

COUNCIL MEETING – 26TH FEBRUARY 2015

Extract from the Minutes of the Cabinet Meeting on 11th February 2015

120 THE COUNCIL'S MEDIUM TERM FINANCIAL STRATEGY 2015/18

Cabinet considered a report presenting the Council's Medium Term Financial Strategy for 2015/16 to 2017/18.

The following key proposals were included:

- § An additional £6.5m will be spent on improving our highways.
- § Annual spending on Adult Social Care will be increased by over £1m.
- § Council tax is proposed to be frozen for a fifth consecutive year, saving local taxpayers £210 on average per year if inflationary increases had been applied.
- § Net Revenue spending is being reduced by £7.7m to deliver a balanced position in 2015/16.
- § External loans will be reduced by £8.5m.

Appendix A to the report summarised the resolutions that Cabinet were requested to recommend to Council.

The Medium Term Financial Strategy Report for the period 2015/16 to 2017/18 was set out at Appendix B.

Councillor Raynes indicated that since the MTFs report and budget had been produced, the Council had received confirmation that it would receive an additional £241,000 as part of the final settlement. It was proposed that the whole amount would be transferred to the Council's emergency assistance earmarked reserve to allow this additional funding to be called on when needed.

Councillor Raynes also referred to a proposed saving of £100,000 for Home to School Transport which was referred to in the report. This saving had in fact already been achieved by other methods.

The final version of the budget report would be updated to reflect these changes and to pick up any minor typographical errors.

RESOLVED

That

1. Cabinet notes:

- a. The Budget Engagement exercise undertaken by the Council, as set out in the attached (Appendix B, Annex 2 to the report).
- b. The comments of the Council's Chief Operating Officer (Section 151 Officer), contained within the MTFs Report, regarding the robustness of

estimates and level of reserves held by the Council based on these budget proposals (Appendix B, Comment from the Chief Operating Officer).

- c. The risk assessment detailed in the MTFs Report (Appendix B, Annex 5).
 - d. That the estimates and profiling contained within the proposed Capital Programme 2015/16 to 2017/18 reflect the scale of ambition and future investment plans of the Council. The programme may vary to take advantage of external funding opportunities, maximise private sector investment, prudential borrowing considerations, operational capacity and to ensure optimal delivery of the overall programme (Appendix B, Annex 11).
 - e. That projects will be robustly governed through the Executive Monitoring Board. The Council's Finance Procedure Rules will always apply should any changes in spending requirements be identified (Appendix B, Annex 11).
2. Council be recommended to approve:
- f. The Revenue estimates for the 2015/16 budget and the medium term Capital Programme estimates 2015/18, as detailed in the Medium Term Financial Strategy Report 2015/18 (Appendix B) as adjusted for the home to school transport narrative change and minor typographical errors.
 - g. Band D Council Tax of £1,216.34 (no change since 2010/11) (Appendix B, Section 2).
 - h. The 2015/16 non ring-fenced Specific Grants, and that any amendments to particular grants will be reported to Council if further information is received from Government Departments or other funding bodies (Appendix B, Annex 7).
 - i. The 2015/16 Capital Grants, and that any amendments to particular grants will be reported to Council if further information is received from Government Departments or other funding bodies (Appendix B, Annex 8).
 - j. The relevant Portfolio Holder to agree the use of additional Specific Grants received in conjunction with the Finance Portfolio Holder as further updates to the 2015/16 funding position are received.
 - k. The recommended Prudential Indicators for Capital Financing (Appendix B, Annex 10).
 - l. The Safeguarding Children and Adults Portfolio Holder to agree any necessary amendment to the 2015/16 Dedicated Schools Grant (DSG)

of £160.6m and the associated policy proposals, in the light of further information received from DfE, pupil number changes, further academy transfers and the actual balance brought forward from 2014/15 (Appendix B, Annex 7).

- m. The recommended Reserves Strategy, and the proposals to create an earmarked reserve of £1.0m for planning appeals and staffing restructure, and to make further contributions from general reserves of £0.45m to the Sustainable Investment reserve, and £0.25m to the Insurance and Risk reserve (Appendix B, Annex 12).
 - n. That the additional £241,000 received as part of the final settlement be transferred to the Council's emergency assistance earmarked reserve to allow this additional funding to be called on when needed.
3. Council recognise that Cabinet has noted:
- o. The Budget Engagement exercise undertaken by the Council, as set out in the attached (Appendix B, Annex 2).
 - p. The comments of the Council's Chief Operating Officer (Section 151 Officer), contained within the MTFs Report, regarding the robustness of estimates and level of reserves held by the Council based on these budget proposals (Appendix B, Comment from the Chief Operating Officer).
 - q. The risk assessment detailed in the MTFs Report (Appendix B, Annex 5).
 - r. That the estimates and profiling contained within the proposed Capital Programme 2015/16 to 2017/18 reflect the scale of ambition and future investment plans of the Council. The programme may vary to take advantage of external funding opportunities, maximise private sector investment, prudential borrowing considerations, operational capacity and to ensure optimal delivery of the overall programme (Appendix B, Annex 11).
 - s. That projects will be robustly governed through the Executive Monitoring Board. The Council's Finance Procedure Rules will always apply should any changes in spending requirements be identified (Appendix B, Annex 11).