

Cherwell District Council

Budget Planning Committee

19 January 2015

<p>Medium Term Revenue Plan and draft 2015-16 Revenue and Capital Budgets</p>
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Report of the Head of Finance and Procurement

This report is public

Appendices 1 and 2 to this report are exempt from publication by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972

Purpose of report

To set out the Medium Term Revenue Plan including the Revenue and Capital budget proposals for the Committee to consider and recommend to Executive.

1.0 Recommendations

The meeting is recommended:

- 1.1 To consider the updated Medium Term Revenue Plan (MTRP)
- 1.2 To consider the 2015-16 draft revenue budget proposals contained in Exempt Appendix 1 (to follow) before they are recommended to Executive and then Full Council in February.
- 1.3 To consider the 2015-16 capital bids contained in Exempt Appendix 2 (to follow) before they are recommended to Executive and then Full Council in February.
- 1.4 To consider and recommend to Executive the level of Council Tax increase for 2015/16 before this is formally approval by Full Council in February.

2.0 Introduction

- 2.1 This report sets out the latest position on the 2015-16 revenue and capital budgets for Cherwell based on the information currently available. The budgets will be considered by Executive at its meeting of the 2 February and by Full Council at its meeting of the 23 February.
- 2.2 The report sets out the current position for the budget following on from the provisional local government finance settlement and from previous reports to this Committee. Whilst the final settlement is not expected until the end of January, it is not anticipated that there will be a significant change to the funding previously announced.

3.0 Report Details

- 3.1 The 2015-16 budget is being developed within the continuing context of an austerity programme and the coalition government's focus on deficit reduction. This is a continuation of recent government policy with continuing reductions in government grant support for local authorities. There will be a presentation to the Committee updating the Council's MTRP in light the provisional settlement (**Exempt**).
- 3.2 Throughout the autumn, officers have been preparing the budget in line with the guidelines approved by this Committee in October 2014. Taking account of the guidance and the impact of the settlement, the draft revenue budget 2015-16 is set out in **Appendix 1 (Exempt, to follow)**.
- 3.3 The draft budget assumes no increase in Council Tax for 2015/16. The settlement indicated that the referendum threshold would remain at a 2% council tax increase. Council Tax compensation grant will be paid at 1% if Council Tax frozen for 2015-16. If agreed, this will be the 6th year that Cherwell District Council has proposed a Council Tax freeze.
- 3.4 Following on from the settlement and the calculation of the budget for 2015-16, work is ongoing to refresh the MTRP and to establish the position for 2016-17 and beyond. This will look at the current assumptions and also the impact of the settlement. The MTRP will be refreshed and the five year forecasts will be presented to this Committee.
- 3.5 The Committee considered capital bids put forward by officers at its informal meeting on 25 November 2014. Following consideration, these are attached at **Appendix 2 (Exempt, to follow)** for Budget Planning Committee to endorse before going to Executive for formal consideration.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The above position outlines a balanced budget for the council for 2015-16. There is some additional work to be completed on the budget particularly as further detail becomes known but it is not expected that the overall position will change dramatically. The committee is asked at this stage to consider the report as it presents the budget at this stage.

5.0 Consultation

Councillor Atack has been consulted

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

The setting of the budget is a requirement and will need to be approved by Council at its meeting in February.

7.0 Implications

Financial and Resource Implications

- 7.1 These are contained within the report
Comments checked by: Nicola Jackson, Corporate Finance Manager
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Legal Implications

- 7.2 There are none arising from this report.

Comments checked by:
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8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

Accessible Value for Money.

Lead Councillor

Councillor Ken Atack, Lead Member for Financial Management

Document Information

Appendix No	Title
Appendix 1 (Exempt)	Draft Budget 2015-16 To follow
Appendix 2 (Exempt)	Capital bids 2015-16 To follow
Background Papers	
None	
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