

Explaining our budget 2016/17

The total cost of services that North Yorkshire County Council provides will be £920.7m in 2016/17. The County Council provides the following services:

- Schools, children’s centres, children’s social care including adoption and fostering;
- Adult social care services, adult education, youth services;
- Libraries;
- Roads and public rights of way;
- Heritage and countryside management;
- Public transport and concessionary fares;
- Street lighting;
- Trading standards and consumer advice;
- Registration of births, deaths and marriages;
- Disposal and recycling of household waste;
- Emergency planning.

After service income and grants totalling £556.8m, our net budget is £363.9m. General government funding, business rates and council tax from previous years will total £104.1m with contributions from our reserves of £3.3m. This leaves £256.5m to be met from council tax.

For 2016/17 the charge for county council services for a band D property will be £1,143.86 which is made up of two elements, basic council tax and an additional 2% to fund the growing demand for adult social care services (please see page 3 of this leaflet for additional information about the 2% adult social care ‘Precept’). As indicated in the table below, the sum you pay depends on which valuation band your property is in.

Funding from central government for local authorities to deliver their services has again been significantly reduced. This has presented us with a considerable challenge and we will continue to face difficult decisions on spending and service provision over the coming years.

Council tax

The council tax, which you pay to your borough / district council, contributes to the combined cost of local services, including police and fire. There is one bill per dwelling for county council, borough / district council, police, fire and parish charges based on the value of your property.

Your home has been valued and given a council tax valuation band. The amount you pay depends on which valuation band your home is in. The table below shows the charge for North Yorkshire County Council services only, so this represents part of your overall council tax bill.

Council Tax 2016/2017			
Property Band	Basic Council Tax excluding Adult Social Care	2% for Adult Social Care Responsibilities	Total for 2016/2017
	£	£	£
A	747.91	14.66	762.57
B	872.56	17.11	889.67
C	997.21	19.55	1,016.76
D	1,121.86	22.00	1,143.86
E	1,371.16	26.89	1,398.05
F	1,620.46	31.78	1,652.24
G	1,869.77	36.66	1,906.43
H	2,243.72	44.00	2,287.72

What everything costs

Last year 2015/16			The County Council budget	Estimates 2016/17		
Gross cost £m	Income and grants £m	Net cost £m		Gross cost £m	Income and grants £m	Net cost £m
Children and Young People's Service						
423.2	423.2	0.0	Schools	426.1	426.1	0.0
80.3	9.0	71.3	Children and young people	78.7	10.6	68.1
89.6	10.9	78.7	Business and Environmental Services	84.7	13.4	71.3
208.7	75.4	133.3	Health and Adult Services	222.1	80.3	141.8
Central Services (libraries, property, business support, finance, legal and democratic, information technology etc.)						
61.4	7.0	54.4		60.6	6.3	54.3
Other						
26.7	0.1	26.6	Capital financing charges	26.7	0.1	26.6
12.7	12.5	0.2	Other budgets	21.8	20.0	1.8
902.6	538.1	364.5	Total net expenditure	920.7	556.8	363.9
			-1.0	Contribution from council reserves		-3.3
			363.5	Net budget requirement		360.6
			less funding from			
			-17.2	Business rates from district councils		-17.3
			-42.6	Business rates from central government		-42.9
			-59.2	Government revenue support grant		-37.4
			-2.7	Council tax income from previous years		-3.5
			0.0	Transitional Grant		-3.0
			241.8	Total council tax requirement		256.5

Changes in costs

	2015/16 £m	2016/17 £m	Difference £m
Gross spending	902.6	920.7	18.1
Less Service income and grants	-538.1	-556.8	-18.7
Net expenditure	364.5	363.9	-0.6

What the difference is made up of

	£m
Inflation and effect of the Living Wage increase	11.3
Price rises and the impact of tax changes imposed by the government increase our costs.	
Other additional spending	4.7
Additional spending due to an increasing demand for services and to meet our policies and priorities.	
Savings and cost reductions	-11.3
To compensate for significant reductions in government funding, together with managing inflation, tax changes and other additional spending, a comprehensive package of savings and cost reductions is being implemented.	
Government grant funding changes	-5.3
This increase in net expenditure results from Government policy changes in the funding of certain services. Former grants for these services have now been consolidated into the overall general funding provided to us by the government or have been discontinued altogether and this has the effect of increasing the reported net expenditure on our services.	
Total net decrease in spending	-0.6

Capital spending

We plan to spend £97.5m on capital projects during 2016/17. Capital spending is financed from a combination of grants and contributions, borrowing, revenue budgets and capital receipts from the sales of properties.

Capital spending by Service	£m
Children and Young People's Service	31.0
Business and Environmental Services	59.7
Health and Adult Services	2.9
Central Services	3.9
	97.5

Additional information about the purpose of the adult social care 'Precept':

The Secretary of State for Communities and Local Government made an offer to adult social care authorities which have functions under Part 1 of the Care Act 2014. These authorities are county councils in England, districts 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 ' council tax precept' of up to 2% without holding a referendum, to assist it in meeting expenditure on adult social care functions. Subject to the annual approval of the House of Commons, the Secretary of State intends to offer the option of setting this additional increase each year up to and including 2019-20.

In relation to the financial year beginning in 2016 the Secretary of State has determined (and the House of Commons has approved) a referendum threshold of 4% (comprising 2% for expenditure on adult social care and 2% for other expenditure), for adult social care authorities. These authorities may therefore increase their relevant basic amount of council tax up to this percentage in 2016 without holding a referendum.