

**Extract from the minutes of the Cabinet meeting 28 January 2015**

The Assistant Chief Executive submitted a report a copy of which had been circulated to each Member together with minutes 37 and 38 of the Scrutiny Panel meeting of 27 January 2015.

Councillor Willetts attended and with the consent of the Chairman, addressed the Cabinet and emphasised that the Conservative Group agreed with much of the budget. There was a lack of detail in some areas, for example around town centre funding. The freeze in Council Tax was supported. A rise could not be justified given the level of reserves. The level of savings set out in section 6 of the report was also welcomed and the administration should continue to improve the efficiency and effectiveness of the Council. The reduction in Full Time Equivalent posts was noted and should control of the Council change in the forthcoming elections, he hoped that the groups forming the current administration would support further efficiencies on this scale. The current approach on the use of the New Homes Bonus was also supported, although there was a risk in reliance on the New Homes Bonus given that the government's approach could change depending on the outcome of the General Election.

Councillor Smith, Portfolio Holder for Business and Resources, stressed that the proposed budget directed funding towards strategic plan priorities. £547,000 was specifically allocated to support the delivery of the Strategic Plan in areas where additional resource was needed. Areas that would receive increased funding included heritage, employment, traffic management and the environment. Frontline services were would be protected, despite the significant reduction in the baseline budget. Further efficiencies on the scale proposed by the opposition would inevitably impact on the delivery of front line services.

Councillor Bourne, Portfolio Holder for Housing and Public Protection, expressed her concern about the impact on staff of further efficiencies on the scale proposed by the opposition. This had already been a difficult period for staff, many of whom demonstrated great commitment to the Council.

*RESOLVED* that:-

(a) It be noted that the outturn for the current financial year is forecast to be within budget and that a reduction in the use of the Food Waste grant is proposed (paragraph 3.5 of the Assistant Chief Executive's report).

(b) The cost pressures, growth items (including proposed use of New Homes Bonus), savings and increased income options identified during the budget forecast

process as set out at Appendices B, C, D and E of the Assistant Chief Executive's report be approved.

(c) The 2015/16 Revenue Budget requirement of £23,231k (paragraph 6.7 of the Assistant Chief Executive's report) and the underlying detailed budgets set out in summary at Appendix F and Background Papers to the Assistant Chief Executive's report, subject to the final proposal to be made in respect of Council Tax, be agreed and *RECOMMENDED TO COUNCIL*.

(d) Colchester's element of the Council Tax for 2015/16 at £175.23 per Band D property be *RECOMMENDED TO COUNCIL*, which represents no change from the current rate, noting that the formal resolution to Council will include Parish, Police, Fire and County Council precepts and any changes arising from the formal Finance Settlement announcement and final completion of the business rates NNDR 1. This will be prepared in consultation with the Leader of the Council.

(e) The provisional Finance Settlement figures set out in Section 7 of the Assistant Chief Executive's report including the figures for the business rates retention scheme and the arrangements for completion of the required return of estimated business rates income as set out at paragraph 7.11 of the Assistant Chief Executive's report be noted.

(f) The Revenue Balances for the financial year 2015/16 as set out at Appendix I of the Assistant Chief Executive's report be agreed and the following also be agreed:-

- the minimum level be set at a minimum of £1,800k
- £71k of balances be applied to finance items in the 2015/16 revenue budget.
- a contribution to balances of £560k be made in respect of the specific items shown at paragraph 9.9 of the Assistant Chief Executive's report.

(g) The updated position on earmarked reserves set out in section 10 of the Assistant Chief Executive's report be noted and the release of £20k from the S106 monitoring reserve be agreed.

(h) It be agreed and *RECOMMENDED TO COUNCIL* that £100k of Revenue Balances be earmarked for potential unplanned expenditure within the guidelines set out at paragraph 11.3 of the Assistant Chief Executive's report.

(i) The Medium Term Financial Forecast for the financial years 2015/16 to 2018/19 be noted.

(j) The position on the Capital Programme shown at section 14 of the Assistant Chief Executive's report be noted and:-

- the releases set out in paragraph 14.5 and 14.6 of the Assistant Chief Executive's report be agreed.
- the inclusion in the Capital Programme of the Priory Street Car park scheme set out in paragraph 14.7 of the Assistant Chief Executive's report be *RECOMMENDED TO COUNCIL*.

(k) The comments made on the robustness of budget estimates at section 15 of the Assistant Chief Executive's report be noted.

(l) The 2015/16 Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy as set out in the background paper at Appendix M of the Assistant Chief Executive's report be agreed and *RECOMMENDED TO COUNCIL*.

### *REASONS*

The reasons for the decisions were set out in detail in the Assistant Chief Executive's report.

### *ALTERNATIVE OPTIONS*

Various options were investigated at every stage of the budget setting process.