

STRATEGIC PLANNING, SUSTAINABILITY & TRANSPORT

10 NOVEMBER 2015

Is the final decision on the recommendations in this report to be made at this meeting?

No

MEDIUM TERM FINANCIAL STRATEGY 2016/17 ONWARDS

Final Decision-Maker	Council (2 March 2016)
Lead Head of Service	Head Of Finance & Resources
Lead Officer and Report Author	Head Of Finance & Resources
Classification	Public report with exempt appendix
Wards affected	All

This report makes the following recommendations to this Committee:

1. That the Committee agrees to submit the proposals set out in Appendix A to this report to Policy & Resources Committee for inclusion in the savings proposals for the medium term financial strategy 2016/17 onwards.

This report relates to the following corporate priorities:

The medium term financial strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. It reflects the Council's decisions on the allocation of resources to all objectives of the strategic plan.

Timetable

Meeting	Date
Strategic Planning, Sustainability & Transport	10 November 2015
Policy & Resources Committee	16 December 2015
Council	2 March 2016

MEDIUM TERM FINANCIAL STRATEGY 2016/17 ONWARDS

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 On 8 September 2015 the Committee considered a report on the medium term financial strategy 2016/17 onwards (MTFS). That report set out the draft plans of the Policy and Resources Committee for consideration.
 - 1.2 This committee agreed to consider option for savings and growth pressures at an informal briefing session in advance of full consideration at this meeting.
 - 1.3 The committee's informal briefing was on 15 October 2015 and this report provides details of the proposals discussed in order for the committee to formal approve them for inclusion in the MTFS.
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2. INTRODUCTION AND BACKGROUND

- 2.1 On 29th July 2015 Policy & Resources Committee agreed a strategic revenue projection based on a series of planning assumptions. That projection identified a need to find £3.76m of savings over the period of the strategy, 2016/17 to 2020/21, as set out in the table below:

Year	£m
2016/17	1.63
2017/18	0.79
2018/19	0.71
2019/20	0.53
2020/21	0.10
Total	3.76

Table 1: Required budget strategy savings by financial year

- 2.2 Policy and Resources Committee requested that all service committees review the proposed strategic revenue projection and develop proposals for savings over the period of the MTFS and identify any additional unavoidable growth pressures that cannot be resourced by the committee concerned.
- 2.3 On 8 September 2015 this committee considered the request and agreed to identify its proposals initially through a briefing with officers. That briefing session occurred on 15 October 2015 and the proposals discussed are set out in **Appendix A** to this report. Table 2 below compares the value of the proposals to the Council's identified need set out in Table 1 above:

Year	£m	£m
2016/17	1.63	0.34
2017/18	0.79	0
2018/19	0.71	0
2019/20	0.53	0

2020/21	0.10	0
Total	3.76	0.43

Table 2: Proposed budget strategy savings by financial year matched to overall need

2.4 The councillors attending the briefing discussed the savings proposals that are now set out in Appendix A. The councillors also discussed a number of further items and expressed concern that the proposals so far brought forward related to 2016/17 only and no longer term plan to cover the period of the MTFS had been developed. The matters discussed are as follows:

- a) Planning pre-application advice – The councillors at the briefing requested further detail on the specifics of pre-planning application advice:
 - The annual budget is currently £85,600.
 - Income in 2014/15 was £84,800 and is projected to be £91,000 in 2015/16 allowing for the increase as proposed in 2016/17.
 - All pre-application advice can be charged for and this policy is promoted by central government.
 - There is no evidence of a negative impact on applicants and it is clear that pre-application advice often results in fewer conditions or compromises in decisions.

- b) Planning repeat fees – The councillors at the meeting considered if and when the Council is able to charge a new fee on an amended application:
 - The trigger for an application requiring a new fee is set out in the fees regulations, and relates to whether or not the revised (new) application is of the same character or description. Legally any material change to the description requires a new fee eg house types such as increasing the amount of detached as opposed to semi-detached.
 - In addition to this it is possible to apply for a non-material amendment for very small changes to a planning permission and/or a minor material amendment for more significant changes which effectively are applications to vary the detailed plans already approved, both of these command small fees (much less than a new application fee).

- c) Parking – The councillors at the briefing considered a number of issues surrounding future potential improvements in parking services that would generate savings or improve income. It was considered to be a large and technical review of the service and a report to a later meeting of the committee is intended. Any proposals with financial consequences will then form part of the committee’s medium term response to the MTFS.

2.5 In addition the briefing considered the capital programme and noted that there is infrastructure funding currently identified in the programme. Current schemes include the major improvements to the gyratory system in the town centre. No additional schemes were raised at the briefing.

3. AVAILABLE OPTIONS

- 3.1 The committee should consider the proposals set out in Appendix A and decide one of the following options:
 - 3.2 Option 1 - Not to submit any proposals to Policy & Resources. A decision to not submit proposals would not be appropriate as the Council has a need to identify significant savings in order to balance its budget and it is appropriate for all service committees to contribute.
 - 3.3 Option 2 – Provide alternative proposals. Although at the informal briefing councillors considered the available options and officers have confirmed that the proposals set out in the appendix are viable, it is possible that the committee could propose alternative options. The options discussed at the briefing and proposed in the appendix are viable and should not be set aside at this time.
 - 3.4 Option 3 – Agree the proposals set out in the exempt appendix. As stated these are all viable proposals that have been identified as deliverable with minimal impact on the Council’s strategic priorities.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 It is recommended that the Committee agree to submit to Policy and Resources Committee the proposals set out in Appendix A to this report.
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5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 These proposals follow on from the consultation by Policy and Resources on the MTFs and constitute this Committee’s response to the request to identify savings and growth pressures.
 - 5.2 The Policy and Resources Committee will consider all service committees’ proposals at its meeting on 16 December 2015 along with the results of the budget consultation and any updated financial information from Government and other sources.
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6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 The agreed recommendations will be reported to the Policy and Resources Committee at its meeting on 16 December 2015 when it considers the updated MTFs following the final calculation of the tax base for council tax, the detailed fees and charges proposals and the
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7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The medium term financial strategy and the budget are a re-statement in financial terms of the priorities set out in the strategic plan. It reflects the Council's decisions on the allocation of resources to all objectives of the strategic plan.	Head of Finance & Resources
Risk Management	<p>Matching resources to priorities in the context of the significant pressure on the Council's resources is a major strategic risk. The MTFS is improved each year to enhance its resilience and effectiveness. The MTFS is considered by Policy & Resources Committee, all service committees, the Audit Governance & Standards Committee and Council.</p> <p>Specific budget savings proposals are identified in the appendix to this report.</p>	Head of Finance & Resources
Financial	<p>The MTFS impacts upon all activities of the Council. The future availability of resources to address specific issues is planned through this process.</p> <p>It is important that the committee gives consideration to the strategic financial consequences from the recommendations in this report.</p>	Head of Finance & Resources
Staffing	The process of developing the budget strategy will identify the level of resources available for staffing over the medium term.	Head of Finance & Resources
Legal	The Council has a statutory obligation to set a balanced budget and development of the savings proposals assists this obligation.	Head of Finance & Resources

Equality Impact Needs Assessment	The objective of the MTFS is to match available resources to the priorities set out in the Strategic Plan.	Head of Finance & Resources
Environmental/Sustainable Development	None identified	Head of Finance & Resources
Community Safety	None identified	Head of Finance & Resources
Human Rights Act	None identified	Head of Finance & Resources
Procurement	None identified	Head of Finance & Resources
Asset Management	None identified	Head of Finance & Resources

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix A: Savings Proposals 2016/17 to 2020/21

9. BACKGROUND PAPERS

None