

Blaby District Council
Scrutiny Commission

Date of Meeting 11 January 2017
Title of Report **Budget Context Setting and Overview**
Report Author Director of People & Finance

1. What is this report about?

- 1.1 This is an information report which gives Members an overview of draft budget proposals for the 2017/18 Financial Year.

2. Recommendation(s) to Scrutiny Commission

- 2.1 That Scrutiny Commission considers the information contained in the report and comments on the budget process and arrangements for scrutiny of draft budget proposals.

3. Reason for Decision(s) Recommended

- 3.1 To inform and seek Scrutiny Commission comments on the proposals.

4. Matters to consider

4.1 Background

The purpose of the budget overview session is to provide Members with a view of:

- the net budget requirement for the Authority for the 2017/18 financial year
- the sources of funding to meet this budget requirement
- any gaps arising
- options open to the Council to meet the funding gap
- the context within which the budget has been formulated and any high level assumptions
- a summary of key points from the Settlement of December 2016
- a draft of the revised Medium Term Financial Strategy (MTFS) financial summary

4.2 Proposal(s)

Information will inform Scrutiny in order to understand and scrutinise draft

budget proposals leading up to Council considering the budget at February Council.

It is important to note that the budget is in draft format and may change prior to the February meeting should additional information become available. It is not however, expected that any alterations would be substantial.

4.3 Relevant Consultations

Officers from Finance and all services have worked closely together to compile the draft budget and appendices.

5. What will it cost and are there opportunities for savings?

5.1 Detailed budgets will be presented to Scrutiny during the portfolio budget sessions in January 2017 which will demonstrate where savings have been made or additional costs incurred.

6. What are the risks and how can they be reduced?

6.1

Current Risk	Actions to reduce the risks
Reductions in the Government Grant Settlement over and above that which has been built into the MTFS.	The Council has taken a prudent approach in forecasting its core grant funding for the MTFS and have included figures provided in the 4 year settlement. General Fund balances remain healthy and can be used to support the budget in the short to medium term.
Withdrawal of external funding.	External funding has only been built into the base budget to the extent that it has been confirmed by partner organisations. Officers continue to work with the Council's partners to minimise the impact of funding cuts on services.

7. Other options considered

7.1 None

8. Other significant issues

8.1 In preparing this report, the author has considered issues related to Human Rights, Legal Matters, Human Resources, Equalities, Public Health Inequalities, and Climate Local and there are no areas of concern.

9. Appendices

- 9.1 Appendix A – 2017/18 Budget Context and Overview Summary
Appendix B – Analysis of Reserves
Appendix C – Draft Medium Term Financial Strategy (to follow)
Appendix D – Future Financial Gap's and impact on Reserves (to follow)
Appendix E – Schedule of External Funding (to follow)

10. Background paper(s)

None

11. Report author's contact details

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