

# Lincolnshire County Council

## Funding falls but costs increase

Lincolnshire County Council's main government funding grant will fall by £14m in each of the next two years.

By 2019, it will be just £20m, compared with £211m in 2010 - a drop of 90% over a decade.

However, the costs of providing services are increasing due to inflation and staff costs, as well as increased demand for services.

Despite these major challenges, the council's budget for 2018/19 protects vital services, meets the increased demand especially in adult social care, and supports major infrastructure projects.

Overall the council will spend £457m on services in 2018/19, including an additional £9m committed to pothole and road repairs- bringing the investment in maintaining Lincolnshire's roads to £34m.

This is made possible by reducing spending, increasing income and using money from reserves.

## Council tax

The county council's share of council tax this year will go up by 2.95%, plus the additional 2% precept for adult care (the income raised from this will be spent entirely on adult care).

We are required to include the annual percentage increase on your council tax bill in two parts – our general council tax increase and the increase to be spent on adult social care. The amount of money this equates to for each is also shown on your bill. The adult social care rise is given as a percentage of the total previous year's bill, not just the previous year's adult social care element.

This 4.95% increase means an extra £1.12 per week for a Band D property, or 74p for Lincolnshire's many Band A households.

Lincolnshire is still expected to have the third lowest council tax of all 27 English shire counties. Over the last seven years, council tax has increased by about 10%, while inflation has been 21%.

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## Savings

The council will also be finding savings of £37m over the next two years, on top of £290m of savings already achieved since 2011.

Savings are being made through things like re-negotiating contracts, changing how services are delivered and using buildings that cost less to run and maintain.

## Reserves

As in previous years, the council will be using a sensible proportion of its reserves to balance the books. There is £61m available for this, although obviously this money can only be spent once. The council is drawing on £39.1m of this over the next two years.

## Still investing in Lincolnshire

The council continues to invest in major road schemes to keep the county moving and generate economic growth. This includes the £99m Lincoln Eastern Bypass and the second phase of the £81m Grantham Southern Relief Road.

Longer-term, improvements are being considered for Lincolnshire's Coastal Highway, from the A1 through Lincoln to Skegness, and future solutions to Boston's highways issues.

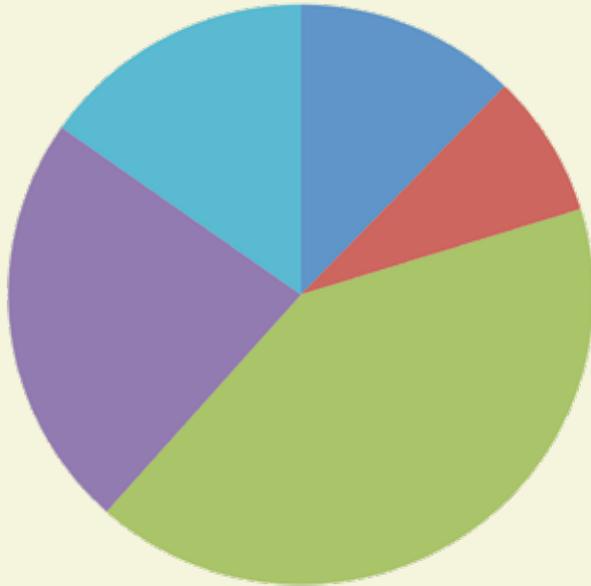
We're also continuing to renew or replace fire, gritter and waste transfer vehicles, as needed. The investment in Lincolnshire - including outside grants and contributions - will be £323m over the next two years.

## Adult care precept

The Secretary of State for Communities and Local Government has made an offer to adult social care authorities. ("Adult social care authorities" are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.)

The offer is the option of an adult social care authority being able to charge an additional "precept" on its council tax for financial years from the financial year beginning in 2016 without holding a referendum, to assist the authority in meeting expenditure on adult social care. Subject to the annual approval of the House of Commons, the Secretary of State intends to offer the option of charging this "precept" at an appropriate level in each financial year up to and including the financial year 2019-20.

## 2018/2019 Capital Investment £159m



- Children's Services £19m - 12%
- Environment and Economy Protecting the Environment £13m - 8%
- Environment and Economy New Road Schemes £66m - 42%
- Environment and Economy Other £37m - 23%
- Other Services £24m - 15%

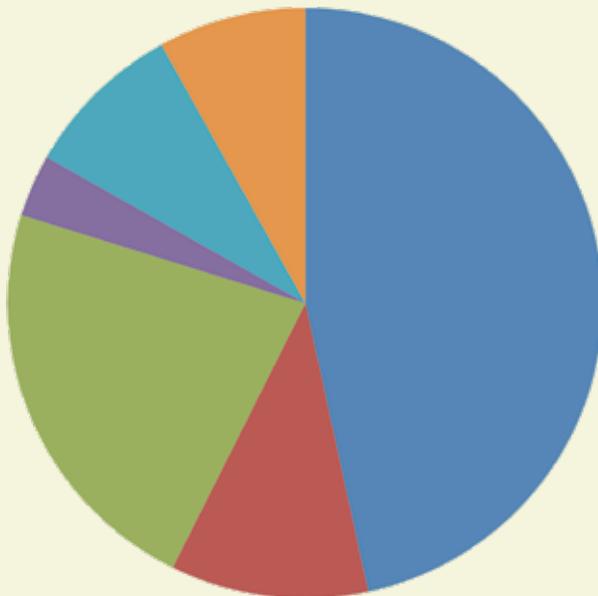
Children's Services includes: Schools modernisation and provision of School places.

Environment and Economy Protecting the Environment includes: Flood Defence and Recycling Centres.

Environment and Economy Other includes: Highways Asset Protection, Integrated Transport and Economy.

Other Services includes: Fire and Rescue, ICT and Property.

## 2018/19 Spending on Services £1,225m



- Schools £571m - 47%
- Children's Services £131m - 11%
- Adult Care £275m - 22%
- Capital Financing Charges £42m - 3%
- Environment and Economy £108m - 9%
- Other Services £98m - 8%

Children's Services includes: Readiness for School, Learn and Achieve, Children are Safe & Healthy and Readiness for Adult Life.

Adult Care Includes: Adult Safeguarding, Adult Frailty, Long Term Conditions and Physical Disability, Carers, Adult Specialities and Wellbeing.

Environment and Economy includes: Sustaining & Developing Prosperity Through Infrastructure, Protecting & Sustaining the Environment and Sustaining & Growing Business & the Economy and Community Assets and Resilience.

Other Services includes: Protecting the Public, How We Do Our Business and Enablers & Support to Council's Outcomes, Contingency and Other Budgets.

## Where the money comes from

The table below shows how we get our total income of £1,219m:

	2018/19 £m	2018/19 %
Business Rates Retention Pilot	163.2	14
Council Tax	280.8	23
Dedicated Schools Grant	538.9	43
Grants and Contributions	156.6	13
Other Income (Fees & Charges)	79.9	7
<b>Total</b>	<b>1,219.4</b>	<b>100</b>

## Our Share of the Council Tax

Lincolnshire County Council has not increased its share of the Council Tax in 2018/2019. The table below shows the amount you pay towards our services. (This does not include the amounts you pay for district councils, parish councils or the Police and Crime Commissioner for Lincolnshire).

	Amount 2017/18	Amount 2018/19
Band A	£782.28	£820.98
Band B	£912.66	£957.81
Band C	£1,043.04	£1,094.64
Band D	£1,173.42	£1,231.47
Band E	£1,434.18	£1,505.13
Band F	£1,694.94	£1,778.79
Band G	£1,955.70	£2,052.45
Band H	£2,346.84	£2,462.94

## Our borrowing

Like most local authorities, we borrow money to pay for long-term investment in the county's roads, schools and buildings. On 31 March 2017 we owed £482m. Annual repayments on that borrowing remain well within the Council's prudent limit of 10% of total income.

## Flood Defence

The Environment Agency is responsible for protecting people and property against flooding from sea and rivers. The majority of its funding comes from the Department for the Environment and Rural Affairs (Defra), but Lincolnshire County Council is also making a contribution of £0.226m for 2018/19 (£0.634m for 2017/18).

## What you actually pay for services

2018/19	Spending £m	Income £m	Spending minus Income £m	Estimated cost per resident £
Children's Services	163.3	20.8	142.5	191.74
Schools	573.6	573.6	0.0	0.00
Adult Care and Community Wellbeing	285.1	91.9	193.2	259.93
Environment and Economy	189.7	28.9	160.8	216.25
Other Services	70.3	59.2	11.1	14.92
Pension Contribution from Services	-26.4	0.0	-26.4	-35.46
*Capital projects adjustment-see note below	-30.3	-6.2	-24.1	-32.37
<b>Total planned Spending</b>	<b>1,225.3</b>	<b>768.2</b>	<b>457.1</b>	<b>615.01</b>
<b>Contributions to/from savings</b>	<b>-5.9</b>	<b>0.0</b>	<b>-5.9</b>	<b>-7.90</b>
<b>Budget Requirement</b>	<b>1,219.4</b>	<b>768.2</b>	<b>451.2</b>	<b>607.11</b>

Children's Services includes: Readiness for School, Learn and Achieve, Children are Safe & Healthy and Readiness for Adult Life.

Adult Care and Community Wellbeing Includes: Adult Care, Adult Frailty and Long Term Conditions Specialist Adult Services, Health Improvement, Prevention and Self-Management, Housing Related Support and Prevention and Treatment of Substance Misuse.

Environment and Economy includes: Sustaining & Developing Prosperity Through Infrastructure, Protecting & Sustaining the Environment, Sustaining & Growing Business & the Economy and Community Resilience & Assets.

Other Services includes: Protecting the Public, How We Do Our Business and Enablers & Support to Council's Outcomes and Other Budgets.

2017/18	Spending £m	Income £m	Spending minus Income £m	Estimated cost per resident £
Children's Services	150.2	19.5	130.7	177.22
Schools	550.7	550.7	0.0	0.00
Adult Care and Community Wellbeing	261.6	97.4	164.2	222.93
Environment and Economy	152.8	13.6	139.2	188.78
Other Services	78.0	12.0	66.0	89.65
Pension Contribution from Services	-6.1	0.0	-6.1	-8.30
*Capital projects adjustment-see note below	-44.5	-5.8	-38.7	-52.53
<b>Total planned Spending</b>	<b>1,142.7</b>	<b>687.40</b>	<b>455.30</b>	<b>617.75</b>
<b>Contributions to/from savings</b>	<b>-18.0</b>	<b>0.00</b>	<b>-18.00</b>	<b>-24.39</b>
<b>Budget Requirement</b>	<b>1,124.7</b>	<b>687.40</b>	<b>437.30</b>	<b>593.36</b>

Children's Services includes: Readiness for School, Learn and Achieve, Children are Safe & Healthy and Readiness for Adult Life.

Adult Care and Community Wellbeing Includes: Adult Care, Adult Frailty and Long Term Conditions Specialist Adult Services, Health Improvement, Prevention and Self-Management, Housing Related Support and Prevention and Treatment of Substance Misuse.

Environment and Economy includes: Sustaining & Developing Prosperity Through Infrastructure, Protecting & Sustaining the Environment and Sustaining & Growing Business & the Economy.

Other Services includes: Protecting the Public, How We Do Our Business and Enablers & Support to Council's Outcomes and Other Budgets.

\* The difference between what we spend on capital projects and the charges which we must include in spending on services.

NOTE: The use of a minus (-) in front of a figure shows that income has been received and therefore taken off total spending.