

<p style="text-align: center;">RECOMMENDATION TO COUNCIL (THE LEADER – COUNCILLOR REID)</p>
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MEDIUM TERM STRATEGY (MTS) – SEPTEMBER 2011

The Medium Term Strategy (MTS) is a key part of the Council's annual Planning and Decision-Making Process.

The purpose of the MTS document is to set out and consider the implications of the Council's vision for the city and the priority actions which the Council has approved as part of the Annual Statement process, towards achieving this vision. In the context of these objectives, the document then outlines the Council's overall financial position and sets out a budget strategy.

Since the meeting of The Executive on 12 September 2011, which recommended the MTS to Council, Executive Councillors have approved additional recommendations with regard to capital expenditure. These are listed at 2.6 below.

Executive recommendations now also contain a proposal for budget provision for further grant funding to The Junction in respect of 2011/12.

The MTS document originally proposed by The Executive has been updated for these changes and now forms the basis of the current recommendation to Council.

Accordingly, Council is recommended to: Revenue – General Fund

- 2.1 To agree that New Homes Bonus uncommitted funding is held in an earmarked reserve (rather than added to general reserves) with a view to considering appropriate application at a later date [Section 5, pages 75 and 76 refer].
- 2.2 To agree budget provision for further grant funding in 2011/12 of £65,000 to The Junction CDC Ltd
- 2.3 To agree the budget strategy and process for the 2012/13 budget cycle as outlined in Section 8 and Appendix A of the MTS document.
- 2.4 In particular:-
 - a) that the net General Fund budget (after use of reserves) be limited to £15,463,770 at this stage

- b) that the adjusted gross expenditure, for the purpose of calculating committee cash limits, should exclude major in-term contractual / agreement obligations (Pools Service, Housing Repairs and ICT contracts)
- 2.3 To agree the revised General Fund revenue, funding and reserves projections as shown in Appendix E, and the associated decisions in Section 8, of the MTS document.
- 2.4 To authorise the Director of Resources to calculate and communicate final cash limits or savings targets based on the decisions taken in this report, based on the method shown in Appendix I, of the MTS document.

Revenue - HRA

- 2.5 To express support for the HRA budget process and strategy as outlined in Section 8 and Appendix F, of the MTS document.

Capital

- 2.6 To agree inclusion in the Capital Plan of new items identified below, note additional funding to revised schemes approved by Executive Councillors, and approve the reschedule of works based on the latest timetables, namely:
- (a) SC515 – Replacement CCTV cameras - £70,000 funded from Repairs & Renewals
 - (b) SC516 – Relocation of the Grand Arcade Car Park Control Room - £70,000 funded from Repairs & Renewals
 - (c) SC517 – Relining fuel tanks at Mill Road Depot - £30,000 funded from Repairs & Renewals
 - (d) SC518 – Improvements to Stage Lighting Equipment at the Corn Exchange - £25,000 funded from Repairs & Renewals
 - (e) SC519 – Wulfstan Way Art Project £45,000 – funded from Public Art Developer Contributions
 - (f) SC520 – Community Olympic Public Art Commission - £129,000, of which £99,000 will be funded from Public

Art Developer Contributions and £30,000 from the Arts & Recreation Revenue Budget 2012/13

- (g) PR001 Housing Capital Investment Programme - increase the funding in 2012/13 by £200,000
- (h) PR020 ICT Infrastructure Programme - reschedule the programme extending the programme to 2015/16 and reduce the Repairs & Renewals funding by £217,000
- (i) PR023 Admin Buildings Asset Replacement Programme - reschedule the programme and extend the programme to 2015/16 funded by additional £74,000 Repairs & Renewals
- (j) PR024 Commercial Properties Asset Replacement Programme - reschedule the programme and extend the programme to 2015/16 funded by additional £240,000 Repairs & Renewals
- (k) PR018 – Bus Shelters – increase funding in 2011/12 by £50,000 funded from Repairs & Renewals
- (l) PR026 Community Development Grants Programme – approve a new capital programme, with the remit to improve a range of facilities across the East Area - £800,000 funded from Developer Contributions.

[The policy of allocating developer contributions for the provision and improvement of community facilities has been in place for a number of years. The allocation of off-site contributions by area provides a reasonable response to the challenge of providing and enhancing facilities as close as possible to the location of the development.

Investing capital in existing facilities, many owned or managed by other providers, has proved to be the most effective strategy as several partners have been able to use the availability of Council funding to attract other external funding. This approach also enables the Council to provide and enhance local community facilities whilst incurring no, or minimal, on-going revenue costs.]

- 2.7 To agree the revised Capital & Revenue Projects Plan, the Hold list and the Funding as shown in Section 6 and Appendix H of the MTS document

Treasury Management

- 2.8 To approve the changes to the Council's Counterparty List and lending limits. [Appendix J refers].
- 2.9 To approve the changes to the Treasury Management Strategy Statement and changes to the Council's Prudential and Treasury Management indicators [Section 7, pages 94 to 95 refer].