

Central Bedfordshire Council

COUNCIL

25 February 2016

Budget 2016/17 and Medium Term Financial Plan – update on Final Financial Settlement

Reason for this update

1. Late on the 8th February, the final figures for the Financial Settlement were announced. This included additional transitional funding amounting to £150M nationally in each of 2016/17 and 2017/18 (£300M in total).
2. For Central Bedfordshire this provides additional funding of £2.234M in 2016/17 and £2.226M in 2017/18, which because of the late announcement was not included in the published report and appendices taken at Executive on the 9th February 2016.
3. As plans are already well established and agreed (subject to Council approval), it is proposed to use the Transitional Grant funding as follows:
 - The 2016/17 Transitional funding reduces the proposed use of reserves in 2016/17 by £2.234M. Use of Reserves is therefore reduced to £0.219M.
 - The 2017/18 Transitional Funding of £2.226M is allocated directly to reserves.
 - The original plan to replenish reserves by £0.260M in 2017/18 and £2.193M in 2018/19 still stands.
4. The net result of these proposed final adjustments is to leave the pre Final Settlement Plan as recommended by the Executive unchanged in terms of net funding and planned expenditure and to increase reserves by £4.460M
5. All references to reserves throughout the report and appendices need to be read in the context of this latest update.
6. The Public Health grant for 2016/17 has also now been notified and is in line with expectation as set out in the Executive report.