

Central Bedfordshire Council

SUSTAINABLE COMMUNITIES OVERVIEW AND SCRUTINY COMMITTEE

14 January 2016

Draft Budget 2016/17 and Medium Term Financial Plan

Report of Cllr Richard Wenham, Executive Member for Corporate Resources
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This report relates to a non-Key Decision

Purpose of this report

1. The report allows Members the opportunity to review the Council's draft Budget for 2016/17 and Medium Term Financial Plan, which was presented to Executive on 12 January 2016.
2. The report proposes the draft Budget for 2016/17 and updates the Medium Term Financial Plan (MTFP) approved by Council in February 2015. The Financial Settlement for local government was released on 17 December 2015.
3. The announcement covers many complex areas of funding and in the short time available before publishing this report, it has not been possible to reflect this.
4. The Financial Settlement was very significantly worse for Central Bedfordshire than had been anticipated both in absolute and comparative terms. Whilst the full details have still to emerge and will require careful analysis, on the face of it the loss of Government funding support is 94% over the life of the Medium Term Financial Plan or £28.1M in cash terms. Moreover, the greatest reductions are in the early years of the Plan.
5. Therefore, it will be necessary to identify proposals for responding to this dramatic reduction in funding support from Government over and above the proposals contained in the draft Budget/updated MTFP once the full details of the Settlement have been fully assessed.
6. What is clear is that Government has made the assumption in its financial modelling that councils will raise council tax by both the 2%

precept earmarked for adult social care and an assumed 1.75% for inflation in each of the next four years.

7. This is in addition to the significant efficiencies contained in the draft Budget/updated MTFP.

RECOMMENDATIONS

The Committee is asked to:

1. **consider the Council's Draft Budget for 2016/17 and Medium Term Financial Plan; and**
2. **submit its comments, observations and recommendations in respect of the Executive's proposals to the meeting of the Executive on 9 February 2016.**

Executive Summary

Members are requested to bring along the following papers issued for the meeting of the Executive on 12 January 2016 to this Committee meeting:

1. Draft Budget 2016/17 and Medium Term Financial Plan 2016/17 – 2019/20.

Council Priorities

8. The Council approved the Medium Term Financial Plan (MTFP) for 2015/16 to 2018/19 in February 2015. The MTFP has been updated and extended to 2019/20 and an initial draft Budget for 2016/17 prepared.
9. The Council's priorities are:
 - Enhancing Central Bedfordshire.
 - Great Resident Services.
 - Improving education and skills.
 - Protecting the vulnerable; improving wellbeing.
 - Creating stronger communities.
 - A more efficient and responsive Council.

These priorities are reflected in the budget proposals included in this report.

Corporate Implications

Legal Implications

10. See Executive papers.

Risk

11. See Executive papers.

Financial Implications

12. See Executive papers.

Equalities Implications

13. See Executive papers.

Timetable Milestones

14. The key milestones in the timetable for Council to agree its budget in February 2016 are set out in the below:

Timetable Milestones

Date	Body	Outcome
Early January 2016	Public	Budget papers made available to Public and Public Consultation commences
12 th January 2016	Executive	Considers Draft Budget and MTFP
14 th January 2016	Sustainable Communities Overview & Scrutiny	Consideration of efficiencies and savings and draft budget proposals
25 th January 2016	Social Care, Health & Housing Overview & Scrutiny	
28 th January 2016	Children's Services Overview & Scrutiny	
2 nd February 2016	Corporate Resources Overview & Scrutiny	
9 th February 2016	Executive	Recommends Final Budget & MTFP
25 th February 2016	Council	Approves Budget & MTFP
29 th February 2016	Council	Reserve Council Meeting in case of delay in receiving notification of other precepts.