

CABINET - THURSDAY, 11 FEBRUARY 2016

LATE AGENDA ITEM(S)

COMMENTS FROM OVERVIEW AND SCRUTINY PANEL (FINANCE AND PERFORMANCE) MEETING ON 4TH FEBRUARY 2016

- 3. INTEGRATED PERFORMANCE REPORT 2015/2016 QUARTER 3**
(Pages 3 - 4)

- 4. FINAL 2016/17 REVENUE BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2017/18 TO 2020/21** (Pages 5 - 6)

- 5. TREASURY MANAGEMENT STRATEGY 2016/17** (Pages 7 - 8)

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AGENDA ITEM NO.3 – INTEGRATED PERFORMANCE MANAGEMENT 2015/16 QUARTER 3

CABINET – 11th February 2016

COMMENTS FROM OVERVIEW AND SCRUTINY PANEL (FINANCE AND PERFORMANCE) – 4th February 2016

The Overview & Scrutiny Panel (Finance and Performance) has recommended the Cabinet retrospectively approve the establishment of the Budget Surplus Earmarked Reserve. In addition the Panel made the following comments with regards to the Key Activities, Corporate Indicators and the Project Performance.

Following a discussion on the Key Activity of the effectiveness of the fast track pre-application advice, Members were concerned that the service was not well marketed as there had been no enquiries received. They were informed that the Economic Development team positively promote it and it is publicised on the Pre-Application Advice page on the Council's website.

A Member raised a perceived problem with the Building Control Shared Service and the lack of cooperation with Development however the majority of the Panel recognised that it is too soon to assess the benefits of the Building Control Shared Service and that the department is working more closely with Development as both departments now share an office on the same floor.

When reviewing the Corporate Performance Indicators a Member raised a concern that the target for Business Rates collected had been missed. After an explanation Members were asked if the target should be revisited however the Panel were informed that the targets are set for the year and that the department was confident of meeting the target by the end of quarter four.

The Corporate Performance Indicators of developing a market town centre strategy for St Neots, update the 'Buildings at Risk' register and the completion of the updated Design Guide are all red. Although the Panel recognised that individually it wasn't an issue when considering the indicators as a collective there was concern. Members were informed that the indicators represented projects that are nice to have and are not currently a priority.

Concerns were raised with regards to the net number of additional homes delivered as a Member noted that the annual target would not be met but it was given an amber (rather than red) performance indicator. In response the Panel was advised that the target for the number of homes delivered is shown as an average over the local plan period. This will not be met for 2015/16, but the number delivered is expected to meet the trajectory for 2015/16 in the Annual Monitoring Report (AMR) and the AMR indicates the number delivered will rise in 2016/17 and again in 2017/18.

In reviewing Project Performance the Chairman reminded Members that the subject will be covered in greater detail at the next meeting of the Panel in March. Members did ask if the values of the projects could be included within the performance report.

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AGENDA ITEM NO.4 – FINAL 2016/17 REVENUE BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2017/18 TO 2020/21

CABINET – 11th February 2016

COMMENTS FROM OVERVIEW AND SCRUTINY PANEL (FINANCE AND PERFORMANCE) – 4th February 2016

The Overview & Scrutiny Panel (Finance and Performance) has considered the Final 2016/17 Revenue Budget and the Medium Term Financial Strategy (MTFS) 2017/18 To 2020/21. Members were told of three significant changes since the report was presented at the January 2016 meeting of the Panel, which are: the reprofiling of One Leisure draft income over the MTFS, application of Revenue Support Grant (RSG), as per CLG's provisional 4-year settlement, within the MTFS and the 38% reduction in Voluntary Sector Grants over the MTFS.

Following concerns that were raised with regards to the One Leisure reprofiling of income, the Head of Resources reported to the Panel that the One Leisure income was reprofiled as a consequence of the budget due diligence work undertaken by the Deputy Leader and the Head of Resources. The projected income streams of One Leisure were reduced as the original profiling did not reflect corresponding increases in costs.

The suggestion was put forward that the word electorate should be deleted and replaced with the word resident in the paragraph 'section 4 has shown that the Council continues to face significant challenges over the medium term in its obligations to provide cost-effective services to its electorate'.

Councillor M F Shellens addressed the Panel with a statement which outlined the problems the County Council was facing in regards to the adult, children and families budget. He proposed that the Council raises council tax by 2% so that the voluntary sector could provide adult and social services which may help to alleviate the County Council's budget shortfall and assist the more vulnerable residents of the District. In addition Councillor M F Shellens proposed that Members could surrender a proportion of their car allowance in order to give the savings to the voluntary sector.

Members had sympathy for the issues raised by Councillor M F Shellens however believed that it would be better if the Council did not interfere and allow the County Council to manage their budget. The Panel were advised that as not all Members claim car allowance the suggestion of surrendering a proportion would not yield the desired savings.

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Agenda Item 5

AGENDA ITEM NO.5 – TREASURY MANAGEMENT STRATEGY 2016/17

CABINET – 11th February 2016

COMMENTS FROM OVERVIEW AND SCRUTINY PANEL (FINANCE AND PERFORMANCE) – 4th February 2016

The Overview & Scrutiny Panel (Finance and Performance) has considered the Treasury Management Strategy 2016/17. The Finance Manager introduced the report and advised Members that the report separates the Council's main capital programme from the Commercial Investment Strategy (CIS).

A Member had suggested that to improve the position of the Medium Term Financial Strategy and in particular recover the anticipated deficit position of the 2020/21 budget that the Cabinet could suspend the transfer of funds from reserves to the CIS.

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