

RESOURCES POLICY ADVISORY GROUP

Meeting - 6 December 2018

Present: B Gibbs (Chairman)
D Dhillon

Apologies for J Jordan and P Kelly
absence:

52. MINUTES

The minutes of the Resources PAG held on 25 September 2018 were approved.

53. DECLARATIONS OF INTEREST

There were no declarations of interest.

54. PORTFOLIO BUDGETS 2019/20

Members received a report which provided information on the draft revenue budget for 2019/20, and included the context of the overall financial position facing the Council for the coming year. The report further provided summary information on the budgets and highlighted issues for consideration. Detailed information was made available in the accompanying booklet.

During the discussion, the following key points were raised:

- Regardless of the decision to create a new district unitary authority in Buckinghamshire from 2020/21 this did not affect the requirement the Council had to set a legal and prudent budget for 2019/20 that addressed the Council's aims and objectives, which were set out in the Council's Medium Term Financial Strategy. It would be necessary at a corporate level to make provision for the initial transition costs to the new unitary authority that would be incurred in 2019/20, this would be done when setting the final budget in February 2019 when there was more clarity around the transition process.
- The following items included in the report were highlighted to the PAG: Budget assumptions; summary revenue budgets and movements alongside the current year's budget; risks; task and finish group recommendations and opportunities and plans for improvement.
- The draft budget had been subject to a detailed review by the Portfolio Holder.
- Election costs had been included in the budget, although the likelihood was that there would be neither District nor Parish elections in 2019 following the

Modernising Local Government announcement. Members were advised that when the final PAG budget was set in February 2019, the Parliamentary Orders would have been laid and necessary amendments subsequently made to the draft budget.

- A number of insurance policies were due to be centralised during the next financial year. Fixed electricity contracts would require renewing and based on market assumptions a 6.5% increase had been factored in to the draft budget.
- The ground floor of the Capswood 1 building was expected to be let in early 2019 and as such this assumption had been included within the draft budget.

Having considered the advice of the Policy Advisory Group, the Portfolio Holder agreed to **RECOMMEND** to Cabinet to approve:

1. The 2019/20 revenue budget
2. The 2019/20 fees and charges

55. **TREASURY MANAGEMENT - QUARTERLY REPORT QUARTER 2 2018/19**

Members received a report on the Treasury Management operation of the Council for July to September 2018. The Director of Resources summarised the positions as set out in pages 41 to 44 of the reports pack.

The PAG was advised that the recent base rate increase would likely produce a modest interest rate increase in the medium term and that any variations caused by the modernising local government decision would not be significant at this time.

It was **RESOLVED** that Members noted the Treasury Management performance for Quarter 2 2018/19.

The meeting terminated at 6.16 pm