

CAPITAL AND REVENUE MONITORING REPORT 2015/16 SECOND QUARTER

City Council: 23 November 2015



CABINET MINUTE 52

The Corporate Management Team submitted a report on the Council's finance monitoring position as at the end of September 2015, detailing how the Council was delivering against its financial measures using its capital and revenue resources, seeking approval of relevant budget variations and virements, reporting new schemes in the capital programme and proposing increases to the capital financing envelope.

Councillor Lowry (Cabinet Member for Finance) introduced the proposals.

Cabinet Members were advised that -

- (a) an additional borrowing requirement of £10m was being sought for regeneration initiatives;
- (b) it was anticipated that 170 people would be leaving the Council under the Enhanced Voluntary Release Scheme this year and that since April 2012 the headcount had been reduced from 4158 to 2781 as at October 2015, of which 764 staff had transferred to other undertakings under the TUPE provisions;
- (b) Councillor Lowry hoped to recommend a freeze of the Council tax for 2016/17 to Cabinet but that the recommendation would depend on the Autumn Statement by the Chancellor of the Exchequer;
- (c) there were concerns about -
 - the impact of any changes to the working family tax credit which could increase both support required under the Council Tax Support Scheme and Council tax arrears;
 - the loss of Police Community Support Officers and the impact on anti-social behaviour and vandalism which could put further pressures on the Council's resources.

Chris Randall (Head of Finance Operations) attended the meeting for this item.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed –

- (1) that the current revenue monitoring position and action plans in place to reduce/mitigate shortfalls are noted;
- (2) the non-delegated revenue budget virements (shown in Table 4);
- (3) that the new schemes added to the Capital Programme totalling £1.063m are noted (as shown in Table 6);

- (4) further to recommendation (3) in minute 51 above, the investigations to include the impact of the proposals on communities and also consider any changes of the working family tax credits having regard to other welfare reform cuts with the outcome to be reported as part of the draft budget report.

The City Council is Recommended to increase the Capital Programme 2015 - 2020 to £287m (as shown in table 5).