

RECORD OF EXECUTIVE DECISION

Tuesday, 14 November 2017

Decision No: (CAB 17/18 19635)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	FINANCE
SUBJECT:	UPDATE OF MEDIUM TERM FINANCIAL STRATEGY AND BUDGET 2017/18 TO 2020/21
AUTHOR:	Sue Cuerden

THE DECISION

- (i) To note that any implications of announcements made in the Autumn Statement on the Councils position will be included in the MTFs update to Council in February 2018.
- (ii) To note that the report identifies potential additional general fund pressures totalling £5.87M as detailed in paragraphs 21 to 24 along with the proposed funding mitigations.
- (iii) To note that further proposals will need to be considered to address the 2019/20 and future years budget gap and that a further update will be provided in the update of the MTFs report to Council in February 2018. To note the position on the Housing Revenue Account as detailed in paragraphs 42 to 51 including the need to make savings of £3.94M in 2018/19.
- (iv) To note that should any formal budget consultation be required it will be undertaken as necessary.
- (v) To note that if any budget proposals impact on staffing, consultation will be undertaken in line with legislation and the Councils agreed processes before proposals are implemented.
- (vi) To note and ratify the decision to submit a Business Rate Pilot application for 2018/19 as part of a pool with Portsmouth City Council and the Isle of Wight Council as detailed in paragraph 29.
- (vii) To delegate authority to the Service Director – Finance & Commercialisation (S151 Officer), following consultation with the Cabinet Member for Finance, to do anything necessary to give effect to the proposals contained in this report.

REASONS FOR THE DECISION

1. The Council is a large organisation managing the delivery of a vast range of businesses either directly or through/with others. Its core purpose is to improve the quality of life for residents and effective financial management is key to this. It is important that Members are aware of the major financial challenges

and opportunities and that they make informed decisions. The Council regularly revises its Medium Term Financial Strategy (MTFS) so that the financial position is clear for budget proposals to be drawn up for the forthcoming year.

2. The Council introduced a focused approach on Outcomes Based Planning and Budgeting in 2017/18 which looks at utilising decreasing resources towards agreed priorities and outcomes. Work will continue to further implement this process.
3. The Council approved a two year balanced budget for 2017/18 and 2018/19. However, additional pressures have been identified which need to be mitigated in 2018/19. At this stage there are no savings proposals identified within the General Fund however, savings proposals are being developed with regards to the HRA. Some of the proposals may impact on services users, residents, businesses, partners and staff and therefore it is important for the Council to start consultation with a range of stakeholders before presenting final proposals to Council in February 2018.

DETAILS OF ANY ALTERNATIVE OPTIONS

1. Alternative options for revenue spending and MTFS assumptions form an integral part of the development of the overall MTFS that will be considered at the Council budget setting meeting on 13 February 2018. The current set of assumptions contained within this report will be reviewed on a regular basis but represent the most up to date information available at this time.
2. Part of setting the General Fund Budget and Medium Term Financial Strategy and Model requires a view to be taken on the revenue cost of capital to the Authority and proposals are currently considered by the Council's Capital Board in order to ensure the most appropriate use of capital resources in meeting the Council's desired outcomes and the Executive commitments. A Capital Programme Update report is included elsewhere on the agenda.

OTHER RELEVANT MATTERS CONCERNING THE DECISION

None

CONFLICTS OF INTEREST

None

CONFIRMED AS A TRUE RECORD

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 14 November 2017

Decision Maker:
The Cabinet

Proper Officer:
Pat Wood

SCRUTINY

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*