

# (Informal Joint) Cabinet



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Consideration of: Approach to Delivering a Sustainable Medium Term Financial Strategy 2016 – 2020; Four-Year Settlement Offer from Central Government and Economic Development and Growth Funding Requests</b>	
<b>Report No:</b>	<b>CAB/FH/16/041</b>	
<b>Report to and dates:</b>	<b>(Informal Joint) Cabinet</b>	20 September 2016
	<b>Council</b>	28 September 2016
<b>Portfolio holder:</b>	Stephen Edwards Portfolio Holder for Resources and Performance <b>Tel:</b> 01638 660518 <b>Email:</b> <a href="mailto:stephen.edwards@forest-heath.gov.uk">stephen.edwards@forest-heath.gov.uk</a>	
<b>Lead Officer:</b>	Rachael Mann Head of Resources and Performance <b>Tel:</b> 01638 719245 <b>Email:</b> <a href="mailto:rachael.mann@westsuffolk.gov.uk">rachael.mann@westsuffolk.gov.uk</a>	
<b>Purpose of report:</b>	To consider the recommendations of the Overview and Scrutiny Committee which relate to seeking support for the Council's approach to delivering a sustainable medium term financial strategy 2016 -2020; and regarding the Council's direction on whether it wishes to accept Government's offer of a four-year finance settlement.  The Cabinet is also asked to consider funding requests proposed by the Economic Development and Growth service.	

<p><b>Recommendations:</b></p>	<p>It is <b>RECOMMENDED</b> that, subject to the approval of full Council:</p> <p>(A) and subject to any amendments/additions proposed by the Overview and Scrutiny (O&amp;S) Committee, the following recommendations due to be considered by the O&amp;S Committee on 15 September 2016, as set out in Report No: OAS/FH/16/022, be approved:</p> <p>(1) The approach to delivering a sustainable medium term financial strategy 2016 -2020 as set out in Report No: OAS/FH/16/022, be supported.</p> <p>(2) Government’s offer of a four-year Finance Settlement be accepted, and the Head of Resources and Performance (Chief Financial Officer) be authorised to advise Government of Council’s decision.</p> <p>(3) That the Council’s existing Medium Term Financial Strategy (MTFS) document and the approach paper (Report No: OAS/FH/16/022) be recognised as the Council’s Efficiency Plan, for the purposes of accepting any four-year Finance Settlement under (1) above.</p> <p>(B) Approval be given to an allocation of £391,500 from its Strategic Priorities and MTFS Reserves, as FHDC’s share towards funding the in-year (and in some cases future years) Economic Development and Growth funding requests outlined in Appendix 2 to Report No: CAB/FH/16/041.</p>
<p><b>Key Decision:</b></p> <p><i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i></p>	<p><i>Is this a Key Decision and, if so, under which definition?</i></p> <p>Yes, it is a Key Decision - <input type="checkbox"/></p> <p>No, it is not a Key Decision - <input checked="" type="checkbox"/></p> <p>As they are decisions of full Council, not Cabinet.</p>
<p><b>Consultation:</b></p>	<p>See Report No: OAS/FH/16/022</p>
<p><b>Alternative option(s):</b></p>	<p>See Report No: OAS/FH/16/022</p>

<b>Implications:</b>			
Are there any <b>financial</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> See Report No: OAS/FH/16/022	
Are there any <b>staffing</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> See Report No: OAS/FH/16/022	
Are there any <b>ICT</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> See Report No: OAS/FH/16/022	
Are there any <b>legal and/or policy</b> implications? If yes, please give details		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> See Report No: OAS/FH/16/022	
Are there any <b>equality</b> implications? If yes, please give details		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> See Report No: OAS/FH/16/022	
<b>Risk/opportunity assessment:</b> <i>(potential hazards or opportunities affecting corporate, service or project objectives)</i>			
<b>Risk area</b>	<b>Inherent level of risk</b> (before controls)	<b>Controls</b>	<b>Residual risk</b> (after controls)
See Report No: OAS/FH/16/022			
<b>Wards affected:</b>		See Report No: OAS/FH/16/022	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		See Overview and Scrutiny Committee <a href="#">Report No OAS/FH/16/022</a>  15 September 2016 (as attached to this report)	
<b>Documents attached:</b>		<b>Appendix 1:</b> Report No: OAS/FH/16/022 and its appendices:  <b>Appendix A</b> – DCLG Multi-year settlement and Efficiency plan letter <b>Appendix A: Annex 1</b> – Conditions of multi-year settlement <b>Appendix B</b> – Visual document for MTFS themes and approach <b>Appendix C</b> – MTFS Work packages  <b>Appendix 2</b> - Economic Development and Growth area funding requests	

## **1. Key issues and reasons for recommendations**

### **1.1 Approach to Delivering a Sustainable Medium Term Financial Strategy 2016 - 2020 and Consideration of the Four Year Settlement Offer from Central Government (Report No: OAS/FH/16/022)**

- 1.1.1 On 15 September 2016, the Overview and Scrutiny Committee will consider Report No: OAS/FH/16/022, '*Approach to Delivering a Sustainable Medium Term Financial Strategy 2016 - 2020 and Consideration of the Four Year Settlement Offer from Central Government*'. It is being asked to recommend to Cabinet and Council, approval of three recommendations as set out under Recommendation (A) on page 1 of this report.
- 1.1.2 In accordance with Access to Information regulations, the agenda and papers for the Cabinet meeting on 20 September 2016 have been despatched and published prior to the Overview and Scrutiny Committee meeting on 15 September 2016. Confirmation will therefore be provided at the Cabinet meeting whether the Overview and Scrutiny Committee's recommendations have been recommended as printed in Report No: OAS/FH/16/022. If however, there are any amendments or additions to the recommendations re-produced under Recommendation (A) of this report, these will either be provided to the Cabinet as a late paper or reported verbally during the joint informal discussion of this item with St Edmundsbury Borough Council's Cabinet on 20 September 2016.
- 1.1.3 To ensure the Cabinet is fully conversant with its contents, attached as Appendix 1 to this report, is the full report and appendices due to be considered by the Overview and Scrutiny Committee.

### **1.2 Economic Development and Growth funding requests**

- 1.2.1 A review of the 2016/17 base budget, against the 2015/16 outturn has already commenced. So too has the review of the Council's key MTFS budget assumptions. Work to date has identified areas within the Economic Development and Growth (ED&G) service that require in-year (and in some cases future years too) funding requests to be considered in order to ensure that the team can meet project timescales. Appendix 2 attached, sets out the funding requirements to progress the ED&G projects currently being worked on by Forest Heath District Council (FHDC) and St Edmundsbury Borough Council (SEBC). The Cabinet is asked to consider recommending approval to Council for its share **only** of the total allocation that is required to fund these projects. Subject to approval, £391,500 would be allocated by FHDC and £250,500 allocated by SEBC, with each sum being met from the respective authority's Strategic Priorities and MTFS Reserves.