

Agenda item 6 – addendum

Revenue Budget 2016/17 and Capital Programme 2016/17

Report by Councillor D Finch, Leader of the Council

Enquiries to Margaret Lee, Executive Director for Corporate and Customer Services

1 Purpose of the Report

- 1.1 Since the publication of the Budget Report, we have been notified of the final central government settlement. This addendum sets out the latest position and the proposed impact on the revenue budget
- 1.2 The recommendations in section 2 below replace recommendations 2.1 and 2.2 printed in the report distributed with the Council agenda (page 21 of the agenda pack) and will be moved by the Leader of the Council.

2 Recommendations to the Council

Revenue and Capital Budget: the following resolutions are recommended for approval:

- 2.1 The net revenue budget requirement to be set at **£861.4 million**(m) for 2016/17 – Appendix A (page 15)
- 2.2 The net cost of services to be set at **£934.8m** for 2016/17 – Appendix A (page 15) and that in consequence the budget book appended to the report be adopted and amended as set out in paragraphs 3.4- 3.7 inclusive.

3 Background to the changes since the Cabinet Meeting.

- 3.1 The figures in Budget Report issued with the agenda used information from the provisional Central Government settlement figures which were received on the 17th December 2015.
- 3.2 On 8 February 2016, Central Government provided the final settlement figures, after the deadline for the publication of the Council agenda and reports.

- 3.3 Essex County Council has received transitional grant funding of **£6.960m** in 2016/17. The Leader recommends that this will be added to the Transformation Reserve.
- 3.4 In addition a further **£6.972m** has been announced as additional transitional funding for 2017/18 – this has not yet been incorporated into the medium term resource strategy.
- 3.5 In the budget book report (Appendix A – page 15), where the net cost of service currently shows **£927,865,777**, this will be superseded by the figure of **£934,826,101** once the decision has been made at Full Council.
- 3.6 In the budget book report (Appendix A – page 58), where the Other Operating Costs portfolio shows **£56.681m** revenue budget, this will be superseded by the figure of **£63.642m**, once the decision has been made at Full Council.
- 3.7 In the budget book report (Appendix A – page 63), where the balance as at 31 March 2017 on the Transformation Reserve currently shows **£17.859m**, this will be superseded by the figure of **£24.819m** through an increased appropriation of **£6.960m**, once the decision has been made at Full Council.
- 3.8 The budget book will be updated to reflect the decisions taken by Council and will be published on the website and the updated pages are attached.