

OVERVIEW AND PERFORMANCE SCRUTINY FORUM

Thursday, 19th December, 2013

Present:-

Councillor Innes (Chair)

Councillors	Borrell	Gibson
	Bradford	Slack
	Burrows+	

Anita Cunningham – Scrutiny Officer

Virginia Dodds – Democratic Services Officer

Barry Dawson –Head of Finance+

+Attended for Minute No. 59 only

57 DECLARATIONS OF MEMBERS' AND OFFICERS INTERESTS RELATING TO ITEMS ON THE AGENDA

No declarations were made.

58 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bagley, Callan, Diouf, Flood, Lang, Lowe and Tom Murphy.

59 LEADER & EXECUTIVE MEMBER FOR REGENERATION - REPORT ON THE BUDGET

The Leader and Executive Member for Regeneration, Councillor John Burrows, and the Head of Finance, Barry Dawson, attended the meeting to discuss the budget outturn for the current financial year and draft budgets for 2014/15 and future years with members.

The budgets were at the draft stage as the announcement of the Local Government Provisional Finance Settlement, which included details of Government funding allocations, had not yet been made and no fixed date had been given for this. This was due to the late announcement of the Autumn Statement. The delay meant that there would be little time for any unexpected issues arising from the settlement to be addressed in setting definitive budgets. Members expressed concern over this delay. Councillor Burrows assured members that the Local Government Association was making representations to central Government.

The Head of Finance reported on proposals in the Autumn Statement which affected local authorities, such as the Council Tax freeze offer, the New Homes Bonus, partial lifting of the housing borrowing cap and refunds for business rate relief to traders.

The latest budget forecast for 2013/14 showed a deficit of £166,000, following a detailed budget preparation exercise. Efforts would be made during the remainder of the financial year to eliminate this deficit. Any further savings identified by budget holders would be incorporated into the final budget report to be presented to Cabinet in February 2014.

Details were given of the budget forecast for 2014/15. Members noted that from 2014/15 Government funding towards the Local Council Tax Support Scheme would be combined into the funding settlement and would no longer be separately identifiable; therefore, no specific amount had been recommended for transfer to Parish Councils. Given the pressure on the Council's budgets it seemed reasonable to apply a fixed rate reduction of 10% per annum to the parishes. This meant the Parish Councils could plan their budgets as they would know in advance how much grant would be awarded by the Borough. Scrutiny member supported this proposal.

Members commended officers on their work in presenting as balanced a budget as possible under the current circumstances, and continuing efforts to reduce the forecast deficit for this and future years.

RESOLVED – That the report be noted.