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# **Medium Term Plan, 2011/12 Budget and Associated Matters**

## **Report by the Head of Financial Services**

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### **1. PURPOSE**

- 1.1 The purpose of this report is to allow Council to consider and decide upon the recommendations made by Cabinet in relation to the MTP, the 2011/12 budget and associated matters.
- 1.2 It also seeks Council's formal determination of the Council Tax for 2011/12.

### **2. BACKGROUND**

- 2.1 The actual Government formula grant (RSG) for 2011/12 and the provisional grant for 2012/13 were not available when the Cabinet report was prepared. Whilst the final figures result in a gain of £65k over the two year period, the Government's decision on the New Homes Reward Grant, following public consultation, is not yet known. An update to reflect the total impact of all the grant adjustments will be circulated once the final figure for the New Homes Reward Grant is known.
- 2.2 On 17th February 2011 the Cabinet will discuss a report on the MTP and the 2011/12 budget (copy attached as Appendix A). They will take into account the comments from the consultation meeting with members of the local business community and the Overview and Scrutiny Panel (Economic Well-Being) meeting, held on 9th and 10th February respectively.
- 2.3 The Cabinet will also consider an associated report on the Council's Treasury Management Strategy for 2011/12 which is attached as Appendix B.
- 2.4 The Cabinet's recommendations on both reports will be circulated as soon as they are available.
- 2.5 The formal resolution for approving the Council Tax (Appendix C) consists of two parts. The first provides specific figures relating to this Council's income and expenditure and may change as a result of the actual figure for the New Homes Reward Grant. Therefore this first part will not be circulated until the Grant figure is known.
- 2.6 The second part contains two tables. The first shows the Council Tax that each council or authority is setting for 2011/12 for each house

valuation bands. The second table aggregates these for each parish or town in the District so that the total Council Tax can be identified.

- 2.7 These tables are based on the assumption that the Cabinet, and subsequently the Council, will support the proposals in the budget report for no increase in Huntingdonshire's Council Tax for 2011/12. They also assume that the tax levels for the other councils and authorities will all be formally confirmed. If any tax levels change, replacement tables will be prepared and circulated.

### **3. DECISIONS**

- 3.1 In the light of the Cabinet's recommendations, the Council is invited to -

- ◆ **approve the proposed Budget, MTP and Financial Plan;**
- ◆ **approve the Treasury Management Strategy and Prudential Indicators; and**
- ◆ **approve the Band D Council Tax of £124.17 for 2011/12 and the formal resolutions shown in Appendix C (part TO FOLLOW).**

### **BACKGROUND PAPERS**

Working Papers - Files in Financial Services

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