

MINUTES OF BUDGET WORKING GROUP MEETING**HELD 30 SEPTEMBER 2014**

Present: Cllrs: Hirst (Chair) T Hill and Thompson, Chief Executive, Director of Resources, Director of Community Services.

1 Apologies

Cllrs: Elms, Knox, Hore, Rogerson, Head of Financial Services

2 Minutes of meeting held on 15 July 2014

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

2.2 The Director of Resource informed the BWG that following their last meeting the letter of intent for £10,000 commitment in phase one had been sent to the new Municipal Bonds Agency, trading as the Local Capital Finance Company (LCFC). Notification had been received that the intention was to draw down phase one investments in stages rather than in one go. Subsequently the first payment which was due by 30th September 2014 has now been made at £4,000.

3 Budget Forecast 2014/15 to 2017/18

3.1 The Director of Resources took members through the three year budget forecast and outlined the assumptions made which underlie the estimates. Overall the forecast predicted a budget shortfall of £513,200 in 2015/16, £900,277 in 2016/17 and £1,092,711 in 2017/18.

3.2 A discussion took place regarding fees and charges which would be considered by service committees in the forthcoming cycle. The Director of Resources informed the group that where possible all had been increased by 2% and the proposals would be presented to committees to decide charges for 2015/16. It was stressed that these increases had already been factored in to the budget forecast therefore if fees were set at lower charges these would make the overall budget deficit worse than that currently predicted.

3.3 Members discussed a number of other issues including:

- Savings made in previous years
- The take-up of NNDR measures announced in the Autumn Statement 2013
- Use of New Homes Bonus

4 Any Other Business

4.1 There were no other items of business

5 Date and Time of Next Meeting

5.1 Future meetings in **Committee Room 1** were:

- 4 November 2014
- 15 December 2014
- 14 January 2014

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 15 DECEMBER 2014

Present: Cllrs: T Hill, Hirst (Chair), Hore, Rogerson and Thompson, Chief Executive, Director of Resources, Director of Community Services, Head of Financial Services.

1 Apologies

Cllrs: Elms, Knox.

2 Minutes of meeting held on 30 September 2014

2.1 Members approved the minutes of the last meeting of the Budget Working Group.

3 Autumn Statement 2014

3.1 The Director of Resources took members through a report that provided the main headlines of the Autumn Statement 2014 that impacted on Local Government. These were particularly around Funding, Public and Local Government Finance and Business Rates.

3.2 Whilst the Autumn Statement provides an indication of the future direction of Government spending it was stressed that the council would not know with any certainty until after the General Election.

3.3 A discussion took place around Business Rates avoidance, nationally and within the Ribble Valley.

4 Revenue Budget 2015/16

4.1 An update on the budget position for 2015/16 was provided to members by the Director of Resources. This included the **Illustrative** Settlement Funding Assessment, which had been reported in September 2014 and the latest committee budget figures that were available.

4.2 It was anticipated that the final grant settlement figures for 2015/16 would be announced within the week.

4.3 The latest position was broadly in line with the forecast, after allowing for £125K increase in turnover savings, £60K reduction in pay cost due to the pay award and £14K due to an increase in the tax base.

5 Draft Three Year Capital Programme 2015/16 – 2017/18

5.1 Members were taken through a report on the capital programme, including schemes that were already approved, new bids that had been submitted by Heads of Service, and the level of available resources to finance the bids.

5.2 The sources of finance available to the council were limited to the VAT Shelter, New Homes Bonus and Better Care Funding for Disabled Facility Grants. Based on the recommended maximum levels of finance, there was £586K available to finance new bids that had been submitted of £1.2m. Borrowing was also highlighted as a potential method of financing, particularly for assets with a long life, such as land and buildings.

5.3 Further concerns were highlighted about the level of New Homes Bonus indicated for use in financing the capital programme, particularly in light of the growing pressure from the revenue budget for use of this funding.

5.4 Members referred the capital bids to Corporate Management Team for review, in order to arrive at an affordable and achievable capital programme for 2015/18, and to report back to a future Budget Working Group.

6 Any Other Business

6.1 There were no other items of business

7 Date and Time of Next Meeting

7.1 Future meetings in **Committee Room 1** were:

- 14 January 2015
- 21 January 2015