vacancies and volunteers and to redeploy at-risk employees into alternative employment, ensuring appropriate support and development mechanisms are made available. However, in some instances when all other avenues have been exhausted, there may be the need to make compulsory redundancies following the statutory procedure.

TECHNOLOGY IMPLICATIONS

56. Technology is as ever an evolving key essential enabler to support the delivery of all services and the key strategic budget themes outlined in this report. Robust and effective ICT governance arrangements will continue to be needed to ensure the delivery of the key priorities. A four year technology plan (2017-21) aligned with the Council's 4 year Medium Term Financial Forecast has been developed to ensure the resources, expertise and capacity within services is available. This will be monitored and continuously reviewed via the Council's ICT Governance Board.

57. There will also of course remain the on-going maintenance and support of all current technology as well as upgrades, responses to changes in legislation and continuous service changes and transformation. This includes the further dimension of on-line services, which allow customers to self-serve 24/7 and require constant monitoring, support, continuous development and improvement.

58. The Council's technical infrastructure providing desktop, internet and system connectivity, landline and mobile phone services to all buildings will also need to be maintained and changed or developed as required. This includes St Leger Homes, Doncaster Children's Services Trust and many schools. Increased partnership working including integration with health will also mean significant technical developments.

59. Finally, just as significant is ensuring all staff have the required digital skills to successfully embrace all the new and more efficient ways of working required. Therefore, close working between all services and the ICT and Digital Teams will be essential.

EQUALITY IMPLICATIONS

60. The Council must consider and have due regard to the three aims of the general equality duty when developing and implementing the Council's Medium Term Financial Strategy. A due regard statement will be produced for individual proposals as required and an overall summary included in the budget report due to be considered and approved in March 2018.

CONSULTATION

61. Directors and Cabinet have considered the draft budget proposals at several meetings between May and December 2017. Key dates in the budget timetable leading up to Council approving the budget on the 5th March 2018 are detailed below: -

- Government's Autumn Budget – 22nd November, 2017
- Labour Budget Group – 27th November, 2017
- Council – 4 year budget plan – 21st December, 2017
- OSMC consultation – January 2018
- Union consultation – January 2018
- Council – LCTS report – 25th January, 2018
- Cabinet – Council reports – 20th February, 2018
- Council – 5th March, 2018

62. This report has significant implications in terms of the following:-

Procurement	X	Crime & Disorder	X
Human Resources	X	Human Rights & Equalities	X
Buildings, Land & Occupiers	X	Environment & Sustainability	X
I.C.T.	X	Capital Programme	X

BACKGROUND PAPERS

- Council Report – Revenue Budget & Council Tax 2017/18, 2nd March 2017.
<http://doncaster.moderngov.co.uk/ieListDocuments.aspx?CId=130&MId=2450&Ver=4>
- Council Report – 2017/18 budget updates, 13th July 2017.
<http://doncaster.moderngov.co.uk/ieListDocuments.aspx?CId=130&MId=2566&Ver=4>

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Appendices Contents

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Appendix B	Medium-term Financial Forecast (MTFF) and key assumptions
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Appendix G	Grants to 3 rd Sector Organisations
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Explanation of Budget Gap 2017/18 to 2020/21

	17/18 £m	18/19 £m	19/20 £m	20/21 £m	17/18 to 20/21 £m
Baseline Income:					
<ul style="list-style-type: none"> Retained Business Rates 2% increase in the multiplier £1.0m/£1.0m/£1.0m/£1.0m Top Up increases per 4-year offer £1.0m/£1.2m/£1.4m and £0.7m for 2020/21 which is outside the offer period Revenue Support Grant reductions per 4-year offer £11.9m/£8.1m/£8.1m and £8.1m for 2020/21 which is outside the offer period 	-9.9	-6.0	-5.6	-6.3	-27.8
Specific Grant Reduction:					
<ul style="list-style-type: none"> Housing Benefit & Council Tax Support Admin Subsidy £0.1m/£0.3m/£0.2m/£0.1m Education Services Grant £1.8m in 2017/18 New Homes Bonus £0.1m/£0.5m/£0.4m/£1.0m 	-2.0	-0.8	-0.6	-1.1	-4.5
Specific Grant Increase:					
<ul style="list-style-type: none"> Extended Rights to Free Transport £0.1m in 2017/18 Improved Better Care Fund (iBCF) £1.3m/£5.9m/£5.0m and £2.0m for 2020/21 which is outside the offer period S31 grant - Business Rate Inflation Compensation - Top Up £0.5m in 2018/19 	1.4	6.4	5.0	2.0	14.8
Customer & Client Receipts					
<ul style="list-style-type: none"> Medical Examiners fees 	0.0	0.0	0.2	0.0	0.2
Staffing Budget Pressure:					
<ul style="list-style-type: none"> Pay Inflation – estimate based on recent LG circular £0.7m/£1.9m/£1.9m/£1.0m Increments £1.4m/£0.2m/£1.2m/£0.2m Living Wage Foundation £0.2m/£0.2m/£0.5m/£0.6m Employers Pension - funding required for deficit repayment (£0.9m)/£0.2m/£0.2m/£0.3m Employers Pension - Future Service Contribution Rate (FSR) phased increase to 15.5% in 2019/20 £0.9m/£0.8m/£0.2m Employers Pension - no longer a deficit position (£8.2m) in 2020/21 Employers Pension - increase FSR £3.5m in 2020/21 Auto Enrolment from 01.10.17 £0.2m in 2017/18 and £0.2m in 2018/19 	-2.4	-3.5	-4.1	2.5	-7.5
Prices Changes:					
<ul style="list-style-type: none"> Adult Social Care Contracts £2.0m/£3.0m/£3.0m/£3.0m Other inflation £3.3m/£2.5m/£2.1m/£2.0m 	-5.3	-5.5	-5.1	-5.0	-20.9
Levying Bodies	-0.1	-0.1	-0.1	-0.1	-0.4
Service Budget Pressures:					
<ul style="list-style-type: none"> Full details are shown in Appendix C 	-5.3	-5.4	-4.6	-3.5	-18.8
Total Funding Gap	-23.6	-14.9	-14.9	-11.5	-64.9

Detailed Medium Term Financial Forecast (MTFF)

The medium-term financial forecast for 2017/18 – 2020/21 is provided below: -

	Parag raph	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
Major Funding Sources					
Retained Business Rates	4,17	44.057	45.026	46.013	47.020
Top Up*	1,17	32.805	34.011	35.397	48.039
Revenue Support Grant*	1	36.150	28.131	20.041	0.000
Total Baseline Income		113.012	107.168	101.451	95.059
Specific Grants	8	63.688	63.447	65.029	63.769
Public Health Grant	11	24.437	23.802	23.183	23.183
Council Tax Income	14	100.432	100.432	100.432	100.432
Customer & Client Receipts		49.023	49.023	49.198	49.198
Other Income	21	65.667	65.667	65.667	65.667
Housing Benefit	24	86.546	86.546	86.546	86.546
Total Income		502.805	496.085	491.506	483.854
Total Council Expenditure Including Public Health (Funded)		494.136	504.832	496.085	492.211
<u>Expenditure Changes</u>					
Change in Housing Benefit (nil impact on reductions required)	24	-7.814	0.000	0.000	0.000
Grant decreases exit strategies in place (one-off)	9	-0.358	-4.946	-2.770	-2.136
Grant decreases exit strategies in place (on-going)	9	-0.933	-1.474	-0.706	-0.072
Staffing	25	2.412	3.546	4.059	-2.470
Prices Changes	30	5.310	5.470	5.140	4.960
Levying Bodies	34	0.100	0.100	0.100	0.100
Expenditure funded from additional income included above		21.620	0.020	0.000	0.000
Budget Pressures	35	4.146	5.434	4.551	3.464
Savings to be identified		-2.027	-16.897	-14.953	-12.203
Impact of Budget Proposals		-13.787			
Gross Budget		502.805	496.085	491.506	483.854
Use of one-off Uncommitted Reserves		-2.027		-0.705	
Gross Budget (Total Income plus one-off uncommitted reserves)		504.832	496.085	492.211	483.854
Net Budget Requirement (including Baseline Income)		213.444	207.600	201.883	195.491

* Top-Up Adjusted in 2020/21 by £12m to compensate for nil RSG in this year due to implementation of 100% Business Rates Retention.

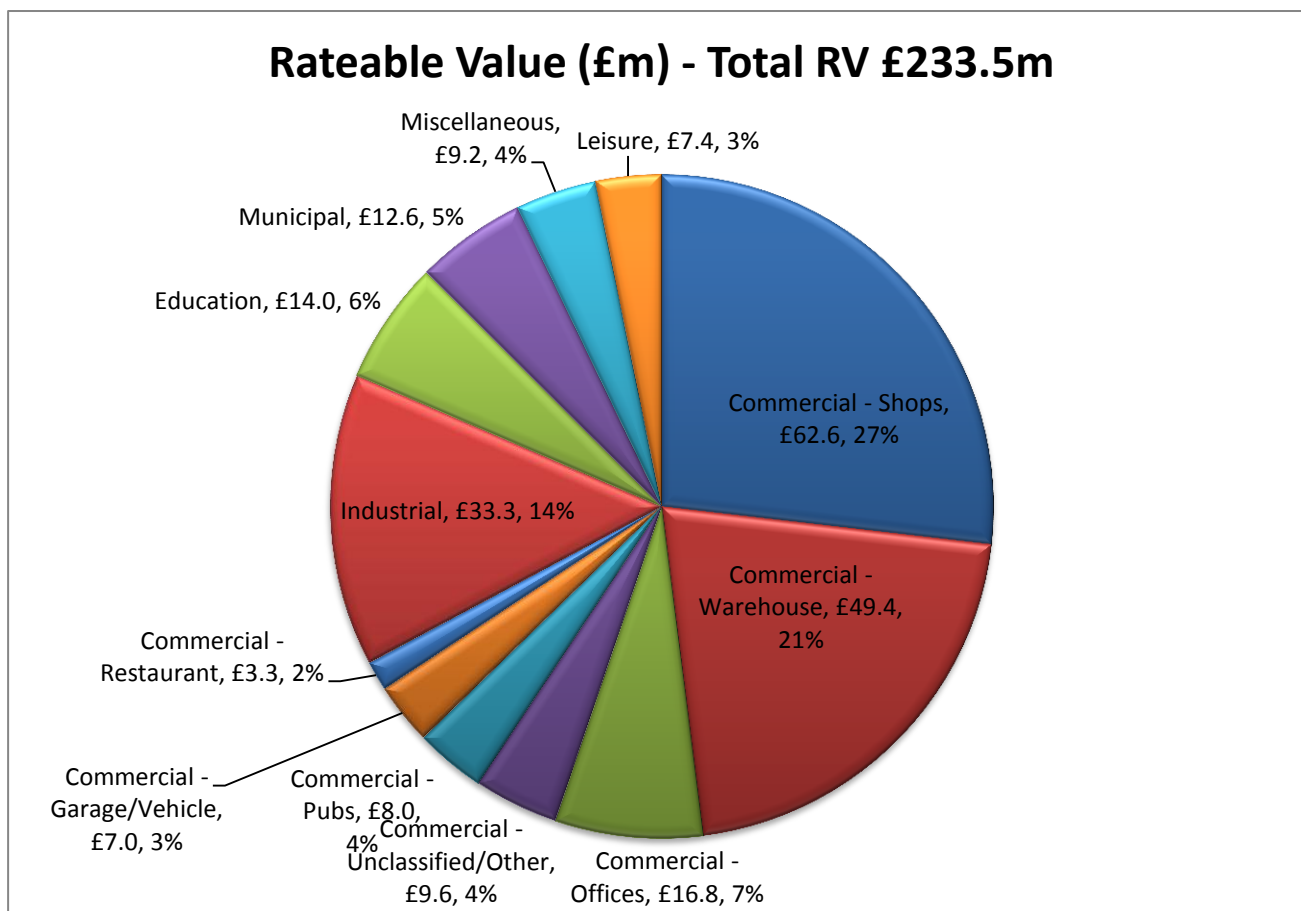
Reduction in Government Grants

Central Government Grant Settlements

1. Over the last seven years, public finances have been placed under unprecedented strain due to Government action in response to national and global economic events. This is expected to continue for the foreseeable future. There have been three Spending Review announcements in 2010, 2013 and 2015 covering in total the years 2011/12 – 2019/20 aimed at removing the Government's budget deficit and bringing the Government's finances back into surplus. To summarise the position: -
 - a. The public spending choice for the Government was essentially about the balance between tax increases and spending cuts; the outcome is heavily slanted towards the latter with Government funding to Councils falling substantially. In the Autumn Statement November 2016, the government remains committed to returning the public finances to balance, however due to the weaker growth outlook and the period of uncertainty, while the UK negotiates a new relationship with the EU the government will no longer seek to reach a fiscal surplus in this Parliament.
 - b. In the 2016-17 Finance Settlement Government announced the opportunity for Councils to accept a multi-year settlement offer to 2019/20. As part of the move to a more self-sufficient local government, these multi-year settlements can provide the funding certainty and stability to enable more proactive planning of service delivery and support strategic collaboration with local partners. The Government have said that Councils should also use their multi-year settlements to strengthen financial management and efficiency, including by maximising value in arrangements with suppliers and making strategic use of reserves in the interests of residents. The Council accepted this offer in October 2016.
 - c. The Government's Budget Statement of 16th March 2016 indicated that the Government is planning an additional £3.5billion of efficiency savings from departmental budgets in 2019/20. The Chief Secretary to the Treasury, with the support of the Paymaster General, will lead an efficiency review of all departmental spending which will report in 2018. However the Government made it clear that acceptance of the 4 Year Offer would mean that the Council would not suffer any further cuts to Revenue Support Grant over the period 2016/17 – 2019/20.
2. Prior to the General Election in June 2017, the Government consulted on changes to the local government finance system (including a review of the formula used) to pave the way for the implementation of 100% business rate retention from either 2019/20 or 2020/21. As part of this process Revenue Support Grant will be phased out. In order to do this, the Government proposed new legislation in the Local Government Finance Bill. The Local Government Finance Bill was dropped from the parliamentary timetable ahead of the General Election and it was not reintroduced in the Queen's Speech and so it will not form part of the Parliamentary timetable for this session.
3. The Government remain committed to local government taking greater control of their income, as outlined in the Conservative Party Manifesto. DCLG are engaging Ministers on the options for future reform without an immediate Bill. Further information will be provided in the March 2018 budget report. At this stage the MTFE does not take account of any devolution proposals.

Retention of Business Rates

4. The Business Rates Retention scheme whereby 50% of local business rates income is retained locally (Doncaster retains 49% and passes on 1% to the South Yorkshire Fire & Rescue Authority) and 50% is passed to Government has been in operation since 2013/14.
5. The local retention of business rates model calculates the difference between each Council's individual business rate baseline and their calculated baseline funding level and either a top-up or a tariff will be paid to Councils from Government. Doncaster Council will receive top-up funding of £34.011m for 2018/19. The emphasis of these reforms is to move local government funding away from a needs based system to one based on business rates and incentivising growth in the Council Tax Base (through the operation of the New Homes Bonus).
6. Full revaluations are carried out every five years and the last revaluation took place on 1st April 2017. As a revaluation should not affect the total tax raised, if valuations rise nationally then there should be a corresponding fall in the multiplier. As valuations did rise nationally, the multiplier fell in 2017/18 – the small business multiplier is 46.6p (down from 48.0p) and the higher multiplier 47.9p (down from 49.3p). This revaluation led to the revision of tariffs and top-ups. In general terms if the rateable value of businesses in a Council's area increased relative to the national average, central Government assumptions are that it can raise more income from Business Rates so Government reduced its top-up funding or increased the tariff it must pay. The opposite applies if the rateable value of businesses in a Council's area reduces relative to the national average. Doncaster's top-up increased from £27.197m to £32.805m in 2017/18 as a result of the rateable value for our area decreasing.
7. For information, the breakdown of total rateable value of Business Rates by category, based on the 2017 list, is shown in the chart below: -



Specific Grants

8. The Council receives a number of specific grants which are non-ring fenced and can be redirected to other areas of service provision as required. It also receives some specific grants that are ring fenced and can only be used for the specific purpose set out in the grant conditions. Specific grants are much fewer than in previous Spending Review periods as Government has rolled in excess of £5 billion of these grants into the baseline income for Business Rates Retention. The largest specific grant is Public Health and this is shown separately in the MTFF. In addition to Public Health, further details of the main specific grants (ring fenced and non-ring fenced) are provided below. The following table details the amounts announced for 2017/18 and the assumptions for 2018/19 - 2020/21: -

Grant	Issued By	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
Non Ring-fenced					
Extended Rights to Free Transport	DfE	0.122	0.122	0.122	0.122
Local Reform & Community Voices	DH	0.206	0.206	0.206	0.206
Local Authority Data Sharing	DWP	0.003	0.003	0.003	0.003
New Burdens Grant	DWP	0.153	0.153	0.153	0.153
Right Benefit Initiation (RBI)	DWP	0.047	0.047	0.047	0.047
Universal Credit	DWP	0.250	0.250	0.250	0.250
Adult Social Care Grant	DCLG	1.520	0.000	0.000	0.000
Flexible Homelessness Support Grant	DCLG	0.208	0.228	0.000	0.000
Improved Better Care Fund (iBCF) (March 2015 announcement)	DCLG	1.333	7.176	12.185	14.185
New Improved Better Care Fund (iBCF) (March 2017 announcement)	DCLG	7.046	4.316	2.136	0.000
New Homes Bonus	DCLG	4.946	4.448	4.050	3.127
Section 31 grants relating to Retained Business Rates	DCLG	3.767	3.767	3.767	3.767
Troubled Families Grant	DCLG	1.718	1.718	1.718	1.718

Grant	Issued By	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
Ring-fenced					
Dedicated Schools Grant (DSG) - Central Element (Includes Early Years)	DfE	27.351	27.351	27.351	27.351
Pupil Premium Grant (Children in Care Element)	DfE	0.760	0.760	0.760	0.760
Transitional Education Services Grant	DfE	0.516	0.000	0.000	0.000
SEND Implementation Grant	DfE	0.231	0.000	0.000	0.000
Staying Put Implementation Grant	DfE	0.143	0.143	0.143	0.143
Additional recurrent Children's Services Trust Costs	DfE	0.226	0.207	0.191	0.191
Music Services Grant	DfE	0.441	0.441	0.441	0.441
School Improvement & Brokerage Grant	DfE	0.088	0.088	0.088	0.088
Access Fund (Local Sustainable Transport)	DfT	0.262	0.262	0.262	0.262
Bikeability	DfT	0.021	0.021	0.021	0.021
Bus Service Operator's Grant - Local Authority Bus Subsidy Ring-Fenced (Revenue) Grant	DfT	0.020	0.020	0.020	0.020
Care Act Grant (Social Care in Prisons)	DH	0.343	0.343	0.343	0.343
Discretionary Housing Payments (DHPs)	DWP	0.886	0.886	0.886	0.886
Housing Benefit Subsidy Admin Grant	DWP	1.203	0.934	0.789	0.685
Independent Living Fund	DWP	0.726	0.703	0.682	0.660
The Private Finance Initiative (PFI) (Schools - fixed for the 25 years duration of PFI scheme)	DCLG	3.478	3.478	3.478	3.478
Council Tax Support Admin Subsidy	DCLG	0.430	0.385	0.358	0.333
Waste Infrastructure Grant	DERFA	2.385	2.385	2.385	2.385
Asylum Seekers (Unaccompanied Asylum Seeking Children)	HO	0.190	0.190	0.190	0.190
Independent Domestic Violence Advisors (IDVA) Grant	HO	0.010	0.010	0.010	0.010
Adult and Community Learning from Skills Funding Agency	BIS	0.753	0.753	0.753	0.753
Ambition SCR	BIS	0.163	0.000	0.000	0.000
Higher Education Funding Council for England (HEFCE) Payments	BIS	0.179	0.179	0.179	0.179
Individual Electoral Registration	CO	0.002	0.002	0.002	0.002
ERDF & ESIF - Launchpad	EC	0.231	0.231	0.000	0.000
ERDF & ESIF - SCR Growth Hub	EC	0.091	0.091	0.000	0.000
ERDF & ESIF - Technical Assistance	EC	0.080	0.040	0.000	0.000
Heritage Lottery Fund	HLF	0.111	0.111	0.111	0.111
Initial Teacher Training (ITT)	NCTL	0.445	0.445	0.445	0.445
Youth Justice Board	YJB	0.604	0.554	0.504	0.454
Total Specific Grants		63.688	63.447	65.029	63.769

9. The final Financial Settlement for 2018/19 (expected February 2018) and subsequent grant announcements may result in additional cuts to specific grants over and above those previously identified; where this is the case it is assumed that the activities will cease and the Council will no longer incur expenditure in these areas, i.e. there will be exit strategies for all grant reductions. Exit strategies are required for the following grant reductions and therefore these are not included in the budget gap, further details are provided at Appendix E: -

Grant	Issued By	Exit strategy 2017/18	Exit strategy 2018/19	Exit strategy 2019/20	Exit strategy 2020/21
One-off					
Adult Social Care Grant	DCLG		-1.520		
Flexible Homelessness Support Grant	DCLG			-0.228	
New Improved Better Care Fund (iBCF) (March 2017 announcement)	DCLG		-2.730	-2.180	-2.136
Section 31 grant - Business Rate Inflation Compensation - Top Up	DCLG		-0.493		
Ambition SCR	BIS	-0.358	-0.163		
ERDF & ESIF - Launchpad	EC			-0.231	
ERDF & ESIF - SCR Growth Hub	EC			-0.091	
ERDF & ESIF - Technical Assistance	EC		-0.040	-0.040	
On-going					
Dedicated Schools Grant (DSG) - Central Element (Includes Early Years)	DfE	-0.100			
Transitional Education Services Grant	DfE		-0.516		
SEND Implementation Grant	DfE		-0.231		
Additional recurrent Children's Services Trust Costs	DfE		-0.019	-0.016	
Bikeability	DfT	-0.009			
Access To Work	DWP	-0.016			
Independent Living Fund	DWP	-0.025	-0.023	-0.021	-0.022
Skills Made Easy (City Deal) from Skills Funding Agency	BIS	-0.115			
Youth Justice Board	YJB	-0.050	-0.050	-0.050	-0.050
Public Health Grant	DH	-0.618	-0.635	-0.619	
Total Exit Strategies		-1.291	-6.420	-3.476	-2.208
4 year Total			-13.395		

10. Further information on other significant specific grants is provided below: -

- a. Improved Better Care Fund (iBCF) – the Government is providing £1.5 billion additional funding for local authorities to spend on adult social care by 2019/20, to be included in an iBCF. The Government has said that it recognises that authorities have varying capacity to raise council tax. The additional funding for the iBCF will be allocated through a separate grant to local government, using a methodology which provides greater funding to those authorities which benefit less from the additional council tax flexibility for social care. This additional funding commenced in 2017/18, and is subject to grant conditions. This is separate to the Better Care Fund currently received which is shown under other income below.

- b. New Homes Bonus (NHB) is a grant that was paid for 6 years by Government based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. There is also an extra payment for providing affordable homes. NHB is funded by reducing the baseline funding available for Councils and as a consequence Doncaster is worse off because the amount deducted is significantly more than the grant received.
- i. In December 2015 the Government issued a Consultation Paper 'New Homes Bonus: Sharpening the Incentive' with the purpose of cutting the amount of grant it has to pay out as NHB. The Government response to the consultation was contained in the Provisional Settlement announcement on 15th December 2016. It reduced the number of years for which NHB is paid from the current 6 years to 5 for 2017/18 and 4 for 2018/19 onwards and introduced a national baseline for housing growth of 0.4% which has to be exceeded before any NHB becomes available.
 - ii. The NHB for the Council is estimated at £4.448m for 2018/19, which is £0.498m less compared to 2017/18, mainly due to the reduction in years from 5 to 4 and the 0.4% baseline.
 - iii. The net grant loss is significant at £24.493m. The position is reasonably comparable with other Metropolitan Districts who also fare badly from the redistribution of grant funding, due to the relatively high levels of grant funding received and high levels of deprivation. The DCLG led evaluation of the NHB published in December 2014 concluded that the most negative impacts of the NHB were seen in authorities in the north of England and Yorkshire and the Humber. The NHB is therefore being utilised to assist with the loss in grant. Housing growth is being progressed utilising alternative funding streams. The updated estimated grant figures are set out in the table below: -

Year	NHB Estimate (Housing Growth) £k	NHB Estimate (Reimbursement Grant) £k	Total Grant Receipt £k	Grant Reduction £k	Net Grant Loss £k
2011/12	403	0	403	1,412	1,009
2012/13	928	0	928	3,054	2,126
2013/14	1,314	565	1,879	5,312	3,433
2014/15	2,430	228	2,658	6,729	4,071
2015/16	3,478	224	3,702	8,500	4,798
2016/17	5,051	160	5,211	10,518	5,307
2017/18	4,946	173	5,119	8,868	3,749
2018/19	4,448	TBC	4,448	TBC	TBC
Total	22,998	1,350	24,348	44,393	24,493

- c. Dedicated Schools Grant (DSG) funds the schools budget (funding for schools and services that are provided centrally to pupils, early years and high needs budgets). Further information on the estimated 2018/19 Block allocations including Academies will be provided in the March 2018 budget report.
- d. PFI Schools - the Council entered into a PFI agreement with Government to rebuild Mexborough and Thomas Wharton Secondary Schools. The rebuilds were completed during 2008/09 and the Government will pay an annual grant of £3.478m for 25 years towards costs incurred, the final payment will be made in 2033/34.

Public Health

11. The Health and Social Care Act 2012 provided the statutory basis for Local Authorities to assume their new Public Health responsibilities from 2013/14. From this date the majority of Public Health functions transferred to the Council although some specialist elements of Public Health such as children's services 0-5, cancer screening etc. were retained by the NHS. Children's Public Health commissioning responsibilities for 0-5 year olds transferred from NHS England to Local Authorities on 1st October 2015 and this joins up that already done by Local Authorities for children & young people 5-19.
12. The ring fence on public health spending will be maintained in 2018/19 and Government will consult on options to fully fund local authorities' public health spending from their retained business rates receipts, as part of the move towards 100 per cent business rate retention. For 2018/19 the Council will have a reduction in the Public Health Grant of £0.635m.

The Collection Fund

13. All Council Tax receipts and Business Rates receipts are paid into and separately accounted for in the Collection Fund. Any surplus or deficit must be shared amongst the preceptors and utilised in budget setting in the following financial year. For Council Tax the preceptors are Doncaster Council, South Yorkshire Police Authority and South Yorkshire Fire & Rescue Authority. For Business Rates the preceptors are Doncaster Council, Central Government and South Yorkshire Fire & Rescue Authority.

Council Tax

14. A breakdown of the 2017/18 Council Tax income and assumptions are provided below. This is the 2018/19 baseline starting position: -

Council Tax (Band D)	£1,237.81
Band D Equivalent Properties	79,095
Council Tax Income	£97.905m
Collection Fund (Council Tax) Surplus	£2.527m
Total Council Tax Income	£100.432m

15. The assumed collection rate for Council Tax in 2017/18 is 98% - this was increased from 97% in 2016/17. Although the short term collection rate, e.g. the amount of 2016/17 debt collected in 2016/17, is around 95%, the long term collection rate, e.g. the amount of 2016/17 debt collected in 2017/18 and subsequent years, is around 99%.
16. All changes to Council Tax, including setting the collection rate, are policy decisions and are therefore detailed in the budget savings at Appendix D.

Business Rates

17. The MTFE assumes an increase of 2% per annum in the multiplier which is built into the Retained Business Rates and Top Up lines. Although the multiplier is based on the Retail Price Index (RPI) for September, which for September 2017 was 4.0%, the Chancellor has previously capped any increase at 2%.
18. The net Retained Business Rates income is reduced for losses on collection and losses due to appeals of approximately 1.5% and 2% respectively.
19. Any changes announced by the Chancellor that affect Retained Business Rates are accompanied by a section 31 grant to compensate Councils for any loss of income – these are shown in the Specific Grants section.
20. All other changes to Retained Business Rates, including setting the loss on collection, loss on appeals and growth, are policy decisions and are therefore detailed in the budget savings at Appendix D.

Other Income

21. Other income includes Continuing Health Care Contributions and Section 256 and Section 75 Agreements with the NHS, income from Other Local Authorities as well as income from charges made to Schools (including Academies), Housing Revenue Account, St Leger Homes and Children's Services Trust.
22. A significant Section 75 agreement is the Better Care Fund; this is where the Council has entered into a pooled budget arrangement with Doncaster Clinical Commissioning Group (CCG) for the provision of integrated health and social care services for people in the Doncaster area. The Council and the CCG have an annual agreement in place for funding these services, with partners contributing funds to the agreed budget in line with funding allocations, taking responsibility for its own deficit or surplus. Further information will be provided in the March 2018 budget report.
23. The following table sets out the Other Income for 2017/18. This is the 2018/19 baseline starting position: -

Income	2018/19 £m
External Recharge Income – includes charges to Schools including Academies (including for the Schools PFI), to the Capital Programme, to the Housing Revenue Account, to St Leger Homes and to the Children's Services Trust	30.607
NHS Contributions – includes income from Continuing Health Care Contributions and Section 256 and Section 75 Agreements with NHS (Better Care Fund & Pooled Budgets)	13.682
Trading Services Income	15.639
Contributions from Other Public Bodies - includes contributions from Rotherham MBC in respect of Waste PFI credits and the Coroners Service, contributions from the Home Office for Prison Libraries, from the Police & Crime Commissioner for Community Safety and recoupment from Other Local Authorities where their children are placed in Doncaster Council maintained schools	1.714
Contributions Towards Expenditure – includes service charges and various cost recovery charges including recovery of Court costs by Local Taxation Services	2.417
Investment Interest	0.640
Developer Contributions - S106 & S38 agreements	0.221
Other Contributions - includes external income from alarm monitoring for housing associations and from energy companies in relation to feed in tariffs for solar panels	0.747
Other Income	65.667

Housing Benefit

24. The 2017/18 estimated cost of £86.546m for Housing Benefit was based on an assumed 12,800 caseload for tenants in public sector accommodation and on an assumed 11,000 caseload for tenants in the private sector. At this stage, the estimates for the 2018/19 estimated cost is the same as 2017/18. Further information will be provided in the March 2018 budget report.

Staffing

Pay

25. Funding has been set aside to respond to the recent local government circular on a national pay award. It is estimated that pay will increase by over 5% over the next 2 years and that increments will be paid every other year for all staff except social workers who will continue to receive increments annually.
26. The Living Wage Foundation is based on the rate announced every November. The rate for November 2017 which becomes effective for 2018/19 is £8.75 per hour. It is assumed this will rise by around 3.9% per annum thereafter.

Pension

27. The assumptions on the pension contributions detailed below include the future service rate increasing to 14.9% for the period 2017/18 to 2019/20. The council has planned to phase in this increase over 3 years: 14.0% in 2017/18, 15.2% in 2018/19 and 15.5% in 2019/20 (an average of 14.9% per annum).
28. The actuarial valuation used for the period 2017/18 – 2019/20 showed Doncaster's Pension Fund deficit as £160m. The Pension deficit payment is based on the key membership analysis and recovering the £160m deficit over the next 18 years from 2018/19. The deficit figures include allowance for short term pay growth of 1.25% per annum for 4 years up to 2019/20.
29. The latest information from the actuary now shows that Doncaster's Pension Fund is no longer in deficit and has moved into surplus. Work is on-going to safeguard the surplus until the next valuation period; therefore the MTFE assumes that the pension deficit budget can be reduced from 2020/21.

Staffing	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m
Pay Inflation – estimate based on the current national Pay Offer (subject to consultation)	0.712	1.868	1.931	1.038
Increments	1.350	0.220	1.191	0.220
Living Wage Foundation	0.150	0.248	0.507	0.562
Employers Pension Contribution				
Employers Pension deficit saving phased	-0.920	0.230	0.240	0.300
Future Service Rate Contribution Rate (to 15.5% in 2019/20)	0.920	0.780	0.190	
Reduce Pension deficit budget for estimated position with protection				-5.220
Future Service Rate Contribution Rate (1% increase from 2020/21)				0.630
Auto Enrolment (from 01.10.17)	0.200	0.200		
Total	2.412	3.546	4.059	-2.470

Price Inflation

30. The Government's Summer Budget of 8th July 2015, by introducing a National Living Wage for those aged 25 and over of £7.20 from 1st April 2016 with the expectation that it will rise to £9.35 from 1st April 2020, has had a very significant impact on the costs of Adult Social Care contracts. The estimated cost increases for 2018/19 are based on the announcement in the 2017 autumn statement that the rate will be £7.83 from 1st April 2018.

31. A proportion of Council expenditure is tied up in contracts, which have inflation increase assumptions built into the terms and conditions, e.g. Adult Social Care, Doncaster Children's Services Trust, Highways and Waste Contracts. The financial strategy assumes that these cost increases will need to be built into future projections in full. There are also a small number of areas of general expenditure on services and goods, where a general inflation factor has been estimated, based upon what is known of the market pressures and various indicators of inflation such as RPI projections, for example repairs and maintenance of buildings.
32. Dependent on the contract, inflationary increases are generally based on either the Consumer Price Index (CPI), Retail Price Index (RPI) or Retail Price Index excluding mortgage interest payments (RPIX). The table below shows an annual comparison of the different indices and various months that are commonly used in contracts: -

	CPI	RPI	RPIX
July 2017			3.9%
<i>July 2016</i>			3.9%
September 2017	3.0%	3.9%	4.1%
<i>September 2016</i>	1.0%	2.0%	2.2%
December 2017 estimate		4.1%	
<i>December 2016</i>		2.5%	
March 2018 estimate			4.0%
<i>March 2017</i>			3.4%

33. The cost of price inflation for 2017/18 was £3.748m, including £1.965m for Adult Social Care contracts. The various inflation indicators shown in the table above have nearly doubled since last year. It is assumed that £3.000m will be needed in 2018/19 for Adult Social Care contracts and a further £2.008m needed for other inflation. This would only leave £0.462m to cover any unforeseen items/changes in 2018/19. Further information will be provided in the December 2017 budget report.

Services and Other Budget Pressures

Levying Bodies

34. For 2018/19 it is assumed that an additional £0.100m will be required for increases in drainage levies charged by the Environment Agency and Drainage Boards.

Budget Pressures

35. The service pressures are estimated at £5.434m for 2018/19 and £13.449m for the period 2018/19 to 2020/21; these are detailed at Appendix C. All service pressures are robustly challenged to ensure that they are absolutely necessary for on-going delivery of Council services.

Draft Budget Proposals 2018/19 to 2020/21 - Detail

				-0.395	5.434	4.551	3.464	13.449
Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m
2017/18 Pressure	AH&Wb	Demographics	<p>The Council is facing pressures on its services as a result of an ageing population and a greater demand from working age adults (mainly physical disabilities). Based on local population forecast data it is estimated that this increased demand will cost circa. £0.4m per annum. For 18/19 This includes £208K for Older People, £162K for Working Age Residential and £35k for Home Care and Direct Payments.</p> <p>Doncaster's population aged over 65 is expected to grow by almost 7% between 2017 and 2021 from 57,900 to 61,700. In addition to this it is anticipated that the number of 18-64 people supported by the council will increase by at least 12 over the same period.</p>	0.446	0.405	0.441	0.460	1.306
2017/18 Pressure	AH&Wb	Direct Payments	<p>Client numbers with Direct Payments have increased from 610 in April 17 to 766 in September 17, and Direct Payments are expected to continue to grow by roughly 1-2 per week ongoing. Growth of £309k in 18/19 would fund 37 clients at the current average cost of £8.3k.</p> <p>Direct Payments offer individuals a wider range of choice, and will be offered to service users early in the customer journey. It will be a better option than Day Service, Home Care and Supported Living for many service users.</p> <p>Gross exp £10.5m, gross inc £3.6, net £6.9m</p>	0.220	0.309	0.461	0.303	1.073

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m
2017/18 Pressure	AH&Wb	Supported Living	<p>The Council is working with the market to invest in new Supported Living options (e.g. Extra Care, Shared Lives, Short Stay). This will support the shift out of residential care and help delivery of the Working Age Residential Care saving.</p> <p>This investment will not be incurred until the savings in Supported Living and Working Age Residential have been clearly specified. £1.183m equates to 72,000 hours and 2,390 sleep-ins or roughly 25 service users.</p>	0.104	1.183	1.150	0.436	2.769
2017/18 Pressure	AH&Wb	Transitions	<p>The investment of £265k pa is planned to support young people transitioning from children's services into adults services.</p> <p>For 2017/18 4 children have transitioned/are transitioning to Adults. One is now fully funded by CCG and the full year cost for the other 3 is c. £460k. Best interest guidelines are being followed alongside consideration of the most cost efficient placement.</p> <p>In 2018/19 a further 4 children are expected to transition currently costing the Council £661k.</p> <p>We will be working with the individuals and their families to develop appropriate support packages which provide the necessary support and maximises their independence. There is a risk that the £265k growth will not be sufficient and this will be monitored closely.</p>	0.265	0.265	0.265	0.265	0.795

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m
2018/19 Pressure	Council- Wide	Data Protection Lead Officers	The new General Data Protection Regulation (GDPR) is due to take effect from 25 May 2018 and will introduce significant changes to the current data protection rules in the Data Protection Act 1998 which the Council must comply with. The Council is proposing to recruit four permanent Data Protection Lead Officers (F&CS, AHWB, L&O and R&E) to assist the one Council Data Protection Officer and other members of the working group already established to implement the changes across the Council, ensure DCST, SLHD and relevant Schools also meet their duties as key partners and to also maintain these arrangements successfully thereafter.	0.000	0.172	0.000	0.000	0.172
2018/19 Pressure	Council- wide	Medical Examiners	Appointment of Medical Examiners by Local Authorities for implementation of medical certificates of cause of death reforms from April 2019. It is anticipated that this additional cost will be funded from a new grant in 2019/20, this is included in the medium-term financial plan (MTFP).	0.000	0.000	0.175	0.000	0.175
2017/18 Pressure	Council- Wide	Other Service Pressures	£2m provided general service pressures each year - 2018/19 figure adjusted for some specific pressures identified (AHWB pressures additional).	0.600	1.682	2.000	2.000	5.682
2018/19 Pressure	Council- Wide	Treasury Management	Additional funding required for increased treasury management costs resulting from additional borrowing for the capital programme.	-2.230	0.600	0.000	0.000	0.600
2017/18 Pressure	LOCYP	Additional Aiming High / Short Breaks	Aiming High/Short Break placements/activity - continuing pressures on this budget. Short Breaks Task Group is currently reviewing this area and financial modelling across next 5 years indicates return to a balanced budget by 2019/20. The financial modelling carried out by the Short Breaks task group indicates all the growth budget is required in 2018/19 to balance the budget, and that in 2019/20 growth budget of £59k is required.	0.200	0.118	0.059	0.000	0.177

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m
2018/19 Pressure	LOCYP	LO-CYP: Education Services Grant	The Education Service Grant (ESG) was cut from April 2017, with savings to LOCYP required of £1.36m from 2017/18, in addition to those already identified under phase 2 of LOCYP: restructure savings required from 2018/19. Through the LOCYP management review £0.55m savings were identified, through changes to school improvement, from April 2017. The remaining ESG cut of £813k was allocated to LOCYP as an unallocated cut for 2017/18, partly offset by transitional grant for April-August 2017. Whilst the functional review is currently anticipated to be able to meet the remaining restructure savings targets and Early Help cut of £170k, the achievement of the additional ESG cut is not expected to be possible in full due to the level of cuts required and the cuts already made in 17/18 through the Management and Early Help restructures. The allocation of £500k will reduce the saving required for LOCYP to £313k, from 2018/19, which the service will review further and anticipate potential savings could be realised through remodelled business support, additional digital savings and directorate efficiencies which will need to be identified for 2018/19.	0.000	0.500	0.000	0.000	0.500
2018/19 Pressure	LOCYP	Remove Early Help savings duplicated	Early help saving duplicated with the Children's Trust saving - reduce previous years saving. The remaining Early Help cut of £370k is funded from Service Transformation Fund (STF) in 2017/18. The saving is to be reduced by £200k in 2018/19, as duplicated with Children's Trust saving, and the balance of £170k is expected to be achieved via LOCYP's functional review.		0.200			0.200

Draft Budget Proposals 2018/19 to 2020/21 - Detail

				-14.749	-16.897	-14.248	-12.203	-43.348	54.5	59.0	22.0	135.5
Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2018/19 Saving	AH&Wb	Admin and business support (AHWb)	<p>Savings are planned to be achieved by streamlining and automating directorate administration.</p> <p>The saving of £342k equates to a reduction of 15 posts. The full savings are not possible until the planned changes in the Customer Journey and Community Led Support ways of working are fully implemented. We estimate c. 8 posts will be reduced.</p> <p>£171k from iBCF will be used to manage the delivery of this target over the next two years .</p> <p>Present net budget £690k (approx. 33 posts)</p>	0.000	-0.342	0.000	0.000	-0.342	8.0	7.0	0.0	15.0
2018/19 Saving	AH&Wb	Community Safety	<p>The Community Safety service will explore internal savings at a local level to deliver this proposal from all areas of the budget, including a blend of post reductions and exploration of commercial and external funding opportunities with the Alarm Receiving Centre, which is now on a footing to provide CCTV and alarm monitoring. The Council will continue to explore possible alternative shared service options with other local authorities and the Police. An Options Appraisal will be undertaken.</p> <p>The reduction to grants set out in Appendix G includes a £20k reduction in 2018/19 to the Doncaster Rape and Sexual Abuse Counselling Service (DRASACs) as a result of them now receiving direct funding from the Police and Crime Commissioner (further details in Appendix G).</p> <p>Present net budget: £800k.</p>	0.000	-0.020	-0.172	0.000	-0.192	0.0	2.0	0.0	2.0

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	AH&Wb	Customer Journey	<p>Increased use of information advice & guidance and a redesigned community model that helps individuals to find new and better ways to meet their needs will reduce the number of individuals requiring social care services.</p> <p>Improvements that make better use of technology, that streamline, automate and focus our work will also make it possible to undertake our business with fewer staff resources. Savings of £1.076m, equating to 31 posts (13% of establishment) are planned to be achieved by changing the way we work.</p> <p>These staff savings can only be achieved when the new Customer Journey and Community Led Support ways of working are fully implemented. A more modest target of £200k (6 posts) is planned for 18/19, with the biggest reduction of £715k (21 posts), planned for 2019/20.</p> <p>Present net budget: £8.1m (staffing 235 FTEs)</p>	-0.469	-0.200	-0.715	-0.161	-1.076	6.0	21.0	4.0	31.0
2017/18 Saving	AH&Wb	Day Opportunities	<p>The service is being modernised to give service users better choice and control, to give them the option for individualised and more meaningful activities closer to where they live and access to employment. Most day opportunity users will be expected to take a direct payment (separate investment money set aside) to pay for a wider range of activities tailored to their individual needs. If service users choose to take up these opportunities, closer to where they live, the current Council's staff costs and transport costs will reduce. Total savings of £809k (£566k staffing / £243k transport) are planned to be achieved by the promotion of new Day Opportunities. The savings for the first year are £328k (£230k staffing / £98k transport).</p> <p>The Day Opportunities programme is already underway.</p> <p>The savings are spread evenly over the planned period.</p> <p>Present gross exp £2.9m, gross inc £0.5m, net £2.4m. (staffing 95 FTEs)</p>	-0.253	-0.328	-0.336	-0.145	-0.809	5.0	10.0	5.0	20.0

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	AH&Wb	Home Care	<p>New ways of working across the social care service will make savings in home care costs possible. Customers will be encouraged to make best use of assistive technology, and people will be encouraged to source their own support through, for example, the Information, Advice and Guidance resource called Your Life Doncaster.</p> <p>More people will be helped to stay independent for longer by increasing the focus on rehabilitation and reablement. All these initiatives will reduce the demand for care hours, providing a saving for customers as well as the Council.</p> <p>Since the beginning of 2017/18 the number of packages paid for directly by the council have reduced from 1,277 per week to 1,057 per week @ August 17. This is mainly due to service users moving to direct payments as part of the new CCaSH arrangements. This was a planned outcome and additional budget has been set aside (see below) to cover the transfer of costs from homecare budgets to direct payment budgets.</p> <p>In addition to the transfer of costs to direct payments, work has also been undertaken to review the care plans of around 400 individuals. This is likely to have reduced homecare costs but the revised packages of care are still being agreed and costed so finalised figures are not yet available.</p> <p>The gross home care reduction over in 2018/19 is £0.588m, which equates to a reduction of 64 clients (approximately 39,600 hours). It is unlikely that this can be achieved in full by the end of 2018/19, so £0.3m iBCF home care funding has been allocated in 2018/19.</p> <p>Gross exp £10m, gross inc £3.4m, net £6.6m.</p>	-0.724	-0.588	-0.490	-0.386	-1.464	N/A	N/A	N/A	N/A

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2018/19 Saving	AH&Wb	Housing related support services	<p>The council and relevant partners are reviewing (discretionary) housing related support services with a view to the transition of current service users to more appropriate forms of support. There are currently 12 related contracts covering 58 units and 610 packages of support (including floating support and hostels) that mainly relate to mental health, children, homelessness and learning disabilities. The saving of £1.438m, spread over 2 years, represents 55% of the current net budget of £2.6m. The plan is to work towards the following notional targets over the 2 years based on spend levels:</p> <p>Children & Young People (4 contracts) £0.388m Complex Lives (3 contracts) £0.661m Mental Health (3 contracts) £0.300m Learning Disability (1 contract) £0.063m Domestic Abuse Support (1 contract) £0.026m Total £ 1.438m</p> <p>This area of work originated with historical Supporting People arrangements (plus other minor areas) and many of the contracts are considered to be quite traditional in approach. More efficient or entirely new ways of working are being investigated for the benefit of the people concerned in addition to releasing savings.</p> <p>The AHWB directorate is working with colleagues in other parts of the council and with wider Doncaster partners, to make sure that the risks to individuals are minimised and that where necessary suitable alternatives are available for the people concerned.</p> <p>Present gross exp £3.7m, gross inc £1.1m, net £2.6m</p>	0.000	-0.719	-0.719	0.000	-1.438	N/A	N/A	N/A	N/A
2017/18 Saving	AH&Wb	Leisure Trust	<p>This proposal is linked to the Get Doncaster moving, where we want more people to be physically active not only through organised sport but making healthy choices in everyday activities such as active travel. There will be more capital investment for leisure, which will assist DCLT to deliver the general revenue efficiencies from 2019/20 and therefore reduce revenue subsidy for taxpayer.</p>	-0.250	0.000	-0.250	0.000	-0.250	N/A	N/A	N/A	N/A

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	AH&Wb	Residential Care - Older People	<p>Considerable progress has already been made over the last 2 years in enabling older people to remain independent in their own homes, resulting in fewer people needing residential care. We began 17/18 with 850 DMBC funded clients and the aim was to reduce to 798 by March 18 (52 less), but based on quarter 2 figures we are now forecasting 64 less by the year end, i.e. DMBC client numbers reduce to 786.</p> <p>To deliver the savings in 2018/19 a further net reduction of approximately 36 places is required. This will deliver £327k of savings with staggered reductions over the course of 2018/19, which equates to £654k in a full year. This plus the additional £208k funding highlighted for demographics (see below) will deliver the required £862k in a full year. However, due to the gradual reductions expected in 2018/19 IBCF funding will be required to cover the £327k gap next year.</p> <p>The total savings of £1.975m planned between 2018/19 and 2020/21 equate to 14% of the net budget.</p> <p>Present gross exp £28.6m, gross inc £14.6m, net £14.0m</p>	-1.418	-0.862	-0.611	-0.502	-1.975	N/A	N/A	N/A	N/A

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	AH&Wb	Residential Care - Working Age	<p>The saving can be achieved through the transition of people from residential settings into more appropriate, more independent support options, including supported living, extra care and shared lives. This change would be beneficial for the individuals concerned and result in more efficient personalised services.</p> <p>We have reviewed the majority of clients, and evidence indicates that there are 72 people who would be better served by such alternative provisions. To achieve £3.211m we need to reduce the current 193 client base by 72 individuals, at an average cost of £44,500.</p> <p>In 18/19 we are planning to achieve savings of £400k; which equates to 9 clients in total. However because not all these individuals will move at the start of the financial year, we will need to support approximately 15-20 people to move on to alternative provisions in 18/19 to achieve these savings.</p> <p>There is £2.8m investment available in Supported Living, including £1.2m next year, to fund alternative provisions.</p> <p>There is also money available for demographic changes (£162k) and transitions from childrens services (£265k) to fund the rising demand for Working Age Residential and Supported Living services.</p> <p>The investment in Supported Living will only be incurred when there is confidence that the residential reductions can be achieved.</p> <p>Present gross exp £10m, gross inc £0.8m, net £9.2m</p>	-0.900	-0.400	-1.537	-1.274	-3.211	N/A	N/A	N/A	N/A
2018/19 Saving	AH&Wb	Stronger Communities	<p>The saving is planned for 2020/21 and relates to Council staff reductions enabled by an alignment of teams to the community led support model and enablement agenda, leading to productivity improvements.</p> <p>The saving of £200k is 9% of the net budget and equates to a reduction of approximately 7 FTEs.</p> <p>Present gross exp £2.99m, gross inc £0.75m, net £2.24m</p>	0.000	0.000	0.000	-0.200	-0.200	0.0	0.0	7.0	7.0

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2018/19 Saving	AH&Wb	Supported Living	<p>The ambition is to help individuals to live more independently in communities and therefore require less traditional social care, including fewer care hours. Existing service users will also be encouraged to move to individual budgets e.g. Direct Payment (DP), Individual Service Fund (ISF) etc. to support increased choice and control.</p> <p>The Supported Living service is largely delivered through 4 Contracts (Living Ambitions, Lifeways, St Anne's and Mencap) which are due to be re-let on the 1st of September 2018. This is an opportunity to move away from the conventional methods of support, and promote the strengths based approach (including support options such as extra care, shared lives and short stay). The Council will also look for efficiency savings in this area and examine alternative ways of delivering the in-house provision.</p> <p>A saving of £1.761m (12% of net budget) is planned by giving the current 295 users of the service greater independence and choice and control over the support they receive. The saving planned for 2018/19 is £900k.</p> <p>Any shortfall on these savings will be off-set by a reduction in the £1.2k investment planned for Supported Living in 2018/19.</p> <p>Forecast spend for 2018/19 is £14.2m, funding approximately 295 clients. Average cost per client is c. £48k</p>	0.000	-0.900	-0.443	-0.418	-1.761	N/A	N/A	N/A	N/A

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2018/19 Saving	Children's Trust	Children's Trust	The Children's Trust have put forward a range of savings to achieve the overall £4.5m target and these have been reviewed by Council officers. They represent a package of options that should not reduce the quality of services offered. The Children's Trust is a separate company and it is their decision and responsibility to make the savings necessary to meet the agreed contract price and it is not the Council's decision as to what these savings initiatives are. The main changes relate to changes in the care ladder to try to ensure that a slightly larger proportion of children are not at the high cost end of the care ladder. There are also a number of business support efficiencies, reduced use of agency staff and some restructuring of services. The Children's Trust did not adopt terms and conditions changes when the council did and is considering its options, as it has to, in light of the proposed national pay award. The Children's Trust is also in the process of implementing the changes to guardianship and responsibility order payments arrangements previously agreed with the Council and this will contribute to the savings target in 2018/19.	0.000	-2.000	-2.000	-0.500	-4.500	TBC	TBC	TBC	TBC
2018/19 Saving	Council-Wide	Business Rates earmarked reserve	A reserve was created due to the risks around the volatility of Business Rates income mainly due to the impact of the revaluation and appeals. This has now stabilised and therefore it is possible to release the reserve over 4 years. The current balance is £2.8m therefore this will provide a £0.7m saving over 4 years (2018/19 to 2021/22), with the final year being outside this medium-term financial plan. An alternative on-going saving will need to be identified for 2022/23.	0.000	-0.700	0.000	0.000	-0.700	N/A	N/A	N/A	N/A
2017/18 Saving	Council-Wide	Business Rates Income	Business rates growth - 2% per annum increase in multiplier already included in the 1st March 2016 Council approved MTFF. Additional growth has been identified for future years based on known and expected developments, e.g for 2018/19 new build at the Iport, several new supermarkets across the borough and new developments at Quora Retail Park Thorne (two retail units, hotel and fast-food unit). An additional £1m growth in 2020/21 generated by the additional Business Rate Incentive one-off funding. The Fellowes unit at the I-port is part of the incentive scheme and is now generating business rates.	-1.367	-0.989	-0.035	-1.072	-2.096	N/A	N/A	N/A	N/A

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2018/19 Saving	Council-Wide	Commissioning	The commissioning of services from external organisations, by the Council and health partners, will be brought together. As we move towards the full integration of health and social care services in the future. This is expected to deliver efficiencies as we reduce duplication and do more joint commissioning.	0.000	-0.100	0.000	0.000	-0.100	3.0	0.0	0.0	3.0
2017/18 Saving	Council-Wide	Council Tax 1.99% Increase	Council Tax increase 1.99% a year (Doncaster Council's charge for a Band A property estimated at £996.04 - an increase of £19.43)	-1.880	-1.967	-2.061	-2.161	-6.189	N/A	N/A	N/A	N/A
2017/18 Saving	Council-Wide	Council Tax Base Growth	Council Tax base growth - estimate based on additional net (i.e. new properties less demolitions) 750 band D equivalent properties per annum (e.g. 1,125 band A properties are equivalent to 750 band D properties). This will be reviewed as part of the Council Tax Base calculation for 2018/19 - this should be available w/c 15th Dec.	-0.859	-0.788	-0.819	-0.852	-2.459	N/A	N/A	N/A	N/A
2017/18 Saving	Council-Wide	Council Tax Collection Fund	Collection Rate loss on collection reduced from 3% to 2% in 2017/18 and remaining at 2% for future years. Collection Fund surplus - increase in distribution of the Council's share of the accumulated surplus in the Collection Fund from £2.527m to £2.855m in 2018/19. As the accumulated surplus is one-off, the amount taken out from 2019/20 onwards needs to be managed down to a sustainable level. Pressure in 2018/19 to fund proposed new scheme for council tax discounts/exemptions for care leavers up to age 25 estimated at £120k.	-0.666	-0.208	0.658	0.087	0.537	N/A	N/A	N/A	N/A
2017/18 Saving	Council-Wide	Council-wide - Reduce Senior Management	Considerable savings have been delivered from 2015/16 to 2017/18 of £0.7m; these savings have been front loaded. Overall senior management numbers have reduced by 7 posts over this period to 54 in 2017/18, this is a reduction of 13%. Leadership posts are currently 1% of overall staff numbers. These savings are on top of earlier savings and reductions in posts from 2011 - 2015 of 33%. The 2019/20 saving will be achieved by reducing the number of Senior Management posts across the Council following reviews of activity and re-shaping of services.	-0.100	0.000	-0.100	0.000	-0.100	0.0	2.0	0.0	2.0
2017/18 Saving	Council-Wide	Fees & Charges	General fees and charges increases - the overall policy for 2018/19 is to increase the charges by RPI (3.9% for September 2017) with some higher charges to ensure the Council is not subsidising the charges.	-0.243	-0.350	-0.350	-0.350	-1.050	N/A	N/A	N/A	N/A
2018/19 Saving	Council-Wide	General Fund Contingency	The funding was set aside for inflation in previous years, this is now factored into the budget plan. Therefore the funding can be released over the next 3 years.	0.000	-0.427	-0.099	-0.096	-0.622	N/A	N/A	N/A	N/A

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	Council-Wide	Government's 2% Social Care "precept"	Estimate for the Government's 2% Social Care "precept" for next 3 years.	-1.889	-1.976	-2.071	-2.171	-6.218	N/A	N/A	N/A	N/A
2018/19 Saving	Council-Wide	Metropolitan Debt Levy	South Yorkshire County Council was abolished in 1986 and its 4 metropolitan boroughs (Doncaster, Barnsley, Rotherham and Sheffield) became unitary authorities. The SYCC debt was allocated out to the 4 Councils and, as at 01/04/17, Doncaster's share of the debt was £8.3m. The final year of the levy is 2020/21. The principal repayment increases every year but the interest payment is expected to fall faster than principal repayment in 2018/19.	-0.067	-0.078	0.051	0.039	0.012	N/A	N/A	N/A	N/A
2018/19 Saving	Council-Wide	Parish Councils	LCTS Parish Council Grant reductions - current grant is £252k. 10% reductions were implemented in 2015/16 and 2016/17 but not 2017/18. Remainder of grant profiled to reduce annually from 2018/19 by 20%, 30% and 30% reducing to zero in 2020/21.	0.000	-0.064	-0.094	-0.094	-0.252	N/A	N/A	N/A	N/A
2017/18 Saving	Council-Wide	Pension	A reduction in pensions paid to former employees. The number of former employees falls every year. The budget in 2017/18 is £5.3m.	-0.100	-0.180	-0.100	-0.100	-0.380	N/A	N/A	N/A	N/A
2017/18 Saving	Council-Wide	Procurement	Procurement savings target (Regeneration & Environment/Finance & Corporate Services & Education). Proposals are currently being reviewed and include the Waste Collection contract for example.	-0.250	-0.250	-0.127	-0.287	-0.664	N/A	N/A	N/A	N/A
2018/19 Saving	Council-Wide	SCR Levy	Reduction in the Sheffield City Region levy		-0.055	0.000	0.000	-0.055				
2017/18 Saving	F&CS	Corporate Services	Savings target for reducing Corporate Services in line with the overall Council reduction and improved efficiency. Savings from more streamlined activity, specific savings to be identified in preparation for delivery in 2019/20.	-0.100	0.000	-0.200	-0.200	-0.400	0.0	6.0	6.0	12.0
2018/19 Saving	F&CS	Audit Fee	Reduction in the annual audit fee		-0.030	0.000	0.000	-0.030				
2018/19 Saving	F&CS	Revenues & Benefits	We are monitoring the impact from the introduction of Universal Credit and are aiming to reduce staffing by removing vacant posts.	0.000	-0.118	0.000	0.000	-0.118	5.0	0.0	0.0	5.0
2017/18 Saving	LOCYP	LO-CYP: Functional Review	A functional review of the LO-CYP structure is underway and will contribute towards phase 2 restructure target of £0.8m. The functional review, including staff consultation, and identification of savings is expected to be completed by March 2018. The functional review is anticipated to meet the £500k restructure saving as well as the remaining Early Help cut of £170k for 2018/19. The remaining £300k restructure saving for 2019/20 is expected to be found through further saving to be identified through the review and directorate process efficiencies.	-0.850	-0.500	-0.300	0.000	-0.800	23.5	7.0	0.0	30.5

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2016/17 Saving	R&E	Assets	These figures represent the final years of a £4.8m savings programme centred around reducing the running costs and increasing income related to the Council's asset portfolio. This will be achieved through a reduction in the number of assets, either through disposal or lease; reducing the running costs of the retained buildings through a review of contracts; reducing staff related to buildings and through increased income from leasing assets/ space. The Council is also working very closely with partners across the public sector to share space where possible and increase utilisation of operational buildings. The profile of savings has been reviewed.	-0.289	-0.423	-0.493	-0.200	-1.116	0.0	0.0	0.0	0.0
2017/18 Saving	R&E	Highways (general fund)	The Highways general fund 2018/19 saving of £500k will be achieved by the following, (a) Asset Maint - £75k - Reduction in routine maintenance (patching) £60k and Carriageway reactive maintenance £15k. (b) Safer Roads - £10k - Reduction in road safety works £5k, Educational Materials £5k. (c) Network Management - £20k - Increase in network management fee £20k. (d) Highways Operations £40k - Increase in Trading income £30k and Increased Mechanisation £10k. (e) There will also be a transfer from the Capital Local Transport Plan (LTP) of £355k to ensure the full saving is achieved. The 20/21 saving will be met through Asset Maint £75k, Safer Roads £10k, Network Management £30k, Highways Operations £20k and a further transfer from the Local Transport Plan £365k.	-0.500	-0.500	0.000	-0.500	-1.000	0.0	0.0	0.0	0.0
2017/18 Saving	R&E	Highways and Streetscene	The Highways Operations and Streetscene saving of £500k for 2019/20 will be achieved by:- (a) Highways Operations - £210k - Smartlight Phase 2 (through reduction in spend on materials, equipment, testing and energy) (b) Street Scene - £290k through:- (i) Service Devolution - Partnership Working £34k (ii) Woodland Improvement Project £35k (Branching out to other woodlands) (iii) Service Commercialisation - Maximise Trading income £90k (Charge for services including city jet, fly tipping, gum removal) (iv) Service Transformation - 7 day working £131k (Posts to be deleted)	-0.500	0.000	-0.500	0.000	-0.500	0.0	4.0	0.0	4.0

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2018/19 Saving	R&E	Independent Travel Training Scheme	Independent Travel Training Scheme - savings will be delivered through training young people and vulnerable adults to travel independently and thereby reducing expensive forms of transport e.g. taxis. More details to be added on why we provide transport.	0.000	0.000	0.000	-0.025	-0.025	N/A	N/A	N/A	N/A
2017/18 Saving	R&E	Planning and Building Control	The 2018/19 are assumed to be achievable through increased planning application income. Income levels can be volatile due to the large sums paid in relation to major developments. Increasing the budgeted income relies on several major developments taking place each year.	-0.100	-0.100	0.000	0.000	-0.100	N/A	N/A	N/A	N/A
2017/18 Saving	R&E	Regulation & Enforcement	<p>The Regulation & Enforcement team employs 218 FTEs and its focus is on compliance, robust enforcement and the provision of advisory functions across a wide range of services (eg licensing, parking, littering, fly-tipping) which protect the health and wellbeing of residents, employees and visitors to the borough.</p> <p>Specific proposals are being worked on but indicatively the target will be achieved through (detail to be updated by the service):-</p> <p>(a) Service efficiencies - Including out of hours and full service review and restructure (£125k)</p> <p>(b) Review of provision of all non-statutory services offered - Work on-going to rag rate and review all work which will achieve the saving (£15k)</p> <p>(c) Cost Recovery/Commercialisation - Generate more income from through working with other LAs and partner organisations (£60k).</p>	-0.100	-0.200	0.000	0.000	-0.200	4.0	0.0	0.0	4.0
2017/18 Saving	R&E	South Yorkshire Passenger Transport Executive (SYPTE)	SYPTE savings, a £335k saving equates to 2.5% reduction in our levy payment. This will mainly be delivered from demand-led reductions (concessionary fares for adults) and use of reserves, there will not be any policy changes in 2018/19.	-0.675	-0.335	-0.335	-0.335	-1.005	N/A	N/A	N/A	N/A

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
2017/18 Saving	R&E	Waste Contract	<p>Various changes to be implemented alongside the new waste collection contract which starts in October 2017. 18/19 saving to be achieved by:-</p> <p>(a) Introduction of a charge to residents for replacement bins - Total saving will be £220k (approved in the 2017/18 budget and implemented during 17/18, balance of saving (£110k) will be achieved in 18/19) based on 5,000 black bins and 4,500 green bins per year. Replacing recycling boxes remains free.</p> <p>(b) Non infectious clinical waste to now be collected with domestic collection rather than separate collection which makes a total saving on both collection and disposal costs of £75k (implemented in 17/18, balance of saving (£40k) will be achieved in 18/19).</p> <p>(c) Fridges/Freezers no longer to be collected for free, residents to pay for collection now generating a total saving of £35k (implemented in 17/18, balance of saving (£15k) will be achieved in 18/19). Fridges/Freezers can be deposited at the Waste & recycling centres for free.</p> <p>(d) Removal of the free collection of asbestos saves £15k, (implemented in 17/18, balance of saving (£7.5k) will be achieved in 18/19). Asbestos can still be deposited at the Armthorpe Waste & Recycling centre for free; from 2018/19 this will be limited to 5 * 25kg bags.</p> <p>(e) Increasing charge for bulky collections saves £55k (implemented in 17/18, £27.5k achieved in 18/19).</p> <p>The £300k saving in 20/21 will be met through the new waste collection contract and the diversion of further waste to the PFI facility to take advantage of lower gate fees.</p>	-0.200	-0.200	0.000	-0.300	-0.500	0.0	0.0	0.0	0.0

Draft Budget Proposals 2018/19 to 2020/21 - Detail

				-1.051	-6.420	-3.476	-2.208	-12.104	8.5	9.0	0.0	17.5
Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
Grant Exit Strategy	AH&Wb	Adult Social Care Grant	One-off Adult Social Care grant of £1.520m in 2017/18. Only one-off expenditure will be funded from the grant in 2017/18 e.g. transformation costs.		-1.520			-1.520	0.0	0.0	0.0	0.0
Grant Exit Strategy	AH&Wb	Flexible Homelessness Support Grant	The Flexible Homelessness Support Grant is ring-fenced for two years 2017/18 and 2018/19. The government has not stated whether it will continue after 2018/19 or if it will continue to be ring-fenced.		0.000	-0.228	0.000	-0.228	0.0	0.0	0.0	0.0
Grant Exit Strategy	AH&Wb	Independent Living Fund	Independent Living Fund - expenditure will be reduced to meet the funding reduction.	-0.025	-0.023	-0.021	-0.022	-0.066	0.0	0.0	0.0	0.0
Grant Exit Strategy	AH&Wb	New Improved Better Care Fund (iBCF)	The new iBCF grant announced in the March 2017 budget is a 3 year grant and reduced year on year; it is being used to fund pressures in AH&Wb.		-2.730	-2.180	-2.136	-7.046	0.0	0.0	0.0	0.0
Grant Exit Strategy	AH&Wb	Public Health Grant	The Public health grant for 2018/19 is £23.8m, a reduction of £0.63m from the 2017/18. 2018/19 savings will be made through reductions in the contract value of recently tendered public health commissioned services and by committing £0.24m of the public health reserve. For information, the total value of commissioned services for 2018/19 is £17.7m. Savings for 2019/20 (estimated grant reduction is £0.61m) will exhaust the public health reserve and require developing options for the recommissioning of NHS health checks and sexual health services.	-0.618	-0.635	-0.619	0.000	-1.254	0.0	0.0	0.0	0.0
Grant Exit Strategy	Children's Trust	Youth Justice Board	Youth Justice Board - actual grant reduction to be announced. Expenditure will be reduced to meet the funding reduction. The grant reduction may be staggered over 3 years but it is expected that DCST would be able to make the £150k total saving in 2018/19 if required, plans are still being finalised.	-0.050	-0.050	-0.050	-0.050	-0.150	TBC	TBC	TBC	TBC

Proposal	Directorate	Service/ Saving Proposal	Proposal Narrative -	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m	2018/19 - 2020/21 Total £'m	2018/19 FTE	2019/20 FTE	2020/21 FTE	Total FTE
Grant Exit Strategy	Council-Wide	Business Rates Inflation Compensation - Top Up Section 31 grant	2017 Revaluation correction to formula. Treated as one-off in 2017/18 and built into MTFE from 2018/19.		-0.493	0.000	0.000	-0.493	N/A	N/A	N/A	N/A
Grant Exit Strategy	F&CS	ERDF & ESF	ERDF & ESF grant ceasing. Technical Assistance which funds posts in Finance & Corporate Services ceases at 30.09.18.		-0.040	-0.040		-0.080	0.0	2.0	0.0	2.0
Grant Exit Strategy	LOCYP	Additional recurrent Children's Services Trust Costs	The agreed funding from DfE for LOCYP's Commissioning and Performance teams is £120k in 17/18, dropping to £100k in 18/19 & then back down to the original funding amount of £80k plus inflation in 19/20. The ongoing grant of £80k funds posts in LOCYP's Commissioning and Performance structure, and the additional allocation's for 2017/18 and 2018/19 are to be used to fund one-off spend only.		-0.019	-0.016	0.000	-0.035	0.0	0.0	0.0	0.0
Grant Exit Strategy	LOCYP	LO-CYP: Transitional Education Services Grant	The Education Service Grant (ESG) was cut from April 2017, however a transitional one-off grant of £516k was paid for the period April-August 2017. This is linked to the 2018/19 pressure on LO-CYP: Education Services Grant.		-0.516	0.000	0.000	-0.516	N/A	N/A	N/A	N/A
Grant Exit Strategy	LOCYP	SEND Implementation Grant	SEND Implementation Grant is funding fixed term contracts which will end March 2018 upon cessation of grant.		-0.231			-0.231	7.0	0.0	0.0	7.0
Grant Exit Strategy	R&E	Ambition SCR	Ambition Sheffield City Region (SCR) - funding is due to end in March 2018. Alternative funding is being sought to meet this grant reduction.	-0.358	-0.163			-0.163	inc in launchpad / growth hub below			
Grant Exit Strategy	R&E	Launchpad & Growth Hub	Launchpad & Growth Hub are funded from ESIF and these grants cease at 31 March 2019.			-0.322		-0.322	1.5	7.0	0.0	8.5

Council Tax Comparators
(Metropolitan Districts & Unitary Authorities Band D Council Tax)

	2017/18 Band D Council Tax £		2017/18 Band D Council Tax £		2017/18 Band D Council Tax £
1 Windsor & Maidenhead	961.46	32 Warrington	1,315.90	63 Central Bedfordshire	1,421.88
2 Trafford	1,183.58	33 Poole	1,320.57	64 Bury	1,422.16
3 Bracknell Forest	1,194.39	34 St Helens	1,324.72	65 Blackpool	1,425.75
4 Dudley	1,216.92	35 Cheshire East	1,324.92	66 Sheffield	1,428.36
5 Stoke-on-Trent	1,218.96	36 East Riding of Yorkshire	1,327.10	67 South Tyneside	1,436.47
6 Telford & Wrekin	1,222.10	37 Wiltshire	1,334.63	68 Sefton	1,438.54
7 Thurrock	1,226.61	38 Tameside	1,345.79	69 Durham	1,443.04
8 Peterborough	1,231.57	39 Luton	1,355.98	70 Salford	1,444.71
9 Doncaster	1,237.81	40 Bournemouth	1,357.65	71 Rochdale	1,449.12
10 York	1,244.93	41 Barnsley	1,358.72	72 North Tyneside	1,450.17
11 Swindon	1,251.29	42 Wokingham	1,359.27	73 Stockton-on-Tees	1,457.87
12 Wigan	1,252.46	43 South Gloucestershire	1,359.62	74 Redcar & Cleveland	1,458.61
13 Bradford	1,257.86	44 Knowsley	1,360.46	75 Brighton & Hove	1,461.81
14 Shropshire	1,259.51	45 North Lincolnshire	1,361.75	76 Isle of Wight Council	1,464.86
15 Birmingham	1,264.76	46 Calderdale	1,364.04	77 Wolverhampton	1,481.12
16 Milton Keynes	1,265.74	47 Herefordshire	1,376.50	78 Reading	1,490.56
17 North Somerset	1,265.81	48 Torbay	1,376.93	79 Middlesbrough	1,491.93
18 Southend-on-Sea	1,265.94	49 West Berkshire	1,378.91	80 Coventry	1,500.05
19 Wakefield	1,268.04	50 Cheshire West and Chester	1,379.02	81 Oldham	1,502.11
20 Kingston-upon-Hull	1,268.17	51 Darlington	1,379.30	82 Newcastle-upon-Tyne	1,506.39
21 Solihull	1,269.13	52 Kirklees	1,382.93	83 Liverpool	1,511.61
22 Slough	1,274.54	53 Blackburn with Darwen	1,383.15	84 Stockport	1,521.77
23 Leeds	1,276.20	54 Bolton	1,384.66	85 Hartlepool	1,546.26
24 Portsmouth	1,279.12	55 Rotherham	1,394.48	86 Rutland	1,546.94
25 Manchester	1,279.87	56 Wirral	1,395.59	87 Bristol	1,548.66
26 Sandwell	1,283.64	57 Cornwall	1,398.70	88 Northumberland	1,558.10
27 Bath & North East Somerset	1,284.33	58 Southampton	1,406.68	89 Walsall	1,570.35
28 Sunderland	1,294.82	59 Plymouth	1,407.47	90 Nottingham	1,593.03
29 Medway	1,296.56	60 North East Lincolnshire	1,415.26	91 Gateshead	1,606.41
30 Derby	1,298.17	61 Bedford	1,417.72		
31 Halton	1,312.27	62 Leicester	1,421.69		

Grants to 3rd Sector Organisations

Directorate	Grant Recipient	Service Provided/Update	2017/18 Budget	2018/19 Budget	Note
A,H&WB	Citizens Advice Bureau (Mexborough/ North East)	The two CAB's provide advice services facing a range of issues such as debt, homelessness prevention, immigration, employment, benefit and consumer issues. They also act as a referral and sign-posting organisation to more specialist advice across a range of public sector services and other voluntary organisations. They also raise other funding streams to benefit the residents of Doncaster. (Savings of £130k have been made in 2010/11 and a further £32k in 2015/16. There is a £40,380 recharge to the HRA for Corporate & Democratic Core services)	152,150	152,150	No change proposed for 2018/19. However, in year, a briefing paper will be developed in consultation with the incumbent provider setting out proposals for future service delivery including how the service will be commissioned and tendered going forward. This is in line with the policy to more clearly commission and contract service activity, which provides greater certainty and continuity of provision of service for both the service provider (voluntary sector) and service users.
LO-CYP	Doncaster Community Arts (DARTS) Teacher in Role Project (funded from the DSG)	Through targeted support for Y3/4 pupils by using creative drama based approaches to improve writing skills. Working in role will provide exciting and purposeful contexts for children to develop key skills in reading & writing. This project aligns very closely with Doncaster LA's Raising Achievement and Aspirations Strategy which has the development of wider literacy skills as a key priority.	45,176	22,588	This grant for £67,764 will fund targeted support for Y3/4 pupils by using creative drama based approaches to improve reading and writing skills for the 2017/18 academic year, with funding provided through School Forum (Dedicated Schools Grant) agreement on 15th February 2017 and cabinet report 15 August 2017. Payments will be made termly with 2 payments in 2017-18 and 1 payment in 2018-19 financial years. No further grant funding for the 2018/19 academic year has been proposed.
LO-CYP	Partners in Learning (funded from the DSG)	The transfer of services to Partners in Learning for the academic year 2016/17, set out in the 19th July 2016 Cabinet report "Deployment of School Improvement Functions to Partners in Learning Teaching School Alliance 2016/17", enabled the continued delivery of a cohesive and robust delivery of school improvement in line with DfE's requirement for cessation of the LA's duty by September 2017.	182,488	91,244	The Standards and Effectiveness Partner (StEP) function was transferred, along with funding for the 2016/17 academic year. The grant of £273,732 relates to the 2017/18 academic year and is a 1 year continuation, needed to ensure the effective transfer of the function, with the grant amount based on the number of maintained schools as at 1st September 2017. Funding has been provided through School Forum (Dedicated Schools Grant) agreement on 7th December 2016. Payments will be made termly with 2 payments in 2017-18 and 1 payment in 2018-19 financial years. No further grant funding for the 2018/19 academic year has been proposed. (The grant of £309,624 shown in the 2017/18 budget report was based on an estimate of maintained schools for September 2017, which was higher than actual, and also showed the full 17/18 academic year total in the 17/18 budget column)

Grants to 3rd Sector Organisations

Directorate	Grant Recipient	Service Provided/Update	2017/18 Budget	2018/19 Budget	Note
LO-CYP	Partners in Learning (funded from the DSG)	Partners in Learning is an inclusive teaching school alliance working with schools from all phases. Their vision is to create a sustainable, inclusive and productive partnership utilising the expertise from across the alliance which will lead to the improvement of teaching and learning and improved outcomes for pupils across all schools within the Teaching School Alliance.	124,000	62,000	This 2 year grant will fund the core membership of all Doncaster schools for the 2017/18 academic year, and 50% funding of the core membership for the 2018/19 academic year, with funding provided through School Forum (Dedicated Schools Grant) agreement on 7th December 2016. This funding is intended to create a completely inclusive model for Doncaster, where all schools have the opportunity to benefit equally from the Teaching School offer and support the development and sustainability of PiL with reduced capacity within the LA to support school improvement.
LO-CYP	Expect Youth (previously known as Strategic Youth Alliance)	Expect Youth is a new, non-profit venture, consisting of a range of partners actively engaged in the youth agenda to act as a capacity building and innovation body for people and organisations who create positive activities and personal development opportunities for young people in Doncaster. The funding will be used to support local youth provision through capacity building, the provision of seed funding and the development of a diverse program for young people ranging from social engagement to social enterprise.	150,000	75,000	Grant funding of £475k to be paid over 3 years was agreed in the 18th October 2016 Cabinet report "Strategic Youth Alliance". A Grant payment of £250k was made in 2016/17, and further payments of £150k in 2017/18 and £75k in 2018/19 will be made.
A,H&WB	Doncaster Community Arts (DARTS)	Through active participation in a huge range of different art forms, Darts enables people of all ages and abilities from different backgrounds to build their confidence and skills to play a crucial role in the cultural, economic and social regeneration of their communities.	43,500	43,500	No change proposed for 2018/19.
A,H&WB	Doncaster Victim Support	Doncaster Victim Support will provide victims or witnesses of crime with support and information to deal with the harmful effects of their experiences within 48 hours of receiving a referral. The grant pays for a contribution to rent of the premises, utilities, postage, stationery, cleaning, volunteer expenses and recruitment, staff recruitment and locum cover. Trained volunteers work as restorative justice workers under the supervision of the Restorative Justice co-ordinator to deal with low level crime and neighbour disputes.	18,000	18,000	No change proposed for 2018/19.
A,H&WB	Doncaster Rape and Sexual abuse Counselling Centre (DRASAC)	DRASAC receive this grant as a contribution towards their provision of specialist counselling service for victims of sexual abuse. This includes children from the age of 5 yrs. This is a historic voluntary sector grant which has been reduced over recent years– services for sexual abuse have never been commissioned by Doncaster Council.	27,520	27,520	No change proposed for 2018/19.

Grants to 3rd Sector Organisations

Directorate	Grant Recipient	Service Provided/Update	2017/18 Budget	2018/19 Budget	Note
A,H&WB	Doncaster Rape and Sexual abuse Counselling Centre (DRASAC)	DRASAC receive this grant as a contribution towards their two Independent Sexual Violence Advocates. (ISVA).	65,000	45,000	DRASAC now receive funding direct from the Police and Crime Commissioner (PCC) to fund the county wide ISVA service which pays for 2 ISVA salaries at Doncaster. DRASAC has offered to take a £20k reduction in 18/19.
A,H&WB	Borough Wide Day Centres Age UK	Commissioning of a mobile day care service that delivers a wide range of day care opportunities to the people of Doncaster. Funded from Better Care Fund (BCF).	125,000	125,000	No change proposed for 2018/19. This service will be in scope of the Alternative Day Service Modelling. In year, Age UK Doncaster are looking to introduce a charging model whereby people who have a direct payment and or self-funders will be able to purchase the service directly. The grant funding will therefore cease as at 31 March 2019.
A,H&WB	Changing Lives	Support Service for women with mental health problems at Women's Centre	105,408	0	Proposal to merge the funding £105,408 & £156,033 with MIND funding below to commission a community based crisis support service, with a £240k commitment over year 1 & a £200k commitment for year 2. This is in line with the policy to more clearly commission and contract service activity.
A,H&WB	MIND	Services for people with a mental health problems.	156,033	0	Proposal to merge the funding £105,408 & £156,033 as with Changing Lives above.
LO-CYP	Doncaster Skills Academy (Doncaster Chamber)	The grant will provide the match funding for the Edge Foundation Grant, which will support continued growth of 'bridging the gap' activities for years 10-13 in every Secondary school (targeting 18,000 learners). The investment will facilitate engagement with businesses, support the development of resources and toolkits and promote the new opportunities that are being created for young people in Doncaster. The grant will only be provided if the Edge Foundation Grant is successful and a funding agreement would be put in place with clear monitoring on outcomes; if the application is unsuccessful DMBC will explore – with partners – other opportunities for enhancing 'bridging the gaps' activities.	75,000	75,000	The grant of £150k will be spread over 2017/18 and 2018/19 (£75k per annum). The grant will be funded from general council reserves.
Total Grants to 3rd Sector			1,269,275	737,002	

Reserves (to be reviewed at year-end)

	Estimated Balance at 31/03/18 £'m
School Balances	-8.100
Health & Social Care Transformation Fund	-7.020
Service Transformation Fund	-4.255
Reserve for future severance costs	-3.546
NNDR - Contingency against Risks and Volatility	-2.800
Business Rates Incentive Scheme	-1.876
Grant Underspend to Extend Stronger Families Programme	-1.215
Civic Office Major Repairs & Maintenance Sinking Fund	-1.121
S106 Open Spaces Revenue unapplied contribution	-0.721
Various Section 278	-0.606
Teesland Section 278	-0.599
Public Health	-0.531
Coppice School	-0.305
Revenue Contribution to the Capital Programme (pre-work/development costs)	-0.300
St James Baths	-0.300
Revenues & Benefits - Discretionary Hardship	-0.264
S106 Interest balances	-0.203
Integrated Discharge Team (IDT)	-0.180
ERP - Phase 2	-0.150
Public Spaces Community Order	-0.140
LEP Inward Investment Loan	-0.109
Dilapidation Costs on Vacated Buildings	-0.100
Pathway to Traineeships (SFA)	-0.097
DWP Fraud & Error Reduction Incentive Scheme	-0.083
Match Funding for European Structural Investment Fund	-0.083
North Ridge School	-0.080
Match Funding for Edge Funding Doncaster Skills Academy	-0.075
ICT - Schools Centralised Infrastructure Sinking Fund	-0.069
To Support the Introduction of the Apprenticeship Levy	-0.051
Weight management	-0.046
Lake Aeration Maintenance Costs	-0.040
High Needs Strategic Planning	-0.040
Colonnades Tenants Repairs Fund	-0.037
Planning Capacity Funding Grant used for DN7 Project	-0.036
Museum Service - In year - donations, disposals & healthy lifestyles	-0.034
S106 Planning and Other Revenue unapplied contribution	-0.030
Other	-0.111
Total	35.353