



Cumbria Office of the Police and Crime Commissioner

Item 13
Executive Board February 24th 2016

Budget 2016/17 and Financial Forecasts 2017/18 to 2019/20

Report of the Chief Finance Officer

1 Purpose of the Report

1.1 The purpose of this report is to recommend to the Commissioner for approval the revenue and capital budget for 2016/17 and the level of council tax to support the budget. The report also provides provisional estimates for the three years to 2019/20, ensuring budget decisions are taken in the context of the medium term financial forecast.

2 Introduction

2.1 It is a legal requirement for the Police and Crime Commissioner to annually set a balanced budget and to allocate funds to the Chief Constable to secure the maintenance of the Police Force for Cumbria. In doing this the budget takes into account forecasts of the income anticipated to be available to the Cumbria police area, and expenditure that is expected to be incurred in delivering the functions of the Commissioner and the priorities of the Police and Crime Plan. This report presents the Commissioner's revenue budget plans to meet these requirements.

2.2 This budget report is the final report in a series of papers that provide financial and other information to support the budget setting process. In October and January more detailed financial and contextual information has been provided to the Police and Crime Panel. Accompanying the budget report on this agenda is a report covering the capital strategy and programme, treasury management strategy, Prudential Indicators and the policy on Minimum Revenue Provision (MRP). These reports support the due diligence in respect of the affordability of the capital programme and the revenue implications of that expenditure. The agenda includes the Chief Finance Officer's statutory report on the robustness of the budget. The full suite of financial reports is available on the Commissioner's website.

3 Summary Budget and Precept

3.1 The table below sets out a summary of the consolidated budget setting out the plans for income and expenditure based on the 2016/17 government financial settlement for policing bodies. Appendix A sets out the budget for the Commissioner and the budget for the Chief Constable.

Table one: summary budget	2015/16	2016/17	2017/18	2018/19	2019/20
	£000s	£000s	£000s	£000s	£000s
Expenditure					
Police Pay	76,347	75,326	80,328	81,809	83,058
PCSO Pay	2,811	2,814	3,031	3,023	3,120
Staff Pay	19,162	19,600	18,983	19,153	19,324
Other Employee Costs	809	677	539	550	560
Premises Costs	3,720	3,532	3,613	3,697	3,783
Transport Costs	2,480	2,142	2,201	2,262	2,326
Supplies & Services	10,039	9,804	9,194	9,448	9,579
Third Party Expenditure	1,621	1,630	1,660	1,692	1,724
LGPS Past Service Costs	799	799	1,199	1,199	1,199
Insurances/Management of Change	2,533	767	795	803	833
Commissioned Services	2,699	2,583	2,083	2,083	2,083
Accounting & Financing	5,755	6,311	4,967	4,943	9,843
Contributions To Revenue Reserves	1,890	50	50	50	50
Contributions To Capital Reserves	0	3,473	0	0	2,000
Total Expenditure	130,665	129,507	128,643	130,711	139,483
Funded by					
Home Office Pension Grant	(18,006)	(18,134)	(21,577)	(22,095)	(24,010)
Other Grants & Contributions	(7,448)	(6,958)	(6,961)	(6,963)	(6,966)
Sales, Fees Charges & Rents	(3,967)	(4,639)	(4,565)	(3,952)	(4,004)
Interest/Investment Income	(125)	(100)	(135)	(170)	(170)
Revenue Reserves	(4,127)	(697)	(337)	(100)	0
Capital Reserves	(2,121)	(3,305)	(1,927)	(1,928)	(6,857)
Formula Grant	(59,884)	(59,543)	(49,643)	(49,643)	(49,643)
Council Tax Income	(34,987)	(36,132)	(36,830)	(37,812)	(38,821)
Total Income/Funding	(130,665)	(129,507)	(121,974)	(122,663)	(130,470)
Net Savings Requirement	0	(0)	6,669	8,048	9,013

3.2 The table shows estimated expenditure based on the budget proposed by and agreed with Cumbria Constabulary. It also includes expenditure for services that will be commissioned with wider partners and the Constabulary in support of the priorities within the Police and Crime Plan. The budget plan provides estimated funding of £129.5m in 2016/17 to support an equivalent level of expenditure. Between 2017/18 and 2019/20 the gap between income and expenditure is expected to increase to £9m. This is the net impact of inflationary pressures on expenditure and estimated reductions in Police Grant offset by increases in Council Tax Income and Pensions Grant, the later funding growth in the cost of police pensions. The Constabulary, as the main recipient of funding from the Commissioner, will provide annual plans for a reciprocal reduction in costs, ensuring an overall balance of resources through the delivery of a savings programme. At the time of writing this report, plans for delivering saving have been developed but are subject to implementation. Section 6 within this report sets out more information on the impact of implementing the change programme to achieve the required reductions in expenditure.

4 2016/17 Policing Bodies Grant Settlement

4.1 On the 17th December 2015 the provisional funding allocations for policing bodies in England and Wales were announced. The funding allocations were based on a 0.6% cash reduction that consolidated the previously announced national funding with a number of top-slicing reductions to fund national policing initiatives. The final settlement was announced on 4th February and confirmed that there would be no changes to the provisional settlement. The outcome of the settlement is a formula funding amount of £59.543m for the Cumbria police area for 2016/17. The equivalent figure for 2014/15 was £59.884m. There are no indicative figures for future years.

4.2 The settlement confirmed that the current arrangements for formula funding and damping would continue for 2016/17. This means all policing bodies received the same percentage reduction in core Government funding. The financial position is expected to become significantly more difficult after 2016/17 with a significant risk of a worsening financial outlook as a result of changes to the Home Office police funding formula. More information on potential formula funding changes is set out in the Commissioner's Medium Term Financial Strategy. The budget currently assumes that the impact will be a reduction of £9.9m in Police Grant from 2017/18 but there is a high level of risk regarding this budget assumption.

4.3 In addition to the formula grant the Commissioner receives a number of specific grants for policing and crime. The key grants against which most funding is received are the Police Pensions

Top-Up Grant (£18m) and Home Office legacy Council Tax Grants of £4.85m. The Commissioner will also receive income of £0.59m to support responsibilities for commissioning support for victims and restorative justice.

4.4 In summary, the formula grant settlement has seen a small reductions in funding for local policing and crime reduction in Cumbria with a loss of £0.341m of recurrent formula income in 2016/17. The medium term forecast currently anticipates a further reduction in Police Grant from 2017/18 of £9.9m. On this basis, budgeted expenditure exceeds income by £11.6m. Savings of £2.5m are planned for 2016-17 resulting in a balanced budget with a residual balance of £9m in further savings to be delivered between 2017/18 and 2019/20.

5 Council Tax Income & Other Income

5.1 The net budget for the Cumbria Police area is funded by a combination of formula grant and Council Tax income. Income from Council Tax is dependent on a precept levied on each District Council in Cumbria. Total tax income is dependent upon the amount at which the precept is set, the number of properties charged (tax base) and the Police Area's share of any surplus or deficit on District Collection Funds. The Council Tax Base takes account of expected collection levels and discounts. The surplus or deficit position on each District Collection Fund reflects the extent to which actual collection and discounts have varied from the budget. Each precepting authority takes a share of the deficit or surplus pro-rata to their share of the precepts.

5.2 The amount of the council tax precept is a decision for the Commissioner, who will take account of the views of the Police and Crime Panel and other consultations in making that decision. This is providing the proposal on the precept is within the Government's Council Tax increase limits. The limits are set by Government each year and inform the percentage increase in Council Tax income allowed before the Commissioner would need to hold a public referendum. The Government has formally announced the Council Tax increase limits as part of the formula grant settlement. The limit for Policing Bodies is set at 2%. **The Commissioner's budget is based on a precept increase of 1.91%. The financial implications for residents are that the Band D Council Tax amount would increase to £216.63 for 2016/17, an increase of £4.05.**

5.3 Council tax income is forecast using the tax base estimates provided by district councils. Calculations of the tax base have taken into account billing authorities' responsibilities to support low income households with their council tax liabilities. This support is delivered by way of local

schemes that provide discounts. The discounts reduce the tax base and therefore also impact precepting bodies. Schemes are subject to review and the Police and Crime Commissioner is required to be consulted with regard to scheme changes. Districts have not proposed any changes to these schemes for the 2016/17 financial year.

5.4 The table below sets out the tax base for each district for 2016/17 and the tax base for the prior year. The table shows that the total tax base is estimated to increase by 2538 band D equivalent properties. Budgets from 2017/18 are based on an assumed annual increase in the tax base of 0.75%. The actual updated tax base will be incorporated into future budgets in the year it is notified by districts. If the tax base increases above our estimates this will deliver a small budget benefit whilst a decrease from our estimates will have a negative impact on funding.

District	tax base 2015/16	tax base 2016/17	Increase (decrease)	% change
Allerdale Borough	28,905.29	29,470.67	565.38	2.0%
Barrow Borough	18,061.47	18,555.44	493.97	2.7%
Carlisle City	31,585.89	32,138.68	552.79	1.8%
Copeland Borough	19,846.36	20,121.06	274.70	1.4%
Eden District	19,543.10	19,886.14	343.04	1.8%
South Lakeland District	44,202.64	44,510.88	308.24	0.7%
Total	162,144.75	164,682.86	2,538.12	1.6%

5.5 In addition to the recurrent grant and tax base income, the 2016/17 budget benefits from the net impact of a forecast surplus on the 2015/16 district collection funds. The table below shows the council tax attributable to each district for 2016/17 and the position on each district collection fund for 2015/16.

Council Tax Income 2016/17	tax base 2016/17	precept (Band D)	Council Tax Income	Declared Surplus/ (Deficit)	Total 2016/17
Allerdale Borough	29,470.67	216.63	6,384,231.24	147,012	6,531,243.24
Barrow Borough	18,555.44	216.63	4,019,664.97	77,963	4,097,627.97
Carlisle City	32,138.68	216.63	6,962,201.92	95,157	7,057,358.92
Copeland Borough	20,121.06	216.63	4,358,824.40	52,173	4,410,997.40
Eden District	19,886.14	216.63	4,307,934.51	52,696	4,360,630.51
South Lakeland District	44,510.88	216.63	9,642,391.93	31,739	9,674,130.93
Total	164,682.86		35,675,248.98	456,740	36,131,988.98

5.6 In addition to formula funding and Council Tax income, the budget includes an amount of one off income to support one off expenditure achieved through a contribution from reserves. The funding available to support the budget is determined annually and takes account of the funding settlement, the need to provide for budget risks and any estimated under spend from prior years. In total the 2016/17 budget is supported by the use of £4m earmarked revenue and capital reserves. The most significant element of this contribution is £3.3m from capital reserves that has been planned to support the capital programme.

5.7 Fees and charges income is estimated to provide £4.6m in 2016/17 in support of expenditure. This income is primarily derived from reimbursements for services and officers provided to support national and regional policing requirements in addition to income from driver awareness training and licensing. This income is generated on behalf of the Commissioner by the Constabulary and is netted off the overall funding provided to the Chief Constable. The general income target has been increased by £400k in 2016/17 to reflect prior year experience of actual income received and to support balancing the medium term budget.

6 Expenditure Budget & Savings

6.1 Gross expenditure of £129.5m can be supported by budgeted income in 2016/17. The same level of funding is not expected to be available in 2019/20 meaning that £9m savings will be needed to offset rising costs from 2017/18. The key driver in the level of savings requirements is cost pressures increasing whilst the total level of external financing reduces. Inflation on pay costs has been held at between 1% for the life of the medium term forecast. Inflation on supplies has been set at 1% in 201/17 followed by 1.9% for the remainder of the medium term forecast in line with Bank of England estimates. A zero based approach to setting the budget removed £1.8m of recurrent expenditure from these budgets by taking a more risk based approach to likely levels of expenditure. Low levels of inflation and a robust approach to keeping supplies and services costs low is helping to keep expenditure pressures low in the medium term.

6.2 Whilst upward pressures on expenditure are low and being well managed, budgeted income is forecast to fall, creating the requirement for savings to deliver a balanced budget. The savings programme introduces schemes for cost reduction over the life of the medium term budget. The savings that need to be made over the life of this medium term financial forecast are in addition to savings of over £20m that have already been delivered since 2010. Historic savings have largely

been delivered through efficiency savings in back office and support costs with the visible front line services being largely protected. The savings programme for the next four years will reduce front line services. Police officer numbers are forecast to reduce from the current establishment of 1123 to 997, a reduction of 123 posts. Police staff posts are forecast to reduce from 582 currently to 595, a loss of 67 posts. Fully balancing the current deficit by 2019/20 will require further consideration of the number of police officers, PCSO's and police staff that can be supported by the budget.

7 Capital Funding & Expenditure

7.1 In addition to revenue grants the Commissioner also receives a small amount of annual capital funding that supports a capital programme. The programme is developed in consultation with the Constabulary who are the primary user of the capital assets under the ownership of the Commissioner. The budget benefits from £0.43m in capital grant to support capital expenditure from the 2016/17 settlement. This compares to £0.71m in 2015/16. The reduction is as a result of a 40% national top-slicing from capital allocations. The decreasing level of capital grant provides a widening gap between the requirement for capital expenditure and capital funding. This has to be met by revenue contributions to capital and capital receipts from the disposal of property. The revenue budget currently contributes £1.2m recurrently per annum to fund capital. Over the four years of the medium term financial forecast, major capital schemes for ICT and estates are primarily funded through one off reserves and capital receipts. In future years beyond 2019/20 revenue contributions will be the primary source of capital funding.

8 Reserves and Balances

8.1 Over the life of the financial forecast total reserves are planned to reduce from £22m at the start of 2016/17 to £12.5m by end of March 2020. This is because only £3m of the total are general balances held for managing financial risks and resilience. All other funds are earmarked reserves, the substantial majority of which are planned to be used over the course of the next four years. Of the £12.5m reserves in 2020, £7.3m comprise capital reserves planned to fund the capital programme in 2021.

8.2 This report does not recommend any further movement in reserves as a result of the inherent risk in the funding settlement. The policy on reserves, setting out the purposes for which

they are held and planned movements over the life of the medium term budget are set out in appendix B.

9 Consultation & Value for Money

9.1 The Commissioner has undertaken consultation on the budget and the Police and Crime Plan in line with regulatory requirements. A public consultation on the police precept was carried out during the twelve week period 1st August to 31 October 2014 to determine public opinion on a precept increase for 2015/16 and 2016/17. The consultation comprised an independent statistically significant telephone survey undertaken by a nationally recognised company. The survey was supported by a number of county wide engagement events and an online survey. The outcome of the public consultation indicated that the majority of those surveyed would support a rise in the police precept of at least 1.9% for the next two financial years. Further public consultation has taken place through the Police and Crime Panel and with reports on the Commissioner's website during the budget setting process for 2016/17. The Panel voted to support the Commissioner's proposal at its meeting 25th January 2016 and made no further recommendations.

9.2 The Police and Crime Plan is underpinned by a performance framework that supports the Commissioner in holding the Chief Constable to account for delivering priorities and securing value for money. In developing the framework consideration is given to past performance, benchmarking against most similar forces, the level of officer and staffing resources that can be supported by the budget and the impact of the continuing implementation of the savings programme.

10 Summary

10.1 This report presents and explains the budget plans for the period from 2016/17 to 2019/20. The budget is balanced based on a precept increase of 1.91% and the delivery of £2.5m of change programme savings during 2016/17. Future year savings requirements are based on estimated figures for funding settlements beyond the next financial year. The estimates present a high degree of risk arising from a fundamental review of formula funding that will inform future grant allocations. The precept proposal will increase the annual Council Tax attributable to the Commissioner by £4.05 for a Band D property resulting in a Band D Council Tax charge of £216.63.

11 Recommendations

Appendix C sets out the budget resolution for decision by the Commissioner in order to formally approve the level of council tax precept. In the context of the budget resolution, it is recommended that:

- a) **The revenue budgets outlined in this report and appendices be approved, having regard to the Local Government Act 2003 report**
- b) **That the policy on reserves at appendix B be approved**
- c) **That the budget requirement for 2016/17 be set on the basis of the amount within the budget resolution at appendix C**
- d) **The council tax for Band D properties be approved at £216.63 for 2016/17, an increase of £4.05 or 1.91%, being the amount within the budget resolution**

12 Acknowledgements

12.1 The budget is recommended to the Commissioner with recognition for the hard work and support of the finance team who provide detailed income and expenditure forecasts and for the work of the Police and Crime Panel in providing challenge and scrutiny to the budget proposal.

Ruth Hunter

Chief Finance Officer/Deputy Chief Executive

24 February 2016

Human Rights Implications

None identified

Race Equality / Diversity Implications

Budget savings proposals are supported by the Change Programme Equality Impact Assessment (EIA) that is subject to regular review and update. Individual proposals where appropriate are identified for a specific EIA review.

Risk Management Implications

There is a legal requirement to set a balanced budget. The Commissioner's strategic risk register recognises the importance of sound financial planning.

Financial Implications

The main financial impacts are described in the paper

Personnel Implications

As identified in the report

Contact points for additional information

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Appendix A

the budget for the Commissioner and the budget for the Chief constable

	Budget 2015/16 £000s	Budget 2016/17 £000s	Budget 2017/18 £000s	Budget 2018/19 £000s	Budget 2019/20 £000s
Constabulary Funding					
Police Officers - Pay	57,452	56,303	57,851	58,799	58,117
Police Officers - Contribution to Police Pension	18,006	18,134	21,577	22,095	24,010
Police Officers - Ill Health & Injury Pensions	889	889	900	915	931
Police Community Support Officers	2,811	2,814	3,031	3,023	3,120
Police Staff	18,556	18,993	18,369	18,533	18,698
Other Employee Budgets	803	672	534	544	555
Transport Related Expenditure	2,470	2,134	2,193	2,255	2,318
Supplies & Services	9,878	9,675	9,062	9,314	9,442
Third Party Related Expenditure	1,616	1,630	1,660	1,692	1,724
Constabulary Expenditure	112,480	111,244	115,178	117,170	118,916
Earned Income	(3,967)	(4,639)	(4,565)	(3,952)	(4,004)
Total Constabulary Funding	108,513	106,605	110,612	113,218	114,912
Commissioners Budgets					
Office of the Police & Crime Commissioner	799	759	768	777	786
Commissioned Services Budget	2,699	2,250	1,850	2,000	2,000
Sexual Assault Support Service	0	333	233	83	83
Premises Related Costs	3,717	3,529	3,610	3,694	3,780
LGPS Past Service Costs	799	799	1,199	1,199	1,199
Insurances and Management of Change	2,533	767	795	803	833
Technical Accounting and Capital Financing	5,748	6,304	4,960	4,936	9,836
Contributions to Revenue Reserves	1,890	50	50	50	50
Contributions to Capital Reserves	0	3,473	0	0	2,000
Grants & Contributions - Home Office Pension	(18,006)	(18,134)	(21,577)	(22,095)	(24,010)
Grants & Contributions - Other	(7,448)	(6,958)	(6,961)	(6,963)	(6,966)
Interest/Investment Income	(125)	(100)	(135)	(170)	(170)
Total Commissioners Budget	(7,394)	(6,928)	(15,207)	(15,687)	(10,579)
Use of Reserves					
Revenue Reserve Drawdown	(4,127)	(697)	(337)	(100)	0
Capital Reserve Drawdown	(2,121)	(3,305)	(1,927)	(1,928)	(6,857)
Total Use of Reserves	(6,248)	(4,002)	(2,264)	(2,028)	(6,857)
Budget Requirement	94,871	95,675	93,142	95,503	97,477
Formula Grant & Council Tax Income					
General Police Grant	(59,884)	(59,543)	(49,643)	(49,643)	(49,643)
Council Tax Precepts	(34,987)	(36,132)	(36,830)	(37,812)	(38,821)
Total Formula Grant & Council Tax Income	(94,871)	(95,675)	(86,473)	(87,454)	(88,464)
Net Deficit/Savings Requirement	0	(0)	6,669	8,048	9,013
Council Tax per Band D Property	£208.62	£212.58	£216.64	£220.78	£225.02
Increase over previous year	£3.96	£3.96	£4.06	£4.14	£4.24
Percentage Increase	1.93%	1.90%	1.91%	1.91%	1.92%

Policy on Reserves 2016/17

Our policy on reserves meets the statutory requirement to consider annually the level of reserves that should be held to meet future expenditure requirements when setting the budget. It sets out the purpose for which reserves are held and the planned movement in reserves over the life of this strategy. Our reserves are held for three main purposes. These are:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing
- a contingency to cushion the impact of unexpected events or emergencies
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted pressures or liabilities

The level of reserves should take into account the medium term financial plan and not be based solely on short term considerations. Set out below is a description of the reserves held by the Commissioner, the purpose for which they are held and a table setting out the planned movement in reserves over the life of this medium term financial strategy.

General Reserves: The general reserve is the main contingency for unexpected events, and the management of cash flow. The level of general reserve is £3m in 2016-17. The amount represents approximately 3% of the net

recurrent budget (after specific grants & fees and charges). The level of the general reserve takes account of the risks within the budget as set out in the Chief Finance Officer's report on the robustness of the budget and the level of provision for those risks within specific earmarked reserves and contingencies.

Capital Reserves: Capital reserves are a combination of general and earmarked revenue contributions that have been set aside to meet the costs of approved capital schemes to be delivered over multiple financial years. Capital schemes are only included within the capital programme on the basis of setting aside funding to meet the expenditure. The policy is that general capital reserves will be maintained at a level to ensure a balanced capital budget for the duration of the medium term financial forecast.

Earmarked Reserves: Earmarked reserves are held for a number of specific purposes. Future liability reserves provide for areas within the budget where there is a liability but the amount or timing is uncertain. Budget stabilisation reserves are established to smooth the impact of intermittent costs across financial years. Project reserves primarily fund the one off revenue implications of approved capital schemes.

Planned Movement in Reserves 2016/17 to 2019/20

Reserves	01 April 2016	2016/17	2016/17	01 April 2017	2017/18	2017/18	01 April 2018	2018/19	2018/19	01 April 2019	2019/20	2019/20	01 April 2020
	2016	Receipt	Payment	2017	Receipt	Payment	2018	Receipt	Payment	2019	Receipt	Payment	2020
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
General Reserve/Police Fund	3,000	0	0	3,000	0	0	3,000	0	0	3,000	0	0	3,000
General Reserve/Police Fund	3,000	0	0	3,000	0	0	3,000	0	0	3,000	0	0	3,000
General Capital reserve	2,810	1	(2,811)	0	0	0	0	0	0	0	2,000	(257)	1,743
North Resilience Flood Management	0	2,549	(494)	2,055	0	(1,177)	878	0	(878)	0	0	0	0
West Resilience Flood Management	13,077	923	0	14,000	0	(750)	13,250	0	(1,050)	12,200	0	(6,600)	5,600
Total Capital Reserves	15,887	3,473	(3,305)	16,055	0	(1,927)	14,128	0	(1,928)	12,200	2,000	(6,857)	7,343
Future Liability Reserves													
Insurance	523	0	0	523	0	0	523	0	0	523	0	0	523
PFI Lifecycle	303	0	0	303	0	0	303	0	0	303	0	0	303
Budget Stabilisation Reserves													
PCC Operational	250	0	0	250	0	0	250	0	0	250	0	0	250
Constabulary Operational	250	0	0	250	0	0	250	0	0	250	0	0	250
Constabulary Contingency	500	0	0	500	0	0	500	0	0	500	0	0	500
Body Armour	41	50	0	91	50	0	141	50	0	191	50	0	241
Short Term Project Reserves													
ICT Business Plan (Revenue)	868	0	(578)	290	0	(290)	0	0	0	0	0	0	0
Short Term Projects	345	0	(119)	226	0	(47)	179	0	(100)	79	0	0	79
Total Earmarked Revenue Reserves	3,080	50	(697)	2,433	50	(337)	2,146	50	(100)	2,096	50	0	2,146
Total All Reserves	21,967	3,523	(4,002)	21,488	50	(2,264)	19,274	50	(2,028)	17,296	2,050	(6,857)	12,489

Appendix C

Budget Resolution

Local Government Act 2003 Requirements: That the comments of the Chief Finance Officer on the robustness of the estimates and adequacy of balances and reserves be noted and reflected in the decisions made by the Commissioner in making the following budget determination for 2016/17.

Revenue Estimates 2016/17: That the Commissioner's net **Budget Requirement** of £95,674,784 be approved.

Council Tax Base 2016/17: That it is noted that the Council Tax based has been calculated at the amount of 164,682.86 for 2016/17. This is the total of the tax bases calculated by the District Councils as required by regulation.

Budget Requirement: That the following amounts are calculated by the Commissioner for the 2016/17 financial year:

(a)	£129,507,378	being the total of gross expenditure
(b)	£33,832,594	being the total of income from specific grants, fees and charges and transfers from reserves
(c)	£95,674,784	being the Budget Requirement for the year to be met from Council Tax and External Finance
(d)	£59,542,795	being the total the Commissioner estimates will be received from external financing, being the Police Grant
(e)	£456,740	being the net surplus on district collection funds
(f)	£35,675,249	being the council tax requirement (the budget requirement less the collection fund surplus and external finance)
(g)	£216.63	being the basic amount of Council Tax for the year (the council tax requirement divided by the tax base)

Valuation Bands and Calculation of the amount of Precept payable by each billing authority

Valuation Band	Amount £.pp	Proportion
	£	
Band A	144.42	6/9
Band B	168.49	7/9
Band C	192.56	8/9
Band D	216.63	9/9
Band E	264.77	11/9
Band F	312.91	13/9
Band G	361.05	15/9
Band H	433.26	18/9

Billing Authority	tax base 2016-17	precept (Band D)	Amount payable
Allerdale Borough	29,470.67	216.63	6,384,231.24
Barrow Borough	18,555.44	216.63	4,019,664.97
Carlisle City	32,138.68	216.63	6,962,201.92
Copeland Borough	20,121.06	216.63	4,358,824.40
Eden District	19,886.14	216.63	4,307,934.51
South Lakeland District	44,510.88	216.63	9,642,391.93
Total	164,682.86		35,675,248.98