



CABINET

Date of Meeting	Tuesday, 17 January 2017
Report Subject	Council Fund Budget 2017/18 – Part 3 Closing Strategy
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Chief Executive and Corporate Finance Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

The annual Council Fund budget for 2017/18 has been developed in two stages:

- Stage One: which covers Part 1 of our Medium Term Financial Strategy (MTFS) – service reform based on the service portfolio business plans; and
- Stage Two: which covers Parts 2 and 3 of our Medium Term Financial Strategy (MTFS) – corporate financial stewardship and working with Welsh Government.

The Stage One proposals were approved by Council on 15 November 2016 and are now closed and being implemented.

The Stage Two proposals on corporate financial stewardship were approved by Council on 6 December 2016 following consideration by Corporate Resources Overview and Scrutiny Committee on 30 November and are also closed and being implemented.

The Provisional Settlement was received on 19 October 2016. The Settlement provided a similar level of financial support to the Council as in 2016/17 and has been referred to as a 'cash flat' Settlement. Given that there was no reduction in Revenue Support Grant for Flintshire the Settlement had a positive impact on the forecast budget 'gap' of £2.8m. The Council's response to the consultation on the provisional settlement is attached as Appendix 1.

The Final Local Government Settlement was received on 21 December 2016 and was largely unchanged in overall cash terms from the Provisional Settlement (an increase of £0.044m) other than the inclusion of important additional investment

for the rising costs of domiciliary care across Wales. Over and above this an amount of £0.201m was transferred into the settlement as a new responsibility for homelessness prevention. The funding previously received through the Housing Benefit Subsidy for temporary accommodation for the same purpose has been reduced so there is a net reduction in funding of £0.157m. Given demands for homelessness services this is a new pressure which cannot be avoided.

The amount remaining to be found to achieve a balanced budget stands at £2m.

There are limited options to close the remaining 'gap' as set out in the report.

RECOMMENDATIONS

1.	Note the details and the implications of the Welsh Local Government Final Settlement.
2.	Review the limited options for closing the remaining 'gap' of £2m for consultation with the Corporate Resources Overview and Scrutiny Committee (which meets on 20 January).

REPORT DETAILS

1.00	The Latest Budget Position
1.01	<p>The annual Council Fund budget for 2017/18 has been developed in two stages:</p> <ul style="list-style-type: none"> • Stage One: which covers Part 1 of our Medium Term Financial Strategy (MTFS) – service reform based on the service portfolio business plans; and • Stage Two: which covers Parts 2 and 3 of our Medium Term Financial Strategy (MTFS) – corporate financial stewardship and working with Welsh Government.
1.02	The Stage One proposals were approved by Council on 15 November 2016 and are now closed and being implemented.
1.03	The Stage Two proposals on corporate financial stewardship were approved by Council on 6 December 2016 following consideration by Corporate Resources Overview and Scrutiny Committee on 30 November and are also closed and being implemented.
1.04	The Provisional Settlement was received on 19 October. The Settlement gave a similar level of financial support to the Council as in 2016/17 and has been referred to as a 'cash flat' Settlement. Given that there was no reduction in Revenue Support Grant for Flintshire the Settlement had a positive impact on the forecast budget 'gap' of £2.8m. The Council's response to the consultation on the provisional settlement is attached as Appendix 1.

1.05	<p>The Final Local Government Settlement was received on 21 December 2016 and was largely unchanged in overall cash terms from the Provisional Settlement (an increase of £0.044m) other than the inclusion of important additional investment for the rising costs of domiciliary care across Wales. Over and above this an amount of £0.201m was transferred into the settlement as a new responsibility for homelessness prevention. The funding previously received through the Housing Benefit Subsidy for temporary accommodation for the same purpose has been reduced so there is a net reduction in funding of £0.157m. Given demands for homelessness services this is a new pressure which cannot be avoided.</p> <p>A briefing note on the Final Settlement is attached as Appendix 2.</p>																														
1.06	<p>The amount remaining to be found to achieve a balanced budget stands at £2m. There are limited options for balancing the budget at this third and final stage as set out in the report.</p>																														
2.00	<p>Summary of Stage 1 Service Portfolio Business Plans</p>																														
2.01	<p>Stage One of the budget was concluded at the Council meeting on 15 November. A summary of the approved efficiency proposals is shown below.</p> <p>Table 1</p> <table border="1" data-bbox="284 1021 1289 1518"> <thead> <tr> <th data-bbox="284 1021 970 1081">Portfolio</th> <th data-bbox="970 1021 1129 1081"></th> <th data-bbox="1129 1021 1289 1081">£m</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 1088 970 1144">Planning and Environment</td> <td data-bbox="970 1088 1129 1144"></td> <td data-bbox="1129 1088 1289 1144">0.205</td> </tr> <tr> <td data-bbox="284 1151 970 1207">Streetscene and Transportation</td> <td data-bbox="970 1151 1129 1207"></td> <td data-bbox="1129 1151 1289 1207">1.350</td> </tr> <tr> <td data-bbox="284 1214 970 1270">Social Care</td> <td data-bbox="970 1214 1129 1270"></td> <td data-bbox="1129 1214 1289 1270">0.690</td> </tr> <tr> <td data-bbox="284 1276 970 1332">Education and Youth</td> <td data-bbox="970 1276 1129 1332"></td> <td data-bbox="1129 1276 1289 1332">0.873</td> </tr> <tr> <td data-bbox="284 1339 970 1395">Organisational Change</td> <td data-bbox="970 1339 1129 1395"></td> <td data-bbox="1129 1339 1289 1395">0.943</td> </tr> <tr> <td data-bbox="284 1402 970 1458">Community and Enterprise</td> <td data-bbox="970 1402 1129 1458"></td> <td data-bbox="1129 1402 1289 1458">0.629</td> </tr> <tr> <td data-bbox="284 1464 970 1520">Corporate Services</td> <td data-bbox="970 1464 1129 1520"></td> <td data-bbox="1129 1464 1289 1520">0.903</td> </tr> <tr> <td data-bbox="284 1527 970 1583">Central and Corporate Finance</td> <td data-bbox="970 1527 1129 1583"></td> <td data-bbox="1129 1527 1289 1583">0.150</td> </tr> <tr> <td data-bbox="284 1590 970 1646">Total</td> <td data-bbox="970 1590 1129 1646"></td> <td data-bbox="1129 1590 1289 1646">5.743</td> </tr> </tbody> </table> <p>Footnotes:</p> <ol style="list-style-type: none"> 1. The figures above may be subject to change at implementation stage 2. The proposals originate from the third and final year of service planning. 	Portfolio		£m	Planning and Environment		0.205	Streetscene and Transportation		1.350	Social Care		0.690	Education and Youth		0.873	Organisational Change		0.943	Community and Enterprise		0.629	Corporate Services		0.903	Central and Corporate Finance		0.150	Total		5.743
Portfolio		£m																													
Planning and Environment		0.205																													
Streetscene and Transportation		1.350																													
Social Care		0.690																													
Education and Youth		0.873																													
Organisational Change		0.943																													
Community and Enterprise		0.629																													
Corporate Services		0.903																													
Central and Corporate Finance		0.150																													
Total		5.743																													
3.00	<p>Summary of Stage 2a Corporate Financial Stewardship</p>																														
3.01	<p>Stage Two of the budget was concluded at the Council meeting on 6 December. A summary of the approved efficiency proposals is shown below.</p>																														

Table 2

Description		£m
Council Tax Base Increase		0.345
Independent Living Fund (ILF)		0.412
Transition to Adulthood		0.162
Flint Extra Care Scheme		0.170
Schools Investment		0.400
Apprentice Tax Levy		0.470
Central Loans and Investment Account (CLIA)		2.690
Total		4.649

Footnotes:

1. The figures above are precise estimates and will not be subject to any material change
2. The Council Tax base increase has been notified to Welsh Government
3. The figures assume the utilisation of reserves to meet the costs of the new Apprentice Levy.
4. The CLIA figure reflects the approved changes to the Minimum Revenue Provision (MRP) policy.

3.02 At the meeting on 6 December new and emerging pressures totalling £0.597m were also reported and added to the budget requirement for 2017/18.

4.00 **Summary of Stage 2b Working with Welsh Government**

4.01 As detailed in para. 1.05 The Final Local Government Settlement was received on 21 December 2016 and has resulted in a net reduction in funding of £0.157m. This takes into account the transfer into the settlement as a new responsibility for homelessness prevention of £0.201m for funding previously received through the Housing Benefit Subsidy for temporary accommodation.

A briefing note on the Final Settlement is attached as Appendix 2.

4.02 Following completion of Stages One and Two, and receipt of the Settlement, a gap of £2m remains to achieve a balanced budget.

Table 3

Description		£m
Projected Budget "gap"		14.4
Less:		
Portfolio Business Plans		(5.7)
Corporate Financial Stewardship		(4.6)
Provisional Settlement		(2.8)
Add:		
New and Emerging Pressures		0.6
Impact of Final Settlement		0.1
Remaining Budget "Gap"		2.0

5.00 **Closing Strategy to Reach a Balanced Budget**

5.01 There are only limited options available to close the remaining gap of £2m and these are set out below:

5.02 **Domiciliary Care - Charging Levels**

A Welsh Government announcement has recently been made on raising the charging cap from the current amount of £60 per week to £70 per week (from 1 April 2017). For Flintshire this will generate projected additional income of £0.238m in 2017/18. Welsh Government also announced, as part of the Settlement, an additional £10m to support the rising costs of domiciliary care across Wales. Based on an assumed formula distribution the Council should receive additional funds, in the form of a specific grant, in the region of £0.430m.

5.03 **Local Taxation**

The forecast assumes a Council Tax increase of 3% for 2017/18. The maximum permissible annual rise for councils is 5% per year. As a guideline every 0.1% of increase in Council Tax contributes approximately £0.057m to the budget position (net of the impact of increased benefit entitlements under the Council Tax Reduction Scheme budget).

5.04 The North Wales Fire and Rescue Authority approved an increase of 4% on its levy at its meeting on the 19 December 2016. When taking into account population changes Flintshire's annual increase come in at 4.52% - an increased cost of £0.317m which is not currently included in the budget estimate. This increase cannot be met by further reductions in Council services as Stage One of the budget strategy is now closed. An option is to add the levy increase to the planned Council Tax increase. If this option was adopted the planned Council Tax rise would increase from 3.00% to 3.55%. The only other options are to utilise further one-off reserves or to reduce the overall level of investment in schools.

5.05 The Police Precept is still yet to be formally notified to the Council although an increase of between 3.5% and 5% is expected. This is equal to an annual increase of between £8.40 and £12.01 on the 2016/17 Band D equivalent

	charge of £240.12.
5.06	<p>School Investment</p> <p>An uplift of £1.2m (1.34%) is currently included for the overall schools budget. The budget is distributed to schools through the local schools funding formula. Any reduction in this provision would cause risks for schools budget planning.</p>
6.00	<p>Use of Reserves and Balances</p>
6.01	There is the option to utilise reserves to assist in the budget for 2017/18 - noting that this only provides a one year solution. As part of the approved Corporate Financial Stewardship options an amount of £0.699m has already been earmarked to meet the first year costs of the new UK Government introduced Apprentice Tax Levy.
6.02	A decision on what is considered to be a prudent use of reserves needs to take into account both the future sustainability of the budget and the impact on the reserve levels which remain for future years.
6.03	Any use of reserves in the budget would need to be made good in the base budget the following year.
6.04	Earmarked reserves are projected to stand at £2.885m at the financial year end.
6.05	The Contingency Reserve is projected to stand at £4.268m at the financial year end (calculated as at month 8) although this will be subject to the final outturn. It is recommended that a significant portion of this reserve is maintained as a safeguard against in-year risks and unforeseen events. Any use of reserves to balance the budget greater than £2m is considered to be high risk (bearing in mind it has already been agreed that £0.699m of reserves will be utilised for the costs of the apprentice levy for 2017/18).
7.00	<p>Outstanding Risks and Issues</p>
7.01	<p>Single Environment Grant</p> <p>Welsh Government is considering making a reduction in this grant of 6.7% in 2017/18. This would cause an immediate operational budget pressure of £0.200m.</p>
7.02	<p>Transportation Costs</p> <p>Following on from one of the Council's main transport providers going into liquidation there is a risk that the cost of maintaining the local public and school bus services could require an additional £0.675m in a full year. Negotiations with Welsh Government over future funding, and reviews of routes and service frequency, continue.</p>
7.03	<p>Household Recycling Centres</p> <p>The new configuration of the local Household Recycling sites will not become</p>

	operational until quarter two of 2017/18. A shortfall in the planned operational efficiencies target of £0.240m is forecast as a result of the newly adopted strategy of the Council. However, this cost pressure can be mitigated by the ending of a previous prudential borrowing loan arrangement within the service where capital was borrowed to purchase household recycling receptacles.
7.04	Car Park Income – County Hall A planned change in the policy for workforce essential car user allowances and mileage cost levels aimed to achieve an upper target of savings in the region of £0.750m. It was anticipated that this upper target could offset a projected shortfall of £0.080m of car parking income caused by the decision to change the planned County Hall car parking scheme for the workforce and to only charge employees an administrative fee for the issue of car parking permits. The cost savings made to the change in policy for workforce essential car user allowances and mileage cost levels should generate an estimated saving of £0.650m in a full year having taking into account appeals made by employees against the planned withdrawal of their allowance. Therefore, there is a potential overall cost pressure of £0.080m.
7.05	Impact of the Outturn 2016/17 Any emerging issues from the outturn for the current financial year will also need to be considered where they will have an impact on 2017/18 or beyond. Any new pressures identified over time will need to be considered as part of the final balancing proposals.
8.00	Next Steps and Timescales
8.01	This report will be considered by Corporate Resources Overview and Scrutiny Committee on 20 January. This meeting is open to all members.
8.02	Final budget proposals will be considered by Cabinet on the morning of 14 February for recommendation to Council for approval in the afternoon.
8.03	The formal Council Tax setting meeting of Council will be held on 1 March.

2.00	RESOURCE IMPLICATIONS
2.01	As set out in the report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Consultation with Group Leaders, Overview and Scrutiny Committees, senior officers and service teams, and external partners have been held in the development of the business plans, budget proposals and resilience assessments.

4.00	RISK MANAGEMENT
	All parts of the financial forecast, and all budget solutions, are risk assessed stage by stage. Services have already been assessed against efficiency, value for money and resilience with the assessment being reported to the Overview and Scrutiny Committees throughout July 2016.

5.00	APPENDICES
5.01	Appendix 1 – Council response to the Welsh Local Government Provisional Settlement.
5.02	Appendix 2 – Briefing note on the Welsh Local Government Final Settlement

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>Council Report 15 November 2016 Stage One http://committeemeetings.flintshire.gov.uk/mglIssueHistoryHome.aspx?lId=20333&LLL=0</p> <p>Council Report 6 December 2016 – Stage Two http://committeemeetings.flintshire.gov.uk/mglIssueHistoryHome.aspx?lId=20481&LLL=0</p> <p>Colin Everett, Chief Executive and Gary Ferguson, Corporate Finance Manager</p> <p>Contact Officer: Gary Ferguson Telephone: 01352 702271 E-mail: gary.ferguson@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Medium Term Financial Strategy (MTFS): a written strategy which gives a forecast of the financial resources which will be available to a Council for a given period, and sets out plans for how best to deploy those resources to meet its priorities, duties and obligations.</p> <p>Revenue Support Grant: the annual amount of money the Council receives from Welsh Government to fund what it does alongside the Council Tax and other income the Council raises locally. Councils can decide how to use this grant across services although their freedom to allocate according to local choice can be limited by guidelines set by Government.</p> <p>Local Government Funding Formula: the system through which the annual funding needs of each council is assessed at a national level, and</p>

from which each council's annual AEF (see above) is derived. The formula is very complex. In summary, using information such as statistics on local population change and deprivation, the formula sets a guide for each council's funding needs called the Standard Spending Assessment (SSA).

Annual Settlement: the amount of its funds the Welsh Government will allocate annually to local government as a whole, as part of its total budget, and to individual councils one by one. The amount of Revenue Support Grant (see below) each council will receive is based on a complex distribution formula for awarding Aggregate External Finance (AEF). The formula is underpinned by assessments of local need based, for example, of population size and demographics and levels of social deprivation.

Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.

Central Loan and Investment Account (CLIA): brings together the revenue costs of all Council's borrowing and investment activity. Contains; interest on debt, MRP (see below), Treasury Management costs (staff, advisors, software etc.), charges for debt rescheduling undertaken in earlier years and income generated from investments. Also referred to as Capital Financing Charges.

Minimum Revenue Provision (MRP): method for charging (debt-funded) capital expenditure to the revenue account in local authority accounts. Full Council sets an MRP policy annually selecting from a range of options contained with Welsh Regulations set by Welsh Government.

This page is intentionally left blank

Colin Everett
Chief Executive
Prif Weithredwr



Simon Edwards
Local Government Funding and Performance
Branch
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Your Ref/Eich Cyf

Our Ref/Ein Cyf

Date/Dyddiad 30th November 2016

Ask for/Gofynner am Colin Everett

Direct Dial/Rhif Union 01352 702101

Email/Ebost:
chief.executive@flintshire.gov.uk

Dear Simon

Local Government Provisional Settlement

Thank you for the opportunity to comment on the Local Government Provisional Settlement for 2017/18. We appreciate the timely announcement of the Provisional Settlement following the lateness of the respective announcement last year.

We have grouped our comments under four headings as set out below.

Medium-Term Planning

We do understand the difficulty in being able to plan ahead for the medium term with any certainty as the Cabinet Secretary thoughtfully explained both privately when we met, and in public statements. The absence of a medium-term indicative settlement does seriously compromise our ability to plan ahead for sustainable services, and service continuity, with sufficient confidence.

Given that the Chancellor has now made his Autumn Statement, and that civil servants will be analysing and advising on the immediate and medium-term implications of the Statement, we would request a statement of medium-term commitments to local government and the public services at the earliest possible point in the New Year. Deferral of medium-term commitments by Welsh Government to this time next year would seriously compromise future planning. New council administrations will need to plan ahead their priorities and investment choices for their five year term with some confidence as they settle in May post-elections.

County Hall, Mold. CH7 6NB
www.flintshire.gov.uk
Neuadd y Sir, Yr Wyddgrug. CH7 6NB
www.siryfflint.gov.uk

We welcome correspondence in Welsh. We will respond to correspondence received in Welsh without delay.

Rydym yn croesawu gohebiaeth Gymraeg. Ymatebwn yn ddi-oed i ohebiaeth a dderbynnir drwy gyfrwng y Gymraeg.



Overview of the Provisional Settlement

We appreciate that the case made by local government on the impacts of compounded reductions in Revenue Support Grant over a series of years, and the need for some relief to protect critical public services, has been heard.

We recognise the need for a form of annual funding 'floor' to protect the councils most exposed to a reduction in Revenue Support Grant and support the initiative of Welsh Government in funding the floor rather than requiring other councils to support the subsidy from a reduction in their own Grant. As a Council which has not benefited from a funding floor in any previous financial years this is an important point for us to make.

We share the concern at the relatively late emergence of considerable demography-led budget distribution changes from the Distribution Sub-Group. Many of us were unsighted on these changes. We appreciate and support the action taken to mitigate the impacts of these proposed changes as the consequences of their full introduction would have been de-stabilising for some councils.

Specific Comments on the Provisional Settlement

As a Council which has made a strong case for a 'cash-flat' settlement we support the Provisional Settlement as one which gives a minimum of protection to local government and to Flintshire. As a council which is poorly and unfairly funded under the Local Government Funding Formula we are particularly exposed to the risks and compound impacts of successive annual reductions in the Revenue Support Grant. Retention of our Grant at the 2016/17 level was our minimum expectation of the Provisional Settlement. The recent summary revision of our Medium Term Financial Strategy (MTFS) sets out our position and our need for Revenue Support Grant to be maintained at current levels, as a minimum, for future years.

We welcome the recognition of the escalating cost pressures in social care. However, the current Government investment levels are not sufficient to sustain critical care services - both directly provided and commissioned. The additional investment of £24M assumed in the Provisional Settlement calculations method is an under-estimate. The additional costs pressures for commissioned residential and domiciliary care services in 2017/18 are £2.7M for Flintshire alone. Social care and health should be given parity of esteem in funding decisions as co-dependent parts of the wider care sector. If a crisis in social care is to be avoided additional and continued investment is required in the short-term. We would request that Welsh Government increases the level of support for social care and that a proportion of the additional funds announced for health, including the Winter Pressures investment, is made available for shared cost pressures.

We remain concerned at the continuation of an excessive number of specific grants, the reduction in funding for certain specific grants specifically the Single Environment Grant, and the parallel announcement of the cessation of the Communities First

Programme with no transition plan or succession plan yet in place. We urge re-consideration, and the reinstatement of the Single Environment Grant to the current funding level. This Grant directly funds waste collection and recycling services, and any reduction will threaten the continuation of key services which are essential for councils to achieve their waste diversion and recycling targets. The proposal to reduce the Grant undermines Welsh Government's own environmental policy objectives and is contrary to the principles of the Well-being of Future Generations Act 2015. Further information is being shared with Welsh Government by the family of local government on the risks to environmental services posed by the proposed reduction in Grant.

Flintshire is one of the councils which has been pressing for a relaxation of the Domiciliary Care Fee Cap both on the principle that councils should have the freedom to set local charging schemes for services, and from necessity to recover a fuller proportion of service costs to ensure the sustainability of domiciliary care services. We appreciate that a decision on the relaxation of the Cap and/or additional investment to subsidise commissioning councils is imminent. We request a positive decision for 2017/18 supported by a plan for the revised Cap to be raised by a minimum of £10 per year in successive financial years.

Future Work

The case for a review of local government funding in Wales – the quantum of funding, the distribution method of funding, and local freedoms and flexibilities to act including income charging, taxation and the retention of Non Domestic Business Rates growth – has been well made, most recently by the Independent Commission on Local Government Funding in Wales. We urge Welsh Government to commit to an urgent review.

Flintshire is one of the councils with an evidential case for a review of the Local Government Funding Formula as part of this wider review. The disparity in funding per capita across councils is unfair and no longer justifiable. Low funded councils such as Flintshire are being exposed to a high level of risk with an unsustainable funding base which is not based on a balanced assessment of local need and does not recognise some of the greatest local cost pressures, such as workforce costs, in its calculation and distribution methodologies.

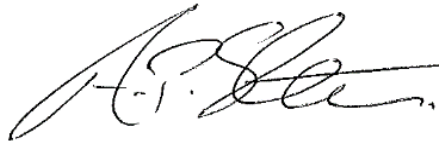
The reduction of specific grants should be included within this review.

Flintshire is keen to contribute to this review. The urgency of our case is expressed in the latest summary of our Medium Term Financial Strategy (MTFS) which is attached.

Yours sincerely

Handwritten signature of Colin Everett in black ink.

Colin Everett
Chief Executive

Handwritten signature of Aaron Shotton in black ink.

Aaron Shotton
Leader

APPENDIX 2 - BRIEFING NOTE ON FINAL WELSH LOCAL GOVERNMENT SETTLEMENT 2017/18

Background

The Final Settlement was received on 21st December 2016.

Headlines

Standard Spending Assessment (SSA)

The final SSA for 2017/18 is £257.526m (£256.492m at Provisional stage) which is an increase of 1.5% on the SSA for 2016/17 (£253.738m)

Aggregate External Finance (RSG & NDR)

The final AEF for 2017/18 is £185.033m (£184.989m at Provisional stage) which when compared to the adjusted 2016/17 AEF figure of £184.722m represents an increase of 0.2% (All Wales 0.2%).

Transfers into Settlement

The following transfers into the settlement were confirmed on the same basis identified at the provisional stage:

- Delivering Transformation (£0.123m)
- Deprivation of Liberty Standards (£0.009m)
- Food Hygiene Rating (£0.002m)

Transfers out of Settlement

The following transfers out of the settlement was confirmed on the same basis identified at the provisional stage:

- Education Workforce Council Teachers Registration Fees (£0.050m)

New Responsibilities

The following new responsibilities were confirmed on the same basis identified at the provisional stage:

- Increasing capital limits for Residential Care (£0.195m)
- War disablement pension disregard (£0.013m)

The final settlement identified one additional new responsibility:

- Homelessness Prevention (FCC £0.201m All Wales £6m)

Additional Funding (Floor)

- £1.6m included to ensure that no authority sees a reduction of greater than 0.5% compared to its 2016/17 allocation and top-up funding.

Specific Grants

Only very limited information at an All Wales level has been received at the present time.

General Capital Funding

Flintshire's General Capital Funding has now been consolidated into a single funding stream and reduced from a 2016/17 total of £6.728m to £6.634m, which is a net decrease of £0.094m (same as at provisional stage).

Funding Impact of the Settlement

There is an increase in AEF in cash terms of £0.044m when compared with the Provisional Settlement stage.

However, there is an additional new responsibility of £0.201m identified in the final settlement in relation to Homelessness Prevention which will need to be assessed in detail with regards to funding requirements for Flintshire. Taking this adjustment into account the settlement effectively shows a net reduction in funding of £0.157m

Other Headline Figures Identified outside of the AEF (All Wales)

- £10m available to local authorities for domiciliary care purposes
- £10m to provide non-domestic rates relief for businesses on high street

Gary Ferguson
Corporate Finance Manager
21/12/2016