

POLICY, FINANCE AND ADMINISTRATION COMMITTEE

27 JANUARY 2015

REPORT OF HEAD OF CENTRAL SERVICES

REVENUE AND CAPITAL BUDGET PROPOSALS 2015/16

1.0 PURPOSE OF REPORT

- 1.1 To outline the key budget issues that will be going forward to the Council's budget setting meeting on 4 February 2015 and provide the opportunity for Members to comment on these in advance of the meeting.

2.0 RECOMMENDATION

- 2.1 That Members provide any comments on the revenue and capital budget proposals for submission to the Council meeting on 4 February 2015.**

3.0 KEY ISSUES

3.1 Background

- 3.1.1 A Strategic Planning Away Day was held on the 15th January 2015 for all Members to discuss the Council's financial position with regard to general and special expenses including proposals for growth and savings to net expenditure and capital programme submissions alongside available funding. Guidance was provided to officers on the proposals that members were likely to support in order to prepare the relevant reports for the Council meeting to be held on 4th February 2015. However it was considered that this Committee should also consider the proposals and provide their views to the Council. In order to meet the agenda deadline for the Council meeting it was recognised that reports based on guidance received at the Away Day would need to be sent before the meeting of this committee. However any alternative proposals put forward by this committee can be prepared and either circulated in advance of the Council meeting or alternatively provided verbally at the meeting as appropriate.

3.2 Revenue Budget 2015/16

- 3.2.1 The full draft revenue budget report to the Council is attached as Appendix 1. The key proposals set out in the report for this committee's consideration are:

- To not take up the Governments offer of a further freeze grant for 2015/16 equivalent to a 1% increase. Alternatively to approve an average increase across all funds of 1.9%;
- To include all on-going growth proposals totalling £42,000 (see appendix A to the Council report);
- To include savings proposals of £40,570 (see Appendix A to the Council report).

3.3 Capital Programme 2015/16

- 3.3.1 The full draft capital programme report to the Council is attached as Appendix 2. The key proposals set out in the report for this committee's consideration are:

- To set a capital programme of £3,959,000 for 2015/16 in respect of General Expenses. This includes mandatory schemes and schemes already pre-approved. Funding where not provided through third party contributions, grants or specific reserves to be through the use of capital receipts. (see Appendix A to the Council report);
- To set a capital programme of £23,000 for Special Expenses Melton Mowbray all funded through the special expenses reserve (see Appendix B to Council);
- To approve the capital programme for the Housing Revenue Account as recommended by the Community and Social Affairs Committee (see Appendix C to the Council report).

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 The process followed with regard to the setting of the Council's budget is in line with the Service and Financial Planning timetable. Proposals for enhancements are assessed including their link to the Council's Priorities and Service Plans and other corporate documents.

4.2 This process provides for an annual Strategic Planning Away Day to be held. This has enabled all members to have early sight of full budget proposals and to ask questions in order to gain a full understanding of the council's financial position, the priorities against which its financial plans are made and discuss revenue and capital budget proposals. This enables direction to be provided in advance of the Council meeting in terms of the reports presented. Concern has been expressed over the years by members that this should not be seen as a decision making body and is merely consultative. Attendance has generally been about 50% of members. It was suggested at the meeting this year that this Committee could perform this role in future. Committee estimates already progress through the relevant policy committee at an early stage in the process prior to being collated into the overall position. Members at council are being asked to consider if they wish to dispense with the Strategic Planning Away Day and instead this Committee provide the direction on the proposals to be recommended for approval to the Council when setting the council's budget.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 There are no further financial and resource implications other than those already set out above and in the attached appendices.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 There are no direct legal implications of this report.

7.0 COMMUNITY SAFETY

7.1 Individual budgets could have links to community safety issues. These are covered in any associated reports and financial forms that refer to these budgets as they progress through the decision making process. There is a growth item proposed for approval which specifically covers community safety for 2015/16 which is intended to ensure the valuable work currently undertaken in this area is able to continue moving forward.

8.0 EQUALITIES

8.1 Should it be considered that elements of the budget proposals may have equalities issues then these have been considered by the service area and assessed accordingly. The position is set out in the attached reports to Council.

9.0 RISKS

9.1 The attached reports to Council provide full details of the associated risks of the revenue budget and capital programme proposals.

10.0 CLIMATE CHANGE

10.1 Individual budget heads could have climate change issues but these are considered individually as they progress through the approval process.

11.0 CONSULTATION

11.1 The consultation undertaken on revenue and capital budget proposals are set out in the associated reports to Council.

12.0 WARDS AFFECTED

12.1 All wards will be affected

Contact Officer:	Dawn Garton Head of Central Services
Date:	20th January 2015
Appendices:	Appendix 1 Revenue Budget report to Council Appendix 2 capital programme report to Council
Background Papers:	Budget Working Papers Strategic Planning and Budget 'Away Day' notes
Reference: Proposals 2015-16	X: C'tees, Council & Sub-C'tees/PFA/2014-15/27-01-15/DG – Revenue and Capital Budget