

## **7. RECOMMENDATIONS FROM CABINET MEETING OF 13 FEBRUARY 2017**

### **BUDGET MANAGEMENT REPORT 2016/17 – PROGRESS REPORT APRIL TO DECEMBER**

#### **Summary**

The forecast revenue outturn position for 2016/17 at the end of December is showing a projected net underspend of £563,000 against the original estimate, after a £20,000 transfer to Specific Reserve approved by Council on 21 September 2016.

This net variance mainly relates to the unbudgeted rental income following the purchase of The Orchards Shopping Centre in November. This is in addition to the over-performance of income in Development Management and Car Park Charges, which gives us the opportunity to consider using part of this underspend for a limited range of discrete purposes.

#### **Council are recommended to approve:**

- (i) that £7,705 grant income relating to Property Searches New Burdens funding be transferred to a General Reserve as detailed in paragraph 22;
- (ii) that £20,000 grant income relating to Neighbourhood Planning funding be transferred to a Specific Reserve as detailed in paragraph 23;
- (iii) that £200,000 of the revenue underspend be transferred to General Reserve as detailed in paragraph 25 (a);
- (iv) that £150,000 of the revenue underspend be transferred to the ICT Specific Reserve as detailed in paragraph 25 (b);
- (v) that £50,000 of the revenue underspend be transferred to the CenSus Transition Specific Reserve as detailed in paragraph 25 (c);
- (vi) that £100,000 of the revenue underspend be transferred to Asset Management Specific Reserve as detailed in paragraph 25 (d);
- (vii) the variations to the Capital Programme contained in paragraph 37 in accordance with the Council's Financial Procedure rule B4.

### **DRAFT CORPORATE PLAN AND BUDGET FOR 2017/18**

#### **Summary**

Whilst the financial outlook for local government as a whole continues to be challenging, the provisional settlement announced for us on 15<sup>th</sup> December 2016 was in line with expectations. Revenue Support Grant fell to the level indicated previously and for which we were prepared and other sundry lesser grants continued much as flagged.

As a result of this, the draft service and financial plans for 2017/18 considered by the Scrutiny Committee on 18<sup>th</sup> January 2017 will not require any changes. This enables the Council to approve a balanced budget that:

- Allocates resources to the Council's priorities;
- Protects key frontline services;
- Continues the journey to financial independence;
- Increases efficiency in some service areas;
- Invests in key projects over the longer term;
- Continues to protect the Council's reserves position and fund the proposed capital programme.

There are some minor changes to individual budgets but none that result in service changes.

**Council are recommended to approve:**

- (i) The proposed increase in Council Tax;
- (ii) The proposed placements in the Specific Reserves;
- (iii) The proposed Capital Programme; and
- (iv) The service commentaries and supporting summary budget tables for each business unit.