

**Committee:** Cabinet

**Agenda Item**

**Date:** 1<sup>st</sup> December 2016

**12**

**Title:** Autumn Statement and Budget  
Consultation Outcomes

**Portfolio  
Holder:** Councillor Simon Howell

Key decision: **No**

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## **Summary**

### Autumn Statement

1. The Autumn Statement was announced on the 23<sup>rd</sup> November 2016.
2. There was no mention of Local Government or on the future funding available to Local Authorities.
3. The only hint that the cuts to funding may be less severe was that the Government is no longer seeking a budget surplus by 2019/20 but are committed to returning public finances to a balanced state as soon as practical.
4. It is anticipated that outcomes of the consultations carried out in the summer will be announced in the Draft Finance Bill published on the 5<sup>th</sup> December.
5. There was no mention of any changes to the Four Year Settlement so it is expected that the core spending commitments will remain as announced in last year's Autumn Statement.

### Budget Consultation

6. The council carried out two consultations on the priorities for the 2017/18 budget, one for Residents and one for Local Businesses.
7. The resident's consultation had 672 responses and 80 Businesses responded.
8. The priorities for both consultations showed that there was a similar theme for the order of importance on service delivery for both Resident and Businesses.

## **Recommendation**

9. No recommendations; this report is for information only and for members to note.

## Financial Implications

10. None.

## Impact

Communication/Consultation	None
Community Safety	None
Equalities	None
Health and Safety	None
Human Rights/Legal Implications	None
Sustainability	None
Ward-specific impacts	None
Workforce/Workplace	None

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## Background

### Autumn Statement

The Key points of the Autumn Statement are detailed below and the effects of these will emerge over the next few weeks.

11. No mention of any amendments to the Four Year Settlement but also no mention of the possible outcomes of the New Homes Bonus, Business Rates or Fair Funding Review consultations. This was disappointing and leaves the council still in a position of uncertainty around the funding for future years.
12. The key issues around the Business Rates Retention and New Homes Bonus consultations which remain a concern to the council are;
  - Will the Airport remain on the local list or be classified as high risk and be moved to the central list. There is still no clear definition of what an Airport is, purely the terminal and runway or the whole airport site?
  - Will they implement the no Local Plan no NHB?
  - Will they implement the no NHB for planning applications approved on appeal?
  - The overall pot was decreased so how will the government amend allocations to cover this? This indicates that even if the above criteria are not applied we will still face a cut to our allocation!

13. It is expected that outcomes of the consultations will be announced as part of the Finance Bill publication on the 5<sup>th</sup> December. We expect to receive the financial settlement around mid-December and will update members once we have a clear picture of the amount of funding we will receive.
14. There is still a commitment to the 100% Business Rates Retention in 2020, the only changes related to rate reliefs.
15. Rural Rate Relief to be increased to 100% for 5 years, the first year to be funded from Section 31 grant but no indications on funding for the following years.
16. 100% Business Rates relief will be available for new fibre broadband for 5 years from the 1 April 2017. It is expected that this will not directly affect Uttlesford District Council as it is infrastructure and will be on the central list.
17. The Statement did not mention any new devolution deals.
18. An extra £1.4 billion of funding for building an additional 40,000 homes from the Affordable Homes Programme up to 201/21, with flexibility to build affordable rented, shared ownership and rent to buy homes. There is a further £2.3 billion to be spent on housing development-related infrastructure through the Housing Infrastructure Fund for Local Authorities.
19. Local Enterprise Partnerships (LEP) have been given extra funding of £1.4 billion of which £542 million to the Midlands and East of England and £492 million to London and the South East. Allocations to individual LEP's are not yet available.
20. Universal Credit Taper Rate to be cut from 65% to 63% from April, but there were no other changes to the welfare budget. The housing benefit cap implementation will be delayed until April 2018. This is specifically related to the receipt of housing benefit and is one of two benefit caps. The first was implemented on 7<sup>th</sup> November and was a cap on a claimants combined benefits.
21. The minimum wage to be increased from £7.20 to £7.50, although it should be noted that Uttlesford signed up to the UK Living Wage in 2015 and currently pay £8.39 per hour which will increase in January 2017 to £8.54.
22. Fuel Duty to be frozen for the seventh consecutive year.

#### Residents Budget Consultation Outcomes

23. Following the success and increased responses to the 2016/17 consultation the same approach has been taken with the format and presentation of questions in the 2017/18 consultation.
24. A total of 672 responses have been received (820 responses in 2016/17) and in all cases the same questions were asked.

25. The following three streams of communication were used to ensure that all areas of the district and community were able to access the consultation and maximise responses.

- Telephone survey undertaken by a professional market research company, NWA Social and Market Research Ltd on behalf of Uttlesford District Council. This resulted in 512 responses.
- Open public consultation. The survey was promoted on the council's website from 7 to 26 September via an interactive form using the Snap 11 consultation platform. Paper copies were also distributed to the council's main contact points at the Great Dunmow Library, Thaxted CIC and the CSC in Saffron Walden. This resulted in 14 responses (10 via the website and four via paper surveys)
- The budget questions were also included as part of Uttlesford Voices 13, the half yearly consultation questionnaire sent out to 400 members of the Uttlesford Citizens Panel. This resulted in 146 responses (overall submissions to the panel survey were higher but some members chose to not answer the budget consultation section)

26. General promotion was carried out with direct mailings to the members of the Citizens Panel, a press release, exposure via the council's social media channels and prominent banners on the council's website

27. The overall opinion was that council tax should remain the same, although compared to last year's survey there was a higher level of support for an increase.

	<b>2017/18</b>	<b>2016/17</b>
Keep Council Tax the same	55.54%	69.09%
Increase Council Tax	27.40%	18.90%
Decrease Council Tax	14.07%	12.02%

28. The highest ranking areas Residents would like the council to focus spending on are detailed below;

#### Key Services

- I. Emptying bins, including public litter and dog bins
- II. Providing council housing and sheltered housing for the elderly
- III. Planning how the district will develop in the coming decades, including where new housing and businesses will be located

#### Other Services

- I. Working with the police and other organisations to keep Uttlesford Safe
- II. Enforcement work including prosecuting people for not paying council tax or council house rent, benefit fraud and fly tipping
- III. Educating young people about the dangers of drugs and alcohol

## Business Consultation Outcomes

29. This is the first year that a dedicated consultation has been run asking businesses directly for their views on council spending, in previous years the consultation has been limited to Business Networking Groups.
30. A multi directional approach was taken which comprised of an online consultation to enterprises registered on the Uttlesford Business Directory, local business support groups and the two town teams.
31. This new approach has generated the best outcome the council has had from businesses and the consultation received 80 responses.
32. The highest ranking areas Businesses would like the council to focus spending on are detailed below;

### Key Services

- I. Planning how the district will develop in the coming decades, including where new housing and businesses will be located
- II. Emptying bins, including public litter and dog bins
- III. Sweeping the streets, litter picking, clearing up fly tipping and keeping the district council owned land tidy

### Other Services

- I. Working with the police and other organisations to keep Uttlesford Safe
  - II. Promoting and Supporting businesses in the area
  - III. Enforcement work including prosecuting people for not paying council tax or council house rent, benefit fraud and fly tipping
33. In both the Residents and the Businesses consultations the same two services were ranked as lowest priority
    - I. Giving advice on work to listed buildings and work to protect trees
    - II. Collecting stray animals, microchipping dogs and cats and dealing with complaints from the public about pet and animal related issues
  34. The full analysis of both budget consultation is included as Appendix One (residents) and Appendix Two (Businesses). This report contains an executive summary, precis of the combined results of all the survey streams and detailed results from each of the telephone, public and panel consultations where applicable.

## Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
None – this is a report for members to note			