

SUBJECT:	REVENUE BUDGET 2018/19
REPORT OF:	Director of Resources
RESPONSIBLE OFFICER	Director of Resources
REPORT AUTHOR	Jim Burness Director of Resources jim.burness@southbucks.gov.uk
WARD/S AFFECTED	All

1. Purpose of Report

- 1.1 To consider the draft revenue budget for 2018/19 and provide any comments for the Cabinet to consider when making its final recommendations to Council on the budget and Council Tax.

RECOMMENDATIONS

- 1. The Committee notes the report and considers any comments it may wish to make for the Cabinet to take into consideration.**
- 2. The Committee agrees to set up a Task & Finish Group to consider the Medium Term Financial Strategy and savings options**

2. Background

- 2.1 Under the Council’s Constitution the Overview & Scrutiny Committee is required to consider the draft revenue budget prior to final decisions made by the Cabinet. The Cabinet report on the Budget is appended. Since the Cabinet consider the Budget in December the Government has announced the grant funding decisions affecting the Council. In December the Cabinet agreed for further work to be done to eliminate the proposed use of general reserves in the draft budget.

3. Budget 2018/19

- 3.1 The main points to note regarding the attached Budget report are.
- The New Homes Grant allocation was £207k less than anticipated.
 - The Budget reflects the impact of the proposed local pay award for 2018/19, £54k.
 - Funding is provided for the creation of a new Economic Development Team, the cost to be shared between CDC and SBDC, with the SBDC element being £42k.
 - Additional savings or additional income, have been identified totalling £294k.
 - The main financial risks for 2018/19 are:

- Shortfall on income targets.
 - The cost of major planning inquiries, enforcement actions or responding to national infrastructure proposals that impact on the area.
 - The costs of temporary accommodation, and supporting solutions to the temporary accommodation issue.
 - Letting income for the Capswood offices
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- The Medium Term Financial Strategy (MTFS) shows a funding gap of between £400k and £960k per annum over the period to 2023.

3.2 Given the financial gap indicated in the MTFS it will be important to start the review of the MTFS as soon as possible and to focus on the savings plans within the Strategy and their robustness and whether they can be added to.

4. Consultation

4.1 Consultation is with the Overview and Scrutiny Committee as required by the Council's Constitution.

5. Options

5.1 N/a

6. Corporate Implications

6.1 The Budget sets the financial limits within which services will operate during 2018/19 to deliver their service objectives. The Budget report identifies a number of financial risks that may affect the budget and which will need to be monitored during the year.

6.2 The Budget needs to be seen in the context of the Medium Term Financial Strategy which poses a number of challenges to the authority in balancing expenditure and resources.

7. Links to Council Policy Objectives

7.1 The Council's Budget and Medium Term Financial Strategy set out how the Council proposes to progress its objectives within the financial resources available to it.

8. Next Steps

8.1 Following views from the Overview and Scrutiny Committee, the Budget will be considered by the Cabinet on 7th February, and it will make recommendations on the Budget and Council Tax to the Council meeting on 27th February.

Background Papers:	None
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