

Shadow Dorset Council Executive Committee

Date: Monday, 14 January 2019
Time: 4.00 pm
Venue: Committee Rooms A&B, South Walks House,
Dorchester, Dorset DT1 1EE

Membership:

R Knox (Chairman), G Suttle (Vice-Chair), A Alford, P Batstone, S Butler, J Cant, G Carr-Jones, T Ferrari, S Flower, M Hall, J Haynes, C Huckle, S Jespersen, A Parry, M Penfold, B Quinn, S Tong, D Turner, D Walsh and P Wharf

Chief Executive (designate): Matt Prosser
South Walks House, Dorchester, Dorset DT1 1EE

For more information about this agenda please telephone Democratic Services on or Lee Gallagher I.d.gallagher@dorsetcc.gov.uk - 01305 224191

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To consider a report by the Lead Member for Finance.

Budget Summary 2019/20

	2019/20 Comment £'000s
Previous Once Offs	1,646.8 Net effect of the items included in 2018/19 budget on a once off basis
Price Changes	7,630.3 Adjustments for inflation
Pay adjustments	6,019.5 Increases for pay award, increments etc.
Modernising Fostering	900.0 This the second of two years of investment in the service, approved by DCC Cabinet, agreed as part of the 19/19 budget setting process. Investment is to improve the in-house foster care capacity and capability with a view to reducing reliance on independent foster care agencies.
Costs from Extended Rights to Free Transport Grant	300.0 This is spend directly associated with additional XRFT grant which is effectively passported to cover the additional costs arising in Children's Services.
Increasing funding for Adult & Community Services	1,500.0 Base budget pressures in service user related spend
Increasing funding for Childrens Services	5,800.0 Additional cost pressures being experienced as a result of further rises in EHCPs and the transport requirements that accompany these plans, in addition to non-delivery of previous savings targets agreed not to be pursued.
Increasing funding for Dorset Waste Partnership	1,372.4 Pressures from the DWP MTFP in January 2018 plus additional pressures arising from fuel prices, recycle prices / costs and capital financing.
Increasing funding for Corporate Services	2,000.0 These relate to historic commitments currently charged to DSG which are reducing over time to relieve funding pressures
Reductions in funding from Government Grants	1,346.3 Estimate reductions based on latest information.
impacts of Balance Sheet Disaggregation	900.0 Latest Estimate

	2019/20 Comment
	£'000s
Revenue impact of the Capital Programme	523.0 Revenue budget costs of financing the schemes within the capital programme
Other Known Commitments	612.7 Other cost pressures such as homelessness
Contingency	1,193.2
Stranded Costs	5,400.0 Impacts on services of disaggregation of DCC and EDDC
Reduced RSG	490.0 The remaining RSG received in 2018/19
New Homes Bonus	418.3 Reduction in overall funding as awards dropping out are more than the new award for 2019/20
Other Funding / Disaggregation impacts	(1,065.7)
Negative RSG	11,000.0 Proposed to be removed in provisional settlement
Changes to base budget	<u>47,986.8</u>
Balancing the Budget	
Stranded costs reductions - Adults	(500.0) Savings from restructuring to address stranded costs
Stranded costs reductions - Childrens	(1,100.0) Savings from removal of vacant posts and restructuring
Stranded costs reductions - Environment	(228.0) Non pay related costs
Base Budget Review	(7,014.0) Savings and increased income identified through the detailed review of base budgets
Audit Fees	(189.3) SWAP Internal Audit saving confirmed, External Audit estimated
Members Allowances	(500.0) Based upon latest information, awaiting approval
Transitional Structure Savings	(5,730.7) 2019/20 impact from the implementation of the transitional staffing structure, generating £10m savings in a full year
Use of DFG's for adaptation equipment	(1,000.0) This is the alignment of the new council's Disabled Facilities Grant with the Better Care Fund priorities. The additional DFG funding is being channelled to cover the costs of equipment, adaptations and technology through the service run jointly with the NHS.

	2019/20 Comment
	£'000s
Adults savings - Tricuro block contract reduction	(500.0) Tricuro is being commissioned to deliver cost reductions in the block contract arrangement we have. This will include better capacity management driving unit (and total) costs down.
Adults savings - Non Statutory contracts	(800.0) Review and reduction of costs for non-statutory services in A&CS.
Adults savings - Service User Budgets	(1,200.0) Regular reviews of care packages alongside better commissioning through the new Dorset Care Framework will see costs reduce. Work also continuing on managing CHC costs with Health.
Childrens savings - Independent Fostering Agency conversions	(600.0) Conversion of independent fostering placements to in-house provision as a result of the investment in the service.
Childrens savings - Secure placements	(300.0) Budget aligned back to long-term average of six months of the year rather than full-year.
Childrens savings - SEN transport personalisation	(300.0) Use of personal travel budgets for children whose circumstances make these arrangements possible.
Environment Savings	(1,188.6) This is the restructure that took effect in 2018/19 in the E&E Directorate which generates nearly £1.2m of cost savings for 2019/20. The restructure was distinct and separate from the LGR impact/convergence.
Insurance Procurement	(500.0) Savings arising from the recent procurement exercise
Treasury Management Income	(2,000.0) Savings and increased income from new treasury management strategy
Fairer Charging	(500.0) This is additional income that will be created through the fairer charging programme to ensure that all service users required to make contributions towards their care pay a correct and appropriate amount.
Negative RSG	(11,000.0) Elimination of the reduction confirmed in Provisional Settlement
Additional Rural Funding	(89.8) Additional grant confirmed in Provisional Settlement
Business Rates income	(2,000.0) Additional income from retention of business rates

	2019/20 Comment
	£'000s
Council Tax Base Increase	(2,307.7) Increasing council tax base and standard collection rate
Council Tax 2.99% Increase	(8,438.7) Increase in income from council tax
Total of actions	<u>(47,986.8)</u>
Current Budget Position	<u>0.0</u>