

Present: Robertson (Chair), Sinnott, Baigent, Benstead, Bick, Holt, Sarris, C. Smart and M. Smart

**RECOMMENDATION TO COUNCIL
(EXECUTIVE COUNCILLOR FOR FINANCE AND RESOURCES
COUNCILLOR OWERS)**

MID-YEAR FINANCIAL REVIEW (MFR) OCTOBER 2015

The report presented and recommended the budget strategy for the 2016/17 budget cycle and specific implications, as outlined in the Midyear Financial Review (MFR) October 2015 document.

The report also recommended the approval of new capital items and changes to phasing and funding proposals of the Council's Capital Plan, the results of which are shown in the MFR.

At this stage in the 2016/17 budget process the range of assumptions on which the Budget-Setting Report (BSR) published in February 2015 was based need to be reviewed, in light of the latest information available, to determine whether any aspects of the strategy need to be revised. This then provides the basis for updating budgets for 2016/17 to 2020/21. All references in the recommendations to Appendices, pages and sections relate to the MFR Version 2.

The recommended budget strategy is based on the outcome of the review undertaken together with financial modelling and projections of the Council's expenditure and resources, in the light of local policies and priorities, national policy and economic context. Service managers have identified financial and budget issues and pressures and this information has been used to inform the MFR.

The Strategy and Resources Committee considered and approved the recommendations 6 votes to 0.

Accordingly, Council is recommended to:

General Fund Revenue

- i. Agree the budget strategy, process and timetable for the 2016/17 budget cycle as outlined in Section 1 (pages 1 to 2 refer) and Appendix A of the MFR document.

- ii. Agree incorporation of the budget savings and pressures identified in Section 4 (pages 11 to 13 refer). This provides 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 14 refers) of the MFR document.

Capital

- i. To note the changes to the Capital Plan as set out in Section 6 (pages 15 to 19 refer) of the MFR document and agree the new proposals:

Ref	Description	2015/16 £000	2016/17 £000	Total £000
SC605	Replacement Building Access Control System	50	50	100
PR037a	Local Centres Improvement Programme - Cherry Hinton High Street	15	185	200
S607	Fleet Maintenance and Management Service at Waterbeach	34	11	45
	Total Proposals	99	246	345

Reserves

- i. Agree changes to General Fund Reserve levels, with the Prudent Minimum Balance being set at £5.13m and the target level at £6.16mas detailed in Section 7 (pages 20 to 21 refer).