



SPECIAL CABINET – 26TH FEBRUARY 2014

SUBJECT: BUDGET PROPOSALS 2014/15 AND MEDIUM TERM FINANCIAL STRATEGY 2014/2017

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES & SECTION 151 OFFICER

1. PURPOSE OF REPORT

1.1 The attached report provides Cabinet with information on which to consider the:-

- Revenue Budget and Council Tax proposals for the forthcoming financial year (1 April 2014 to 31 March 2015);
- Capital Programme for the period 1 April 2014 to 31 March 2017;
- Budget Strategy for 2015/16 and 2016/17;

and to agree recommendations to Council.

2. SUMMARY

2.1 The attached report to Council is provided for Members' consideration.

3. RECOMMENDATIONS

3.1 Cabinet endorse the attached report and recommend to Council that:-

3.1.1 The Authority operates the 2013/14 WG scheme in 2014/15 in respect of the Council Tax Pensioners Grant.

3.1.2 The Living Wage increase to £7.65 per hour is backdated to 1 November 2013.

3.1.3 The Revenue Budget proposals for 2014/15 of £332,032m as set out in Appendix 1 are approved.

3.1.4 The Council Tax level for the financial year 2014/15 is increased by 3.90% (Council Tax Band D £954.78).

3.1.5 The indicative proposals contained in the Medium Term Financial Planning assumptions are approved as the basis for delivering a balanced budget over the forthcoming 3 years (i.e. 2014/15 to 2016/17) (see Appendix 2a and 2b).

3.1.6 The Capital Programme for the period 1 April 2014 to 31 March 2017 as set out in Appendix 5 is approved.

- 3.1.7 The use of the General Fund balances as detailed in Appendix 6 are approved, including the establishment of provisions for the 2013/14 pension deficit, 2014/15 Senior Officer suspension costs, 2013/14 arrears in respect of the Living Wage and potential delays in delivering 2014/15 savings proposals.
- 13.1.8 Up to £2.499m to be released from General Fund balances to fund one-off capital expenditure as cost avoidance or Invest to Save schemes. Bids to be considered on a case-by-case basis and agreed by Cabinet.
- 13.1.9 The financial strategy for 2015/16 and 2016/17 as set out in Section 8 of the report is agreed.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 Cabinet are required to recommend to Council on an annual basis proposals to set a balanced budget, agree a Council Tax rate and agree a Medium Term Financial Strategy.

5. STATUTORY POWER

- 5.1 The Local Government Acts 1998 and 2003.

Author: Nicole Scammell, Acting Director of Corporate Services & Section 151 Officer
Tel: 01443 864419, Email: nicolescammell@caerphilly.gov.uk

Consultees: Corporate Management Team
Stephen Harris, Acting Head of Corporate Finance
Gail Williams, Monitoring Officer
David A. Thomas, Senior Policy Officer (Equalities and Welsh Language)
Cllr Keith Reynolds, Deputy Leader/Cabinet Member for Corporate Services

Appendices:
Appendix 1 Report to Special Council attached

Background Papers:
Provisional Local Government Settlement (16 October 2013)
Final Local Government Settlement (11 December 2013)
Report to Council (23 October 2013)
Report to Cabinet (19 December 2013)
Report to Cabinet (29 January 2014)