

**Minutes of the Meeting of the FINANCIAL POLICY PANEL  
held on 25 May 2017**

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**PRESENT -**

Councillor Eber Kington (Chairman); Councillors Richard Baker, John Beckett, Neil Dallen, Graham Dudley and Omer Kokou-Tchri

Absent: Councillor Barry Nash and Councillor Vince Romagnuolo

Officers present: Brian Thompson (Interim Head of Financial Services), Mark Shephard (Head of Property) and Fiona Cotter (Democratic Services Manager)

**1 DECLARATIONS OF INTEREST**

No declarations of interest were made by councillors regarding the item on the Agenda.

**2 FINANCIAL PLANNING 2018/19**

The Panel received and considered a report which sought guidance on the approach to be used in preparing the budget for 2018/19.

The Council's approach to budgeting remained unchanged. The report highlighted that the Council had agreed financial targets to achieve a balanced budget in 2018/19. The current Medium Term Financial Strategy anticipated the need for savings of £1.6 million over the next two years as detailed in Annexe 2 of the report. This savings target took into account savings already identified and left unidentified savings of £38K to be found in 2018/19 with significantly more still to be identified in 2019/20. The Interim Head of Financial Services stated that Officers were confident that the £38K could be found through income generation but that the Council faced a challenge in meeting its target in 2019/20 with, inter alia, the prospect of the proposed tariff adjustment. This had been factored into the budget forecast and the revised four year forecast also anticipated that the amount of New Homes Bonus that the Council could rely on would diminish. The Panel again expressed its frustration at the Government's approach to funding public services.

In response to queries from Panel members, the Interim Head of Financial Services undertook to circulate further information to the Panel regarding the anticipated saving of £77K to be made in relation to Parks in 2019/20 and why the savings in relation to disposal of the Ebbisham Centre were only estimated to be £52K in 2018/19 (paragraph 5.3 of the report referred). It was clarified that the Panel would still have the opportunity to advise on the resourcing of the

Capital Programme at its December meeting with the project appraisals going to the relevant policy committees in January 2019.

It was noted that the budget forecast for 2018/19 included a contingency for loss of Housing Benefit Admin Grant and the impact of the latest benefit reforms but that some staff savings might be realised on the introduction of Universal Credit. The inclusion of £100k net increase in funding requirements as the anticipated impact of benefit reforms was a prudent estimate. It was confirmed that the budget would also be adjusted to take account of venues income performance against targets. Property revenue fed into the forecast net cost of services in 2018/19. It was also confirmed that Officers were confident that the operational efficiencies and income generation proposals of £476K (a component of the £588,000 savings agreed in principle) would be achieved. However, it was stressed that the main assumptions used in preparing the forecast for 2018/19 contained a lot of unknown quantities.

It was anticipated that further savings ought to be achievable to address the financial gap. In terms of income generation, Officers were keen for the Council to become more commercial although the Chairman cautioned that any investment of staff resource in looking at projects needed to be proportionate to the potential income stream that might be generated. Property related income had been separated out as its own discrete potential income stream.

It was noted that the staff budget would inevitably also be put under pressure and that the staffing impact of any service changes would need to be considered where service options were put forward for consideration. In that regard, the Chairman of the Environment Committee highlighted proposals currently under discussion with the County Council in relation to on-street parking enforcement likely to be the subject of a report to the Environment Committee in the very near future.

Accordingly, the Panel confirmed:

- (1) The approach to be taken to the 2018/19 budget review as set out in the report before it;
- (2) That it had no additional guidance it wished to provide on the revised four year Financial Plan;
- (3) The budget reporting timetable as set out in Annexe 3 to the report.

### 3 MINUTES

The Minutes of the Meeting of the Financial Policy Panel held on 2 February 2017 were agreed as a true record and signed by the Chairman.

*The meeting began at 7.30pm and ended at 8.16pm*

COUNCILLOR EBER KINGTON (CHAIRMAN)