

<p style="text-align: center;"><b>RECOMMENDATION TO COUNCIL</b> <b>(Executive Councillor for Finance and Resources)</b></p>
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## **MID YEAR FINANCIAL REVIEW (MFR) OCTOBER 2014**

The report recommended the budget strategy for the 2015/16 budget cycle and specific implications, as outlined in the Mid-year Financial Review (MFR) October 2014 document. The report also recommended the approval of one new capital item and changes to phasing and funding proposals of the Council's Capital Plan which would be included in the updated version published separately on the Council's web site.

The Strategy and Resources Scrutiny Committee considered and approved recommendations as below:

The Scrutiny Committee considered the 'Foreword' and endorsed it by 5 votes to 3.

The Scrutiny Committee considered report recommendation 2.1 and endorsed it unanimously.

The Scrutiny Committee considered report recommendation 2.2 and endorsed it by 5 votes to 0.

The Scrutiny Committee considered report recommendation 2.3 and endorsed it unanimously.

The Scrutiny Committee considered report recommendation 2.4 and endorsed it unanimously.

**Accordingly, Council is recommended:**

### **General Fund Revenue**

- i. To agree the budget strategy, process and timetable for the 2015/16 budget cycle as outlined in Section 1 [pages 5 to 6 refer] and Appendix A of the MFR document.
- ii. To agree incorporation of the budget savings and pressures identified in Section 4 [pages 15 to 17 refer]. This provided an indication of the net savings requirements, by year for the next 5 years, and revised General Fund revenue, funding and reserves projections as shown in Section 5 [page 18 refers] of the MFR document.

## **Capital**

To agree:

- iii. inclusion of a new scheme in the Capital Plan relating to the replacement of an air cooling system, at a cost of £166,950 (£70,000 from existing repairs and renewals funding, the remainder from available capital funding), subject to a detailed project appraisal.
- iv. other changes to the Capital Plan, predominantly re-phasing as set out in Section 6 [pages 19 to 22 refer] of the MFR document.

Note the proposal for a focused review of the processes and procedures underlying capital planning and delivery in advance of setting the 2015/16 budget in February 2015, with a view to delivering improved, fit for purpose processes and a sustainable capital plan, as set out in Section 6 [page 22 of MFR document refers]

## **Reserves**

- v. To agree changes to General Fund Reserve levels, with the Prudent Minimum Balance being set at £4.40m and the target level at £5.28m as detailed in Section 7 [pages 23 to 24 of the MFR document refer].