

JOINT MEETING OF THE SCRUTINY COMMITTEES AND COMMISSIONS	Agenda Item No. 3
16 NOVEMBER 2016	Public Report

Report of the Corporate Director: Resources

Contact Officer(s) – John Harrison, Corporate Director: Resources

Steven Pilsworth, Service Director Financial Services

Contact Details - (01733) 452520 or email john.harrison@peterborough.gov.uk

(01733) 384564 or email steven.pilsworth@peterborough.gov.uk

BUDGET 2017/18 AND MEDIUM TERM FINANCIAL STRATEGY TO 2026/27

1. PURPOSE

- 1.1. This report comes to the Joint Meeting as part of the Council's agreed process for budget-setting and as part of the process to approve a Council Tax Support Scheme for 2017/18.

2. RECOMMENDATIONS

- 2.1. That the Joint Meeting considers and makes appropriate recommendations on Cabinet's:
- Budget proposals outlined in the Medium Term Financial Strategy 2017-18 to 2026-27 document from Cabinet and Cabinet's specific report on 7 November 2016; and
 - Council Tax Support Scheme consultation.

3. LINKS TO THE SUSTAINABLE COMMUNITY STRATEGY

- 3.1. The Budget 2017/18 and the Medium Term Financial Strategy continues to align to the priorities and vision for Peterborough set out in the Sustainable Community Strategy.

4. BACKGROUND

- 4.1. The Cabinet meeting on 7 November 2016 considered the Phase One budget proposals which currently balance the budget for 2017/18. However, this is only with the use of £8.9million of the Grant Equalisation (GE) reserve. The budget gap in 2018/19 is £17.8million and it will be necessary to identify and consult on a second phase of savings commencing January 2017 to reduce the reliance on reserves, and to help close the budget gaps in following year. On 7 November Cabinet considered recommendations that:

- The Phase One budget proposals for consultation be approved.
- Cabinet convenes on 5 December 2016 to consider feedback in order to seek the endorsement of the Council meeting of 14 December 2016 to the Cabinet's savings proposals and plan to implement those proposals at the earliest opportunity.
- Peterborough's Council Tax Support Scheme 1 April 2017 – 31 March 2018 contains the following local components:
 - No change to the existing scheme entitlement of 30% for all eligible working age claimants

- 4.2. Appendix A of this report contains the relevant report regarding the Medium Term Financial Strategy to Cabinet on 7 November 2016, followed by the Phase 1 Budget Conversation document in Appendix B.
- 4.3. Appendix C of this report contains a copy of the Council Tax Support Scheme proposals also discussed at Cabinet on 7 November 2016.

5. KEY ISSUES

- 5.1. The key issues are outlined in the appendices of this report.

6. COUNCIL TAX SUPPORT SCHEME

- 6.1. Alongside the budget process, Cabinet is separately consulting on the Council Tax Support Scheme's operational parameters for 2017/18, which, under legislation, requires Council to approve a scheme by 31 January 2017. The consultation was launched by a separate Cabinet report on 7th November (Appendix C) recommended to approve the actions as outlined in section 4.1
- 6.2. Members of the Joint Meeting will have the opportunity to ask questions on the Council Tax Support Scheme during the meeting as part of the consultation process.

7. IMPLICATIONS

- 7.1. Budget proposal implications are outlined within the report to Cabinet in Appendix A. The report specifically makes reference to the consultation process and noted that the consultation to be undertaken as a result of Cabinet's report is on the budget proposals, and consequently the Cabinet's general approach to the savings requirements, and not on the various decisions to take whatever actions that may be implicit in the proposals and later adoption of that budget, each of which may or may not require their own consultation process.
- 7.2. Council Tax Support Scheme implications are outlined in Appendix C of this report.

8. CONSULTATION

- 8.1. The budget consultation process and proposals are outlined in section 6 of Cabinet's report in Appendix A. Feedback is sought from Scrutiny, residents, partner organisations, businesses and other interested parties on the Phase 1 proposals. The Council will look to repeat the outlined approach with the phase two proposals released in January.

9. NEXT STEPS

- 9.1. Any recommendations and comments made by the Joint Meeting will be referred to the Cabinet for consideration at their meeting on 5 December 2016.

10. BACKGROUND DOCUMENTS

- 10.1. Appendix A – Cabinet Report 7 November 2016 – Medium Term Financial Strategy 2016/17
- 10.2. Appendix B – Phase 1 Budget Consultation Document
- 10.3. Appendix C – Cabinet Report 7 November 2016 – Council Tax Support Scheme