PAPER NO. 2

REPORT TO THE EXECUTIVE MEETING OF 14th FEBRUARY 2017

Meeting:	**Executive**
Date:	**14th February 2017**
Subject:	**General Fund Revenue Estimates and Capital Programmes**
Report of:	**Simon Riley, Head of Finance and Corporate Services (s151 Officer)**
Portfolio Holder:	**Councillor Phil King, Portfolio Holder for Financial and Commercialisation**
Status:	**Recommendation to Council**
Relevant Ward(s):	**All**

1 Purpose of the Report

1.1 Executive to recommend the 2017/18 Budget and Capital Programme to full Council.

1.2 Executive to recommend the fees and charges to full Council

1.3 To consider the comments, questions and response from the Performance Scrutiny Panel on 19th January 2017.

1.4 To note that the final Local Government Finance Settlement is still awaited from Central Government.

2 Recommendations:

2.1 Approve the 2017/18 General Fund Revenue Account Net Expenditure Budget of £11,667,676 as set out in Appendix A, for recommendation to Council on the 23rd February 2017, resulting in a 3.12% (£5) increase in the District Band D Council Tax for 2017/18.

2.2 Delegate authority to the S151 Officer in consultation with the Leader and Portfolio Holder for Financial and Commercialisation to make any necessary amendments to the Budget, following receipt of the final local government settlement, prior to consideration by full Council.

Subject to 2.2 above

2.3 Recommend to Council the General Fund Budget as set out in Appendix A.

2.4 Recommend to Council the Capital Programme as set out in Appendix E.

2.5 Recommend to Council the Fees and Charges Schedule as set out in Appendix F and to delegate authority to the S151 Officer in consultation with the Portfolio Holder for Finance and Commercialisation to agree new fees and charges during the year and agree changes to fees and charges where required.

2.6 Delegate authority to the S151 Officer in consultation with the Portfolio Holder for Finance and Commercialisation to withdraw from the Leicester and Leicestershire Business Rate Pool or to enter into an alternative pool in the future as necessary.

3 Summary of Reasons for the Recommendations

3.1 The Council must set a balanced budget to discharge its duties and responsibilities by the 11th March. The duty to recommend a budget to the Council rests with the Executive.

4 Key Facts

4.1 Financial Background

4.1.1 This budget was prepared for consultation following the provisional Local Government Finance Settlement issued by the Department for Local Government & Communities on the 15th December 2016 and announcements in the November Autumn Statement. The Council is still awaiting the final Local Government Finance Settlement at the time of writing the report. There may be changes in the final settlement that would require changes to the final budget recommended for Council, recommendation 2.2 allows for this to happen.

4.1.2 The budget attached at **Appendix A** reflects continued reduction in Central Government funding as the Government addresses the public sector deficit. In order to provide stability in forecasting, the Government offered four year funding, subject to submission of an efficiency plan. The Council's efficiency plan (submitted in October) has been approved and the settlement funding assessment, received on the 15th December 2016 , was consistent with the funding assumed within the Council's Medium Term Financial Strategy where the reduction in Settlement Funding Assessment (Revenue Support Grant (RSG) and NNDR Baseline) of £452k was anticipated. This is part of a move by Government to remove RSG as a funding source during the course of this parliament. It is expected that the move to 100% business rate retention in 2019/2020 should partially mitigate against the impact of this, though details of the 100% scheme are still being determined nationally.

4.1.3 Within the provisional settlement the Government has revised the New Homes Bonus scheme following a consultation over a year ago. The basis of these changes is detailed in paragraph 4.3.1(c). In summary, the Government's New Homes Bonus was £319K less than the indicative amount provided in February 2016 by Government. Key changes leading to this reduction are the introduction of a 0.4% 'deadweight' housing growth threshold for which no New Homes Bonus would be paid, along with a change that new homes bonus is only paid for 5 years instead of 6..

4.1.4 The Council continues to be successful in growing business rates and thereby retaining the benefits of business rate growth. Since 2013 Harborough has been consistently one of the best performers within Leicestershire in respect of Business Rate growth despite a high level of appeals. The Council has prudently only used previously retained business rate growth and operates a business rate retention reserve to manage the inherent volatility within the system. The Council has been part of the Leicester and Leicestershire Business Rate pool for every year except 2014/15. This has retained monies within Leicestershire which would otherwise have gone to Central Government. As a result over £4 million is expected to be distributed by the Leicester and Leicestershire Enterprise Partnership (LLEP) into local Economic Growth projects. Details of the proposed receipt and utilisation of the retained business rates to support the budget are detailed in paragraph 4.3.1(d).

The Council continues to have to provide for a large number of undetermined appeals due to a backlog at the Valuation Office. To date, the Council has prudently provided for appeals and it is expected that a significant proportion of the appeals will be settled in 2017/18 for the previous 2010 rating list. However, the new rateable value list comes into operation on 1st April 2017 and it is expected that further appeals will be received. Initial forecasts for 2017/18 forecast £0.991 m of retained business rates will be generated in 2017/18. The estimate might require updating if the final settlement changes.

The importance of business rate growth as a locally generated income stream (and the withdrawal of Revenue Support Grant) means that the 2017/18 Budget is now having to apply £1.2 million of business rate growth on a recurrent basis (2016/17 £424K). In 2017/18 £100K of the Business Rate Reserve is also being utilised (as a one-off call on reserves) to support Economic Initiatives.

4.1.5 The Government has issued Council Tax referendum guidance which continues the previous policy of the limiting of Council Tax Increases for District Councils to 2% or £5 whichever is the greater. The published MTFS assumed a 1.99% increase for 2017/18 to 2019/20. The budget proposes an increase in Council Tax of 3.12% which equates to £5 for a Band D property and generates an additional £61K in 2017/18 over and above that forecast in the MTFS. Given the re-emergence of Council Tax as an important component of core spending power (after many years of Council Tax freezes) it is appropriate for the Council to consider increasing Council Tax for the first year since 2010/11 to ensure that the Council Tax baseline is increased, as this is what the Government will base any future years decisions upon. The Government has also included within its definition of core spending power the assumption that District Councils will avail themselves of the £5 option. The Autumn Statement and the provisional Local Government Finance Settlement clearly indicate that the Government is anticipating that Councils will increase Council Tax over this parliament (though it remains a local decision).

The Local Council Tax support scheme will be in its fifth year for 2017/18 with the contribution rate for impacted claimants remaining at 15% as in 2016/17. The maintenance of the contribution rate reflects the volatility for claimants of other welfare changes and the introduction of universal credit. However, as the original funding transfer was included within the Revenue Support Grant in 2014/15 and the Revenue Support Grant is scheduled to be removed by 2018/19 the costs of the scheme are therefore now effectively being funded by other Council funding sources.

The S151 Officer issued the Council tax-base on 13th December 2016 as 33,482.0 (2016/17, 32,787.5), an increase of 694.5 Band D equivalents from 2016/17. This has generated £111K additional Council Tax without a need to increase the Council tax levied on individual properties. The tax base increase has been supported by bringing empty homes back onto the Council Tax List and the cancellation of a significant number of single person discounts following a single person discount review. A 3.12% increase Council Tax generates £168K of additional income.

4.1.6 The budget provides for the proposed pay award of 1% alongside the first year of the recent triennial actuarial review of pensions which requires an increase in pension contributions of 2% for each of the next three years.

4.1.7 The budget provides for inflation at 1%, which is also used to apply to fees and charges.

4.1.8 The 2017/18 budget provides for a series of growth, savings and income generation proposals from Portfolio Holder challenge sessions – these are identified in **Appendix B and C.**

4.1.9 Subsequent to the issuing of the budget for consultation on 9th January 2017 the budget has been updated in respect of Business Rates (NNDR1 Form), Collection Fund Surplus (reported on 15th January each year), External Grant notifications and other minor budget changes.

The budgets detailed in Appendix A have also been amended for the parish precepts notified by Parish Councils and Parish Meetings and for the submission of the NNDR1 form which forecasts business rates for 2017/18.

Table 1: Changes in 2017/18 Revenue Budget (post consultation)

Income	£000s	Expenditure	£000s
Increase in Collection Fund Surplus	166	Additional Green Waste Collection (post Christmas)	11
Reduction in DWP Administration Grant	(21)	Increase in Contingency	32
Withdrawal of LCC funding for Local Council Tax Support Administration and Discretionary Discount Fund	(25)	Transfer to Locality NHB Reserve	69
Recalculation of Land Charges Income	(8)		
Sub Total	112	Sub Total	112

4.1.10 The budget reduces the recurrent use of a contribution from the General Fund Balance from £764K to £0 from 2016/17 to 2017/18. This reduction (at a time of continued funding reductions from Central Government) is a significant achievement and supports the overall financial strategy set out in the Council's MTFS. The Budget continues to utilise earmarked reserves on a recurrent and non recurrent basis to support delivery of corporate priorities. Earmarked Reserves are both added to (for example, New Homes Bonus and Retained Business Rates) and utilised (for example, Business Rates, Local Plan). Movements on Reserves are detailed at **Appendix D.**

4.1.11 The 2017/18 proposed budget builds on the previous track record of delivering sustainable budgets in recent years despite significant reductions in Government funding. This is illustrated in the table below from the Efficiency Plan.

Table 2: Delivery of Savings and Income Generation 2014/15 to 2016/17

	Reduction in Core Government Funding £000s	**Savings £000s**	**Income Generation £000s**	**Sub Total £000s**
2014/15	438	(107)	(55)	(162)
2015/16	452	(338)	(203)	(541)
2016/17	568	(710)	(460)	(1,170)
Total	**1,458**	**(1,155)**	**(718)**	**(1,873)**

4.1.12 In recommending the budget for 2017/18 the Council has had to plan for significant reductions in Government funding and continued cost pressures. In response, the Council continues to have to balance the need for limited growth proposals to be offset by significant income generation and savings proposals. This report details the proposed budget to deliver the Council priorities in 2017/18.

4.113 The proposed budget also sets out a proposed Capital Programme totalling £10.405 million; The Capital Programme is detailed at **Appendix E.**

4.2 Revised Estimate

4.2.1 The Council in February 2016 approved a Net Expenditure budget requirement of £11.824K in 2016/17. On the 5th December, Executive received a report detailing a projected contribution to General Fund Balances of £900K at the end of 2016/17. The Council continues to benefit from in year 'windfall income' from the garden waste service and planning fees – these have been factored into the income generation proposals for 2017/18 detailed in Appendix B. The Council continues to benefit from delaying external borrowing through the use of internal investments, thereby leading to savings in the net cost of borrowing. Other savings and efficiencies have been delivered through ongoing and regular budget monitoring. The key variances in 2016/17 (reported at Quarter 2) were:

	£000s
Improved uptake of Garden Waste Service (Net Income)	224
Additional Planning Fee Income	183
Net Borrowing Cost Savings	147
Increased Funding	107
Other Net Variances	239
Total	900

The in-year underspend will be added to the reserves once confirmed as part of the 2016/17 Statement of Accounts.

4.3 Budget Assumptions

4.3.1 The budget is approved annually each year. The budget is prepared on the basis of a series of estimates on Government funding, cost pressures and income forecasts. In addition, the Executive is proposing a series of growth and savings proposals (including utilisation of reserves). These proposals aim to deliver the Council priorities within a reducing level of funding from Central Government.

The key Budget assumptions are:

(a) Inflation:

The budget provides inflation on contract inflation (for example Environmental Services contract, computer maintenance contracts etc.) where indexation clauses are included within individual contracts. Other Price Inflation has been applied at 1% rounded to the nearest £100. Nationally there is no consensus on what level inflation will be in 2017/18. If inflation was higher, services would be expected to manage these pressures within the approved budget.

(b) Level of Government funding

The provisional local Government finance settlement announced on the 15th December for 2017/18 provided a provisional funding allocation for 2017/18 and indicative budgets for 2018/19 to 2019/20 to assist Councils with planning. There was confirmation that the four year funding 'guarantee' linked to the submission of the Council's efficiency plan in October has been honoured by Central Government.

The provisional settlement issued on 15th December 2016 indicates a reduction in the settlement funding assessment of £452K between 2016/17 and 2017/18, a reduction of 18.79%. This reduction is as forecast in the indicative four year funding totals provided by DCLG in February 2016 and which have been confirmed with the Governments approval of the Council's efficiency plan submitted in October. The Council's MTFS had already factored this reduction into the financial forecasts.

Table 3: Reduction in Core Government Funding 2016/17 to 2017/18

2016/17		**2017/18**
£000s		£000s
785	Revenue Support Grant (RSG) (includes previous Council Tax Freeze Grants)	300
1,620	National Share of Business Rates (NNDR)	1,653
2,405	**Settlement Funding Assessment**	**1,953**
133	Rural Services Delivery Grant	108
64	Rural Services Transitional Grant	64
2,602	**Total Provisional Settlement Funding**	**2,125**

Harborough receives the lowest settlement funding assessment within Leicestershire and is significantly below the average for Districts of £31.01. This is illustrated in the table below:

Table 4: Comparison of Leicestershire Settlement Funding 2017/18

Settlement Funding Assessment	**£ per head**
Oadby and Wigston	31.11
Charnwood	30.60
Hinckley and Bosworth	29.81
North West Leicestershire	29.72
Melton	29.20
Blaby	26.64
Harborough	22.44
All Districts	31.01

The lack of funding from the Settlement Funding Assessment has meant that Harborough has had to be successful in delivering growth and the associated benefits of New Homes Bonus and Business Rate Retention in order to maintain service levels. However, the relatively low level of dependency on Central Government for funding (relative to others) means that the planned reduction on funding from Government will have a lesser impact. Harborough has traditionally received low levels of central government funding through being a high tax base authority and through the needs based formula.

The Government also publishes another definition called core spending power which details Government funding support alongside an assessment of the Council Tax that a Council could levy. The Core Spending Power reduced by 4.89% from 2016/17 to 2017/18. The core spending power includes:

- Settlement Funding Assessment (SFA).
- Council Tax. The Government has assumed that authorities will increase their Band D council tax by the maximum amount. For Harborough they have assumed that the Council will increase their Council Tax by the £5 criterion that is available to District Councils.
- New Homes Bonus. There has been a reduction in the planned NHB payments (down from £1.493bn to £1.251bn), and a change in the way that local authority allocations are calculated.
- Rural Services Delivery Grant. No changes in the allocations from those previously announced.
- Transition Grant. No changes in the allocations from those previously announced.

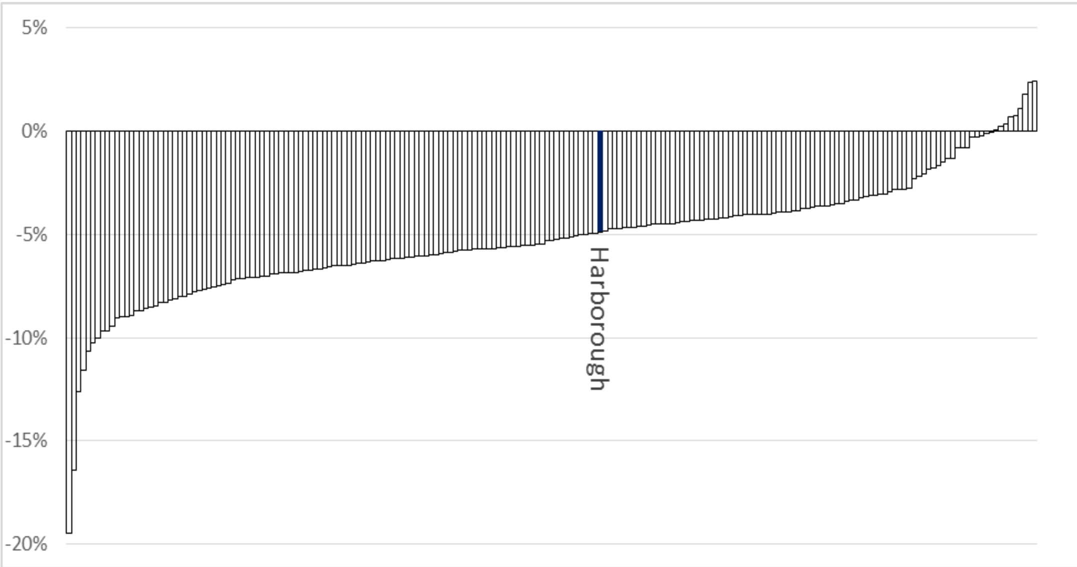
The Core Spending definition illustrates that despite the Settlement Funding Assessment being the lowest in Leicestershire, the success of the locally generated sources (New Homes Bonus) over the past 7 years has provided the most spending power per head within Leicestershire to deliver the range of Council Services.

Table 5: Comparison of Leicestershire Core Spending Power 2017/18

Core Spending Power	**£ per head**
Harborough	118.56
North West Leicestershire	118.04
Melton	111.56
Blaby	102.95
Oadby and Wigston	101.50
Hinckley and Bosworth	98.49
Charnwood	96.37

This is further illustrated in Figure 1 below that demonstrates that the planned reduction in settlement funding assessment and revised criteria for New Homes Bonus has not had as significant an impact on Harborough as other District Councils.

Figure 1: Change in Core Spending Power for Districts 2017/18



(c) New Homes Bonus

The Government in 2011/12 introduced the New Homes Bonus to incentivise Councils in respect of housing growth. Until 2017/18 the scheme was based on Councils receiving money for six years following the level of completions in the previous year.

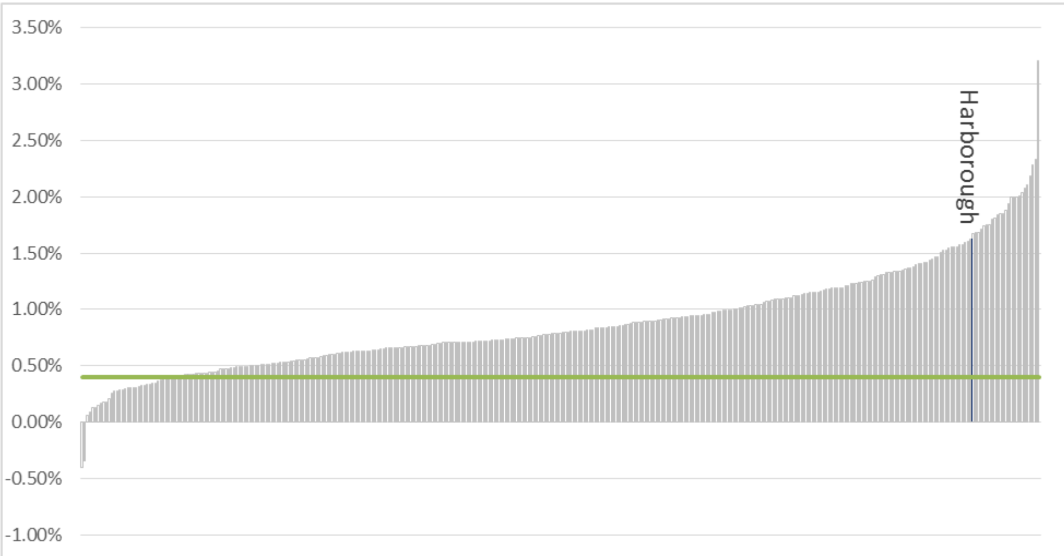
In the provisional settlement the Government has announced significant changes to the New Homes Bonus, following the publication of the consultation paper a year ago. The key changes are

- The Government is implementing its preferred option: to reduce legacy payments from 6 years to 5 years in 2017-18 and then to 4 years in 2018-19.
- A “deadweight” factor or national baseline will be introduced, so that no NHB payments will be made to a local authority for housing growth of less than 0.4%.
- From 2018-19 the Government will withhold payments from authorities not supporting housing growth. This will potentially include no or reduced payments for houses that are built following a successful appeal and to local authorities who do not have an approved Local Plan. There will be a further consultation on these elements.
- To calculate the Year 7 (2017-18) NHB payment, the increase in the number of dwellings (converted to Band Ds) is calculated, and the national baseline of 0.4% is deducted. Payments are only made on the increase in the number of houses above the national baseline; no

payments are made for growth in housing below this threshold. This approach ensures that there are no cliff edges for authorities above and below the threshold.

The Government has confirmed the New Homes Bonus allocation of £2.686 million for 2017/18 against £3.005 million that was within the Government's illustrative figures in February. The introduction of the change to 5 years in 2017/18 and the setting of a relatively high 'deadweight' housing growth percentage at 0.4% are the reasons for the change. The impact of this change is that the Council did not receive New Homes Bonus for 151 properties that it would have had received funding for in the scheme that has been operating for the past 6 years. Translating this into a financial impact the deadweight adjustment accounts for £194K of the £319K reduction in New Homes Bonus in 2017/18.

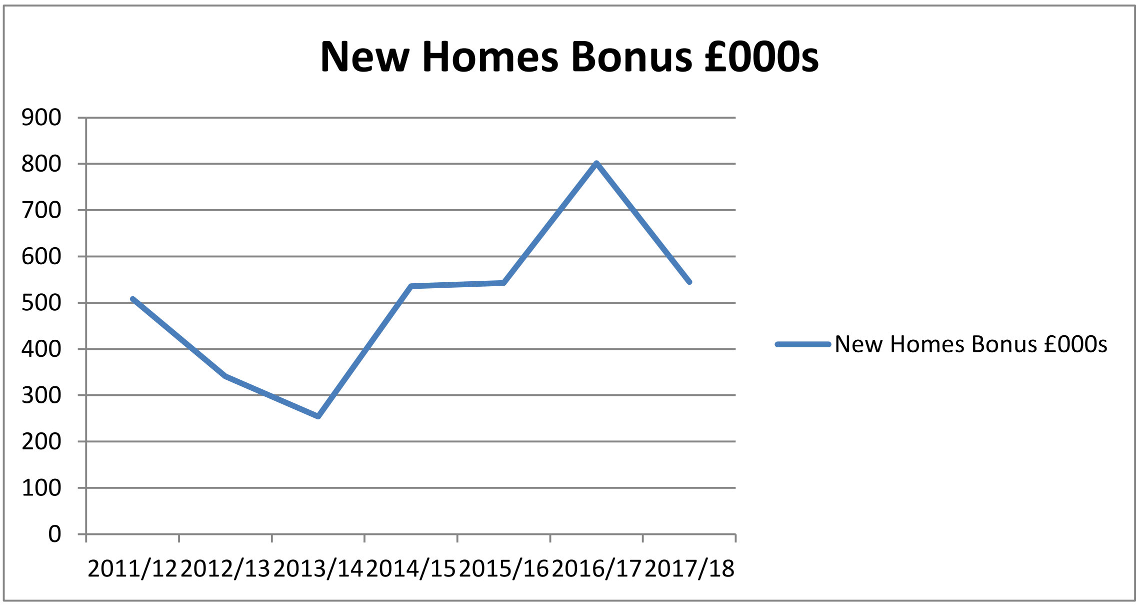
Figure 2: Change in Housing Stock 2016/17 to 2017/18 (All Councils)



The above graph illustrates the strong position of Harborough in being able to secure New Homes Bonus based on the current and projected level of housing completions. Harborough was the 27th most successful Council in the Country in the change in housing stock (+1.63%) in the last year. As a key funding source, maintaining housing growth above the 'deadweight' baseline is essential to support the Council's priorities in the future. To illustrate the impact of the new housing growth criteria, Melton Borough Council increased their Housing Stock by 0.4% (90 houses) but did not receive any additional New Homes Bonus in 2017/18 because of the application of the 'deadweight' criteria.

The annual New Homes Bonus receipt over the past 7 years is illustrated in Figure 3 below. The reduction in 2017/18 is due to the application of the new 5 year criteria and application of the 'deadweight' criteria.

Figure 3: New Homes Bonus 2011/12 to 2017/18



Despite the change in New Homes Bonus methodology, Harborough remains the highest recipient of New Homes Bonus within Leicestershire in 2017/18 as illustrated in Table 5 below

Table 6: New Homes Bonus per head – Leicestershire Authorities

New Homes Bonus	£ per head
Harborough	30.84
North West Leicestershire	30.02
Hinckley and Bosworth	26.23
Blaby	24.39
Charnwood	23.29
Melton	10.99
Oadby and Wigston	7.05

The Council had been anticipating the reduction in New Homes Bonus and had set out in its MTFS a plan to transfer £800K of the New Homes Bonus received from Government to an earmarked reserve to prepare for the time when New Homes Bonus is based on 4 years of receipts. The proposed budget provides for the second year of this transfer (£400K) which adds to the £400K put into a reserve as part of the 2016/17 budget strategy. The total reserve is £1.147 million. Indicative forecasts by Government indicate slightly higher receipt of New Homes Bonus in future years than their forecasts issued in February.

The proposed budget therefore only utilises £2.286 million of New Homes Bonus on a recurrent basis, compared to the receipt in 2017/18 of £2.686 million. This should mean that future receipts of New Homes Bonus based on the Council's strong build profile and limited drawdown from the earmarked reserve should allow us to plan for this to remain as an essential funding source.

(d) Business Rates

In 2013/14 the Government introduced a Business Rate Retention Scheme with the aim of incentivising local growth and the ability to retain part of the business rate growth locally. Growth is compared to a Government determined baseline at the beginning of 2013/14. The Council has been in a pooling agreement with the other Leicestershire Districts, City Council and the County Council for every year apart from 2014/15. The pooling of business rates allows a share of business rate growth being retained regionally and targeted at economic growth through LLEP. Through being in the pool, it is anticipated that at least £4 million of retained business rate growth (on top of that retained by individual Councils) will have been retained within the County to be distributed via the LLEP. The Council remains in the pool unless they make a decision to withdraw. This decision has to be reached within 28 days of the provisional settlement. An annual assessment is taken by all the Leicestershire Authorities on whether to operate the scheme. It is proposed (Recommendation 2.6) to delegate this decision to the Section 151 Officer in consultation with the portfolio holder to make this judgement and to action as appropriate.

Harborough has consistently had one of the highest rates of business growth in the County. However, the level of retained business rates is materially impacted upon by the number of appeals which is managed by the Valuation Office. The appeals create significant volatility in the forecasting of business rate growth. At the end of 2015/16 the Council as the billing authority had provided for £5.7 million of appeals of which £2.3 million is Harborough's share. A significant proportion of these relate to the logistic hubs at Magna Park which are still awaiting determination by the Valuation Office. The Council is assuming a further £450K provision for appeals will need to be made in 2016/17 within its forecasts. It is hoped that some of the appeals will be dismissed and that as a result it may result in additional funds being returned to the Council and the preceptors in the future.

The actual and forecast retained business rate growth forecasts are detailed in the table below. By the end of 2017/18 it is forecast that the Council will have retained locally £4.095 million as well as having been able to contribute £3.600 million to the Leicester and Leicestershire Business Rate Pool. This success in retained business rate has been essential when it is considered in the context that Revenue Support Grant has reduced significantly in recent years. Looking forward, the Council would expect the annual retained business rate growth to be in excess of £1.2 million.

Table 7: Retained Business Rate Growth

	£000s
2013/14 Retained Business Rate Growth (actual)	903
2014/15 Retained Business Rate Growth (actual)	495
2015/16 Retained Business Rate Growth (actual)	807
2016/17 Retained Business Rate Growth (forecast)	899
2017/18 Retained Business Rate Growth (forecast)	991
Total	**4,095**

Looking forward, the Government will be increasing the retention of business rates from the current 50% to 100% by the end of the parliament. Nationally discussions are underway on this issue.

The Council's current policy is that Business Rate growth is transferred to the Business Rate Retention Reserve and is then applied in future years. The budget assumes that £1.3 million of the retained business rate growth reserve will be utilised in supporting the 2017/18 Revenue Budget in the following areas:

Table 8: Utilisation of Business Rate Retention Reserve

	£000s
Business Rate Growth Reserve at 1st April 2017	**2,129**
Less: Support to the 2017/18 Revenue Budget [Recurrent]	(1,200)
Business Support Initiatives	(100)
Contribution to Earmarked Reserve: 2017/18 Retained Business Rate Growth (forecast)	991
Business Rate Growth Reserve at 31st March 2018	**1,820**

It is clear that Business Rates will be the major driver in respect of funding for the future and that the Council should encourage business growth through its strategies and decisions.

The impact of the 2017 Business Rate Revaluation is 'neutralised' within the financial settlement. However, this is only in respect of Day 1, 1st April 2017 and the Council is likely to have to manage and provide for further appeals.

(e) Council Tax

The budget assumes a 3.12% increase in the District share of Council Tax in 2017/18. This is equivalent to a £5 increase on a Band D property. The provisional settlement for District Councils set out a continuation of the 2% 'capping threshold' that has been in place for a number of years or £5, whichever was the greatest. The Government is assuming that Councils would avail themselves of the £5 option within its definition of core spending power.

The tax base for 2017/18 has been set as 33,482.0 (2016/17, 32,787.5), an increase of 694.5 Band D equivalents from 2016/17. This has generated £111K additional Council Tax without a need to increase the Council tax levied on individual properties. The proposed 3.12% Council Tax increase generates £168K.

The budget issued for consultation included the following changes to Council Tax exemptions

(i) Removing the 10% discount currently granted for properties that have been deemed as a Second Home for Council Tax Purposes (c200 properties)

(ii) Removing the 50% discount for properties that are classed as under repair (c30 properties)

(iii) Implementing a 50% premium for properties that are empty and unfurnished for more than two years. From 1 April 2013 Local Government Act 2012 makes provision for an empty homes premium to be charged to such classes of long term empty dwelling as billing authorities choose (Section 11B). The premium can be up to 50% on top of the long term empty charge (c250 properties)

Subject to the budget being approved by Council these will be implemented under the current delegation to the Corporate Director (BJ) and implemented by the Leicestershire Revenues and Benefits Partnership.

(f) Fees and Charges

The Council levies fees and charges for a wide range of services. The budget assumes that collectively income from fees and charges will increase by 1% However, many of the Council's fees and charges are based on full cost recovery or nationally set and will be set accordingly. Full details of fees and charges are attached at Appendix F and are recommended for approval by full Council on February 23rd 2017.

(g) Employee Costs

Pay: Provision has been made in the budget for the estimated pay costs for 2017/18. In particular, the pay budgets provide for the Local Government Pay Award of 1% for 2017/18.

Pensions: Every three years the Leicestershire Pension Fund undertakes a triennial actuarial review of the pension fund. Whilst the current deficit within the Pension Fund has decreased from the last revaluation to £16.8 million there is the ongoing need over a number of years to move to a fully funded pension scheme where projected liabilities are met by the assets. The deficit has arisen in past years due to significant drops in workforce level, and past employer's contribution rates, which has resulted in the amount of employers and employees contributions not covering the liabilities of current members, deferred members, and current pensioners. Most Councils are in a similar position and will, over a number of years need to make significant contributions to address their pension fund deficit.

Actuarial reviews are complex and provide for the Council to move towards a fully funded pension scheme over 20 years. The Actuaries have identified that to move to a fully funded scheme to remove the deficit it would require a 'full rate' of 41.7% which is broadly split 50/50 contributory rate and deficit repayment. The current contribution rate (2016/17) is 25.9%.

The headlines arising from the Actuarial Review and the required contribution rates are highlighted in the table below. The 2% increase in pension contributions costs cost approximately £110K per year. Therefore over the next three years annual pension contributions will have increased by approximately £340K over and above that paid in 2016/17.

Table 9: Headline Pension Information from the Actuarial Review

Pension Fund Headlines		**Contribution Rates**		
Pension Fund Deficit	£16.8 million	Year	Contribution Rate (%)	Comprising
Split:		2017/18	27.9	To be paid as 21.4% + £291k Cash Sum
Future Service Rate	21.4%	2018/19	29.9	To be paid as 21.4% + £381k Cash Sum
Deficit Repayment	20.3%	2019/20	31.9	To be paid as 21.4% + £471k Cash Sum

The impact of previous Service Reviews has been incorporated within the proposed budget. Additional savings were secured within the Leicestershire Revenues and Benefits Partnership following the transfer of the Benefit Fraud Service to the DWP.

The 2017/18 proposed budget does not require or anticipate an organisation wide redundancy programme for cost cutting purposes at this stage. However, the organisation may carry out redundancies through service review restructures or via individual applications during the course of 2017/18.

(h) Environmental Services Contract

In 2016/17 the Council commenced the seven year extension to its Environmental Services Contract which was approved last year. This has delivered operational savings in excess of £300K and introduced a subscription based garden waste scheme. The level of garden waste subscribers has been very successful with 19,000 subscribers. This is forecast to generate £225K net additional income over and above the business case. However, it is important to note that the subscription income only covers 57% of the cost of the service to the Council.

(i) Impact of Previous Year's Capital Investment

The budget is based on the capital financing requirement arising from the approved capital programme for 2017/18 and previous years. The Council has in recent years used its internal investments to fund capital investments negating the immediate need to undertake more expensive borrowing. It is likely that borrowing will not need to be undertaken in 2017/18 which would lead to net borrowing savings – these have not been factored into the budget at this stage.

The revenue consequences (i.e. borrowing costs, running costs, income generation, etc.) are included within the budget.

4.4 Growth and Savings Proposals

4.4.1 The 2017/18 budget consolidates the organisational change and savings programmes undertaken in previous years. In addition, there has been another round of portfolio holder challenge on the Council's operating budget.

4.4.2 The budget includes £700K of savings and income generation opportunities proposals**.**

Table 10: Summary of Savings and Income Generation

	£000s
Savings	137
Income Generation	623
Prior Year Savings Adjustment	(60)
Total	**700**

The savings proposals are attached at **Appendix B**

4.4.3 The 2017/18 budget process also looked at priorities for growth including growth funded from reserves. Analysis of the growth figure of £403K between recurrent and one-off funding is detailed in the table below:

Table 11: Summary of Recurrent and One-off Growth

	Growth	Funded By		
	£000s	**General Fund**	**Reserves**	**Car Parking Income**
Recurrent Growth	240	160	0	80
One-off Growth	163	35	100	28
Total	**403**	**195**	**100**	**108**

The majority of growth is targeted at maintaining or developing existing services.

4.4.4 The Growth proposals are attached at **Appendix C**

4.5 Utilisation of Reserves

4.5.1 The Council has a series of reserves that have been set aside to deliver Council priorities and to support Medium Term financial planning. In addition, the Council retains a General Fund Reserve which is retained at or above a level recommended by the S151 Officer detailed later in the report.

4.5.2 An initial review of the level of reserves has been undertaken (as required by the Local Government Act, 2003). Based on this there is scope for the use of reserves on a recurrent and non recurrent basis to support the delivery of Council priorities and delivery of a balanced budget in 2017/18.

4.5.3 The planned utilisation of reserves is shown below:

Table 12: Planned Utilisation of Reserves 2017/18

	Estimated Opening Balance 2017/18	2017/18 Planned Use of Reserves	Estimated Closing Balance 2017/18
	£000s	**£000s**	**£000s**
General Fund Balance	4,928	(0)	4,928
Earmarked Reserves (excluding General Reserve Fund)	5,176	(299)	4,877
General Reserve Fund	1,169	(150)	1,019
Capital Reserves	2,805	(200)	2,605
Total	**14,078**	**(649)**	**13,429**

4.5.4 In line with the MTFS the proposed budget has fully removed the need for a recurrent use of the General Fund Balance to support the Revenue Budget. In 2016/17 £764K of the General Fund Balance was used to support the

Revenue Budget. In 2017/18 this has reduced to zero, meaning that the ongoing revenue spending needs of the Council are met by the annual funds available. This puts the Council in a good position to deliver a sustainable budget over the MTFS period.

4.5.5 The Council continues to retain and utilise earmarked reserves to support the delivery of Council priorities and to provide financial resilience over the medium term. The budget assumes contributions to earmarked reserves of £1.480 million and drawdown from earmarked reserves of £1.929 million in 2017/18. The movement in reserves is detailed in Appendix D.

4.5.6 The budget assumes the drawdown of £1.2 million on a recurrent basis to support the budget from Business Rate Retention Reserve. This is again consistent with the MTFS and is targeted at the level of retained business rates that could realistically (after some provision for appeals) be realised in a financial year. This is evidenced by the estimated transfer into reserves of £0.991 million based on the initial forecast of business rates for 2017/18. At the end of 2017/18 the Council expects to have £1.820 million left in the business rate retention reserve which will assist with any volatility arising from the recent business rate revaluation or future appeals.

4.5.7 In line with the MTFS the proposed budget has provided for a second transfer of £400K of the 2017/18 New Homes Bonus into a reserve to prepare for when the New Homes Bonus reduces further in 2018/19 when the bonus will only be paid on 4 years of housing completions. This reserve reduces the volatility in this funding source. This means that the proposed budget utilises £2.286 million of the New Homes Bonus to support the budget on a recurrent basis in 2017/18, down from £2.585 million used to support the budget on a recurrent basis in 2016/17.

4.5.8 In recent years the reserves have been added to, through success in retaining locally generated funds (i.e. New Homes Bonus, Business Rate Growth) along with generating in-year surpluses which have been added to the General Fund. The current forecast surplus on the Revenue Budget for 2016/17 is £900K which will be added to the General Fund balance at the end of the year, subject to the final accounts process. The overall level of reserves will support the delivery of the Council's MTFS in response to further reductions in core Government funding, alongside investment in Council priorities.

4.5.9 The utilisation and movement of reserves are detailed in **Appendix D.**

4.6 2017/18 Revenue Budget

4.6.1 The draft budget was issued on the 10th January with the public and businesses. In addition, consultation with Scrutiny on 19th January 2017 (draft minutes attached at **Appendix G** took place. There were no amendments arising from the scrutiny process. Comments from the public and business consultation are attached at **Appendix G** (to be tabled at the meeting.) The recommended budget is attached at **Appendix A** with the recommendation that this be approved by Executive and recommended to Full Council on the

23rd February 2017, where the Council Tax resolution will be considered. The Council must set a balanced budget and Council Tax by 11 March 2017.

4.6.2 The Council estimated budget requirement in 2017/18 is £11.668 million. This is based on estimated expenditure of £33.955 million and income (including Government Grants) of £22.287million. Expressed on a daily basis this equates to over £90,000 per day. The breakdown by portfolio is detailed in Appendix A (i).

4.6.3 The proposed budget consolidates previous year budget decisions as well as the budget assumptions and proposals detailed earlier in the report for the financial year 2017/18. To provide a comparator with Table 1 arising from the proposed budget the following table has been updated to include the 2017/18 proposals. This clearly demonstrates the continued prudent financial management of the Council's finances.

Table 13: Delivery of Savings and Income Generation 2014/15 to 2017/18

	Reduction in Core Government Funding £000s	**Savings £000s**	**Income Generation £000s**	**Sub Total £000s**
2014/15	438	(107)	(55)	(162)
2015/16	452	(338)	(203)	(541)
2016/17	568	(710)	(460)	(1,170)
2017/18	477	(77)	(623)	(700)
Total	**1,935**	**(1,232)**	**(1,341)**	**(2,573)**

The above table clearly shows that savings and income generation proposals over the past four years has exceeded the reduction in Government funding and has contributed positively to addressing cost pressures (e.g. the withdrawal of recycling credits for waste) alongside continued investment into priority services.

4.7 2017/18 – 2019/20 Capital Budget

4.7.1 The Capital Programme for the next three years continues the targeting of Council resources to the Councils priorities of business growth, vibrant communities and housing. In addition, there is the need to invest in the Council's core assets. This report recommends a Capital Programme of £10.405 million for the period 2017/18 to 2019/20. A number of the schemes will be linked to the need for external funding and detailed business cases if the scheme is to progress, for example, the proposal for move on space for small and medium enterprises which is dependent on securing significant external funding and a detailed business case to progress.

4.7.2 The Capital Programme also provides for planned maintenance of the Council's assets following full condition surveys of the key Council Assets. The Council has also ensured that where the liability for repairs is the responsibility of a third party, for example Leisure Centres that dilapidation surveys have been undertaken and investment secured and programmed.

4.7.3 The Capital Programme provides for increased support to elderly and vulnerable people resulting from an increase in funding from the Better Care Fund from £199K in 2016/17 to £384K in 2017/18. It is planned to set aside £350K for Disabled Facility Grants (an increase of £50k on 2016/17) and to create a new capital project for Lightbulb/Social Care Capital projects of £135k in 2017/18. This is linked to the Lightbulb Programme initiative which aims to allow more people to remain in their own homes through the provision of aids and adaptations and targeted support.

4.7.4 The Capital Programme includes £4.480 million of slippage from the 2016/17 Capital Programme. This was approved by the Executive on the 5th December 2016.

4.7.5 The Capital Programme for the next three years assumes £1.457 million of new borrowing to deliver the programme by 2019/20. This will be factored into the prudential indicators to be considered by Council in February 2017. Significant Capital Receipts are expected from the redevelopment of garage sites for low cost and affordable housing.

4.7.6 Debt charges for the proposed Capital Programme have been included in the Revenue Budget for 2017/18 along with revisions to the voluntary revenue provision (VRP) in line with the annual updating of this budget.

4.7.7 Detailed Business Cases will be developed for the major capital projects, detailing spend profile, funding opportunities and conditions and an assessment of risk. In particular, over the next three years of the Capital Programme business cases for refurbishment/provisioning of the Council's Leisure Centres will be need to be considered following from the Leisure Options appraisal that is currently underway. The Leisure Centre is therefore marked as to be confirmed (TBC) in the capital programme. Similarly, surveys are being undertaken at Harborough Market to assess future investment needs.

4.7.8 The Capital Programme has been profiled across the next three years. It is intended to continue the current policy of Members approving the funding envelope for the three years of the programme, allowing flexibility as to when the expenditure is incurred. This will allow external funding opportunities to be maximised and allow opportunities (e.g. strategic land acquisitions) to be made at the most appropriate time.

4.7.9 The Capital Programme is attached at **Appendix E.**

5. Report of the Chief Finance (Section 151) Officer under Section 25 of the Local Government Finance Act, 2003

5.1 Section 25 of the Local Government Act 2003 requires the Chief Finance Officer (Section 151 Officer) of a local authority to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. This report has to be considered by Executive and the full Council as part of the budget approval and council tax setting process.

5.2 The proposed budget is set against the context of continued reductions in core Government funding, especially Revenue Support Grant. However, through submitting its Efficiency Plan the Council has secured a multi-year settlement until 2019/20 thereby providing certainty of this element of funding. Changes in the New Homes Bonus framework introduced for 2017/18 and continued volatility in respect of business rate appeals can lead to material swings in available funding between financial years. The Council has an adopted Medium Term Financial Strategy (MTFS) that takes all of the above into account and provides resilience over the Medium Term.

5.3 The Council's S151 Officer is required to report to Executive and full Council the key risks facing the Council in relation to current and future budget provision. The key risks and associated mitigating actions, reserves or provisions are:

(a) Business Rates

The Government introduced the Business Rate Retention Scheme from the 1st April 2013. Government grant is reducing to take account of the fact that Councils are able to keep more of the business rates they raise from April 2013. Councils are able to keep 50% of any increase they achieve in business rate collection as an incentive to encourage local economic growth. Further retention of Business Rate Growth is retained with Leicestershire through the Council being part of the Leicester and Leicestershire Business Rate Pool. The Budget continues a prudent use of this funding stream and continues to transfer amounts to reserves, rather than utilising in-year business rate growth to support the annual budget. This approach helps to mitigate some of the volatility arising from appeals and is intended to assist with the funding and smoothing of MTFS proposals over the next four years. In line with the MTFS the recurrent use of these reserves has increased from £424K to £1.2 million being utilised each year. The projected balance on the business rate retention reserve at the end of 2017/18 is £1.82m which is in excess of the proposed annual drawdown, i.e. the Council continues to only utilise the business rate growth once banked.

The accounting for Business Rates and Appeals remains complex with associated timing and funding issues arising from Government submissions and changes in the local business economy. The Council continues to prudently provide for appeals (the Council has provided for £8.67m million, relating to 2017/18 and previous years unsettled appeals.

Members' attention is drawn to the converse side of Business Rate retention which is if we suffer losses of business rate income; the Council will have to fund the first 7.5% of losses before any safety net comes into effect. The Council is part of a Business Rate Pool with the rest of the Leicestershire Councils with the aim of maximising retention of business rate growth and sharing the risk of Councils having to meet the costs of the Safety Net.

(b) New Homes Bonus

The provisional settlement included significant changes to the application and receipt of New Homes Bonus. Key changes are detailed in paragraph 4.3(c). The Council had anticipated these changes in the 2016/17 budget and in the Councils published MTFS. It has been possible to transfer £400K in 2016/17 and a further £400K in 2017/18 to a earmarked reserve to assist with reduction in the number of years new homes bonus is paid on, and potential impact of only awarding new homes bonus for housing growth over 0.4% (deadweight) and any impact from when a local plan is adopted. In addition, the recurrent use of New Homes Bonus to support the Revenue Budget has reduced to £2.286 million.

A review of projected housing completions over the next few years has been undertaken and it is anticipated that the District should receive high levels of housing growth over the next few years and hence new homes bonus for growth over 0.4%. However, there is the risk that the economic environment change and that completions slow. The Government will be consulting on how to link New Homes Bonus to having an adopted local plan. Based on the Council's current timetable for the local plan it is hoped that we will have a compliant plan by the time this change is introduced.

(c) Economic Growth

The national economic position continues to have an impact on Council activity. The vote for Brexit in June 2016 is forecast to lead to reduced growth forecasts, higher inflation and by implication an increase in interest rates for our investments. However, the certainty and timing of the rebalancing of the UK economy is unclear. For this reason the budget has largely been prepared on a steady state position of the UK economy with a corporate assumption of 1% inflation. Any significant shifts in costs or investment returns are adequately covered by Council's contingencies and reserves.

Changes in the UK economy may have an impact on the financial health of businesses within Harborough District – this would be felt most significantly in respect of loss of business rates if it was to occur. The Council has made provision in its forecasts for changes in business occupancy and bad debts.

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(d) Impact of Budget Reductions by Partners

The Council works closely with other public and voluntary bodies in the delivery of services. All organisations are experiencing a contraction in public sector funding. In particular, the budget proposals by Leicestershire County Council continue to impact on the Council and will do so in the future. All 2016/17 pressures have been incorporated within the budget. The Council continues to make representations and undertake forward financial planning to manage and mitigate the risk of any changes.

(e) Pay Costs

The Local Government pay award covers the period to the end of 2017/18 and provision has been made for a pay rise of 1%. The budget also makes provision for the introduction of the Apprenticeship Levy. To date, the Council's workforce has not been impacted upon by the increase in the Living Wage though initial forecasts indicate pressures towards the end of the decade. There have been impacts in our third party provision in respect of Leisure and Environmental Services which have been reviewed in line with the relevant contractual frameworks. In addition, the Council contribution to the Local Government Pension has increased a result of the recent triennial review of the pension fund detailed in paragraph 4.3(g). Full provision for the increase has been included in the proposed budget and the approved MTFS.

(f) Income Risks

A prudent level of income assessments has been factored into the budget for 2016/17. Fees and Charges have been changed by 1% or by the statutory fee or cost recovery needs. Regular budget monitoring of income identifies any income trends and appropriate action plans put in place. The income targets included within the 2017/18 budget are considered achievable based on 2016/17 income levels and business plans. The Council continue to receive a high level of planning applications that may continue 'windfall' income gains that are not budgeted for on a recurrent basis.

(g) Welfare Reforms

The Government continues to implement the largest change to welfare reforms since 1940. Locally in 2016/17 Universal Credit has been introduced for part of Harborough District alongside other changes in the welfare framework. It is anticipated that this could lead to increased hardship for a number of residents. The Council have a series of advice services and hardship funds that seek to mitigate some of the impact of these externally driven changes. The Council continues to work in partnership to understand and evaluate the changes and the impact on the Council's finances and its' communities.

(h) Capital Spending

The three year Capital Programme details the Capital priorities and ambition for the Council. Detailed Business Cases will be developed and external funding opportunities and conditions evaluated. A level of unsupported borrowing has been estimated and debt charges incorporated in the budget. The capital budget is ambitious and is supported by External Funding and Capital Receipts. Detailed business cases will detail the risks and the funding options linked to major schemes.

(i) Contingent Liabilities

The Council is aware of a number of contingent liabilities which are detailed annually in the statement of accounts. During the year there is the potential for additional liabilities to be identified, for example, planning appeals, judicial review etc. At the moment no separate provision has been made in the accounts until the nature and timing of the liabilities become more certain. To mitigate against this the projected General Fund balance will be maintained higher than the minimum level required.

5.3 Robustness of Estimates

There is an element of judgement as budget estimates of spending and income are made at a point in time and may change as circumstances change. This statement about the robustness of estimates cannot give a 100% guarantee about the budget but gives the Council reasonable assurance that the budget has been based on the best information and assumptions available at the time. The Council utilises a computer system (collaborative planning) where all the budget movements are documented and subject to sign-off by budget managers.

In setting the budget for 2017/18, current expenditure trends and service demands have been considered by the Corporate Management Team and Portfolio Holders. This included a forensic portfolio holder challenge. The budget for 2016/17 has therefore been set on the basis of need, demand and funding availability.

The Council has demonstrated its ability to deliver challenging savings targets in recent years through efficiencies and income generation. It has also prudently invested in its priorities within the context of a sustainable balanced budget. There are no savings still to be identified within the proposed 2017/18 Budget.

5.4 Adequacy of Reserves

The recommendation on the utilisation of reserves has been based on the robustness of estimates information and a risk assessment of the budget.

Risk	Reserve Cover/Mitigation
Impact of Inflation	In year changes in inflation are usually absorbed within the approved budget envelope for each service and/or contingency. The Council retains General Fund Balances above the minimum recommended level to respond to significant costs if they were to occur.
Business Rate Volatility	The Council retains a business rate growth reserve in excess of the annual draw-down from the reserve to support the Revenue Budget, thereby only utilising 'banked growth'. Prudent provision for appeals and bad debts are included in the forecasts.
Changes in New Homes Bonus	The Council has created a New Homes Bonus Reserve with an estimated balance of £1147K by 31st March 2018. This within the period of the MTFS provides sufficient cover for volatility in housing growth number and future changes in the New Homes Bonus framework. The recurrent use of new homes bonus has also been reduced which should minimise the need for drawdown from the reserves.
Earmarked Reserves	The budget assumes earmarked reserves totalling £4.877 million by 31st March 2018 for the specified purposes. The level of contributions and drawdown from these reserves is assessed as prudent.
General Fund Balance	The Council's Reserves Policy is to retain the General Fund balance at between 7.5% - 15% of the net revenue budget). The estimated balance at the 31st March of £4.928 million is significantly above this. My Section 151 opinion is that I would propose a minimum balance of 10% of the net revenue budget (£1.167 million) for 2017/18. The proposed balance on the General Fund has been forecast to be significantly above this. The retention of a higher General Fund Balance is justified given the volatility in the funding framework for local government and funding pressures at the end of the MTFS period and from 2020/21 onwards

The 2017/18 Budget removed recurrent use of the General Fund Balance to support the revenue budget (2016/17 £764K). This demonstrates the ability to propose a balanced, deliverable and sustainable budget. The Executive is also proposing an increase in Council Tax at the maximum level therefore building into the base budget this funding on a recurrent basis – this helps to mitigate in the future against the need to drawdown on reserves.

5.5 Assurance Statement of the Council's Section 151 Officer

The financial risks facing the Council over the next few years are significant. However, the proposed MTFS, Organisational Change agendas and a planned utilisation of reserves provides a flexible approach to managing those risks in the medium term and creates scope for further innovation and efficiency in response to reductions in core Government funding and the opportunities/volatility arising from locally generated income sources.

In relation to the 2017/18 revenue budget, the continued need for savings to respond to the Government's austerity agenda are challenging, but are nevertheless achievable. The budget utilises a mix of savings, efficiencies and income generation along the prudent use of locally generated growth funds to propose a balanced and sustainable budget for 2017/18. The MTFS sets down a strategy for the period to 2019/20 to respond to future funding projections. The track record of the Council in successfully delivering transformation and savings over the past couple of years provides additional assurance. The Council has a good record of managing and planning for other potential financial risks that arise from time to time which provides further assurance that it can proactively manage risks. The healthy reserves position also provides against any future risks.

The levels of reserves, balances and contingencies held are in my opinion adequate. Clearly, there are risks in the achievement of some of the proposed savings and/or income generation proposals. Whilst it is not possible to guarantee that every single proposal will be achieved. I consider the overall package to be prudent and affordable, and I am assured of the robustness of the projected savings, and the extent of rigour in their calculation.

The Capital Programme sets out a three year programme from 2017/18 to 2019/20 and details estimates of external funding and need for unsupported borrowing and capital receipts. I draw to Member's attention that the prudential indicators arising from these spending plans are towards the top of what I consider affordable and sustainable under the Prudential Code in the medium term. Any revisions to the programme requiring an increase in the unsupported borrowing requirement should be subject to a separate review by the S151 Officer.

In my opinion, the estimates are sufficiently robust to allow the Council to set the revenue budget, capital programme and council tax for 2017/18. The budget strategy, level of reserves and proposed MTFS provides a sound approach for balancing the budget in future years.

6 Legal Issues

6.1 The Council is required to consult on its budget proposals prior to formulating its budget requirement. The Council is required to set a balanced budget by the 11th March 2017. The Council is scheduled to consider the budget on 23rd February 2017.

7 Resource Issues

7.1 The budget sets down the spending plans and priorities for 2017/18. Subject to the passing of the budget resolution on the 23rd February at full Council the budget sets down the approved budget for 2017/18. Budgets are delegated to budget holders and monitored throughout the year.

8 Equality Impact Assessment Implications/Outcomes

8.1 There are no specific Equalities & Diversity issues affecting the recommendation in this report, though any such issues affecting particular service pressures and savings have been considered when those proposals were submitted. Any changes arising from the consultation on the budget will be subject to assessment as appropriate.

9. Risk Management Implications

9.1 The budget proposals are subject to a risk assessment in their formulation and subsequent delivery. An overall assessment of the risks in the Budget Strategy by the S151 Officer forms part of this report to the Executive on the 14th February 2017 and Council on the 23rd February 2017.

10 Consultation

10.1 Executive issued the Budget for consultation on the 9th January 2017. The consultation period ran from 10th January 2017 to 13th February 2017. The Resources and Performance Scrutiny Panel considered the report on the 19th January 2016. In addition, consultation was undertaken with:

- Employee Relations Forum (including Trade Unions).
- Local Businesses and Commercial Ratepayers (through the business newsletter).
- General Public through the website and opportunity to comment on the budget. (this was also promoted through social media)

10.2 There were no issues arising from the Employee Relations Forum, Performance Scrutiny that required or led to changes in the proposed budget.

11. Options

11.1 The Council has a legal obligation to set a balanced budget. The Executive Budget report of the 9th January 2017 was issued for consultation between the 10th January and 13th February 2017. The outcomes of the consultation will be tabled at the Executive meeting on the 14th February as **Appendix H**. The Executive should consider the outcomes of the consultations in recommending a budget to the Council.

12 Background Papers

12.1 Budget working papers.

12.2 Local Government Provisional Settlement, 15th December 2016.

Information Issued Under Sensitive Issue Procedure: N
Ward Members Notified: N

Appendices:

- **A.** **Proposed 2017/18 Budget**
- **A(i)** **Proposed 2017/18 Budget (Expenditure and Income)**
- **B.** **Savings Proposals 2017/18**
- **C.** **Growth Proposals 2017/18**
- **D.** **Summary of Reserves 2017/18**
- **E.** **Capital Programme 2017/18 to 2019/20**
- **F.** **Fees and Charges 2017/18**
- **G.** **Draft Performance Scrutiny Minutes, 19th January 2017**
- **H.** **Consultation Responses (to be tabled at the Executive, 14th February 2017)**