

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 3 AUGUST 2016

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

1 **Apologies**

Cllr Bibby

2 **Minutes of meeting held on 29 June 2016**

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

3 **Revenue Outturn 2015/16 variances**

3.1 The Head of Financial Services took members through a report that showed the detailed outturn variances across all committees for the 2015/16 financial year. The impact of the transfers to and from earmarked reserves on each variance was also demonstrated.

3.2 The impact of the variances on what was set aside in earmarked reserves and general fund balances was discussed. It was explained that it was important to understand the detail behind the outturn position and to ensure that this fed in to the budget setting process going forward, particularly in light of the budget forecast.

4 **Efficiency Plan – 4 year settlement guarantee**

4.1 The Director of Resources took members through a report on the 4 year settlement guarantee and explained the conditional requirements for an efficiency plan.

4.2 It was explained that there was great uncertainty around what the efficiency plan should contain, and coupled with this there was also uncertainty around the outcome of a number of consultations on core local government funding.

4.3 The report highlighted 5 likely requirements of the Efficiency Plan:

- An updated medium term financial strategy.
- A narrative setting out what the council intends to do to address the challenge of financial sustainability and where it hopes to be at the end of the period.
- Corporate Plan.
- Asset Management Plan.
- Organisational Structure.

4.4 The Budget Working Group agreed that the council should submit an application together with an efficiency plan for the 4 year settlement by the deadline of 14 October. It was agreed that:

- Answers would be sought from DCLG with regards to the requirements of the Efficiency plan and the stability of the offer of a 4 year settlement.
- The Leader would send a letter through the District Leaders'.
- Management team would start to review the five items listed as likely requirements.

5 **100% Business Rates Retention Consultation Paper**

5.1 The Director of Resources took members through the report on the above consultation paper. The full consultation paper had been provided to members with the agenda documents.

- 5.2 Members were taken through the government's timetable for the move to 100% business rates retention, and the closing date for submission to the consultation was given as 26 September 2016.
- 5.3 Specific attention was drawn to the fact that the move to 100% retention of business rates was part of a wider reform package, being fiscally neutral with the main local government grants to be phased out and additional responsibilities to be devolved to match additional funding.
- 5.4 Members were encouraged to feed any comments in to the consultation process, and it was agreed that officers would produce a consultation response for consideration by Budget Working Group at their next meeting, prior to submission.

6 Any Other Business

- 6.1 A steer was sought from members on the preparation of fees and charges for 2017/18 and also for the forward capital programme. Members agreed:
- Fees and charges to be increased by 1.5% as a minimum within a service area as a whole.
 - Capital schemes should be sought for the 2019/20, 2020/21 and 2021/22 years only. This on the basis that the capital programme for 2017/18 and 2018/19 had already been set and approved.

7 Date and Time of Next Meeting

Future meetings were agreed as:

- Wednesday 14 September 2016 at 4pm.
- Wednesday 19 October 2016 at 4pm.

MINUTES OF BUDGET WORKING GROUP MEETING

HELD 14 SEPTEMBER 2016

Present: Cllrs: Hill (Chair), Thompson, Bibby, Elms, Chief Executive, Director of Resources, Director of Community Services.

1 **Apologies**

Cllr Hirst, Rogerson, Knox and Head of Financial Services

2 **Minutes of meeting held on 3 August 2016**

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

3 **Draft Response to 100% Business Rate Retention Consultation Paper**

3.1 The Director of Resources took members through her draft response to the Business Rate Retention Consultation Paper. Members discussed the responses to the questions posed in some detail and were fully supportive of the draft response. The Director of Resources advised that the deadline for submission was 26 September 2016.

3.2 The Budget Working Group approved the draft response for submission to the Department of Communities and Local Government.

4 **Fair Funding Review Consultation draft response**

4.1 The Director of Resources circulated a copy of the draft response to the Fair Funding Review Consultation that had been emailed to the Budget Working Group the previous day. She briefly explained the background to the review and then went through her response in some detail. Members had a wide ranging discussion on the draft responses and were particularly interested in how the current and proposed systems dealt with assessing needs and equalising resources for widely different areas and populations.

5 **Efficiency Plans**

5.1 The Director of Resources gave a brief update on where we were in relation to the Efficiency Plan which was being prepared to submit to DCLG to take advantage of the four year grant settlement.

5.2 The deadline for this submission is 14 October 2016.

6 **Any Other Business**

6.1 The Director of Resources referred to the Budget Forecast that had been submitted. She explained particularly the reference to Council Tax increases forecast and use of New Homes Bonus/Business Rates were based on many assumptions and that the Council Tax increase in particular would be a decision for the Council.

6.2 She asked if the Budget Working Group had any guidance to give to Committees when they consider their budgets. The Budget Working Group agreed that Committees be advised to make efficiency savings where possible.

7 **Date and Time of Next Meeting**

The Director of Resources asked that the diarised meeting be brought forward to Wednesday 12 October at 4pm to enable the Efficiency Plan to be agreed and submitted by the Government deadline.