

# additional papers 1



## Executive Committee

Tue 1 Nov  
2016  
7.00 pm

Committee Room 2  
Town Hall  
Redditch



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**If you have any queries on this Agenda or any of the decisions taken or wish to exercise any of the above rights of access to information, please contact  
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# Executive

## Committee

Tuesday, 1st November, 2016

7.00 pm

Committee Room 2 Town Hall

## Agenda

### Membership:

Cllrs: Bill Hartnett (Chair)      Mark Shurmer  
Greg Chance (Vice-      Yvonne Smith  
Chair)      Debbie Taylor  
Juliet Brunner      Pat Witherspoon  
Brandon Clayton  
John Fisher

### 9. Medium Term Financial Plan 2017/18 - 2020/2021 Budget Assumptions

(Pages 1 - 2)

To consider the enclosed report, setting out proposed budget assumptions for the Medium Term Financial Plan.





# Overview and Scrutiny Committee

Tuesday, 25th October, 2016

## MINUTES

### Present:

Councillor Jane Potter (Chair), Councillor Gay Hopkins (Vice-Chair) and Councillors Tom Baker-Price, Natalie Brookes, Matthew Dormer, Andrew Fry, Paul Swansborough and Jennifer Wheeler

### Also Present:

Mr Duncan Campbell (Department of Work and Pensions) and Mr Andrew Bywater (Economic Development Unit)

Councillors Yvonne Smith and Pat Witherspoon

Bromsgrove Councilors Steve Colella, Luke Mallett and Shirley Webb

### Officers:

J Pickering

### Democratic Services Officers:

J Bayley and A Scarce

## MINUTE EXTRACT

### 35. MEDIUM TERM FINANCIAL PLAN - BUDGET ASSUMPTIONS - PRE-SCRUTINY

Officers gave a short presentation which highlighted the salient points within the Medium Term Financial Plan 2017/18 to 2020/21 Budget Assumptions report, which would be considered by the Executive Committee at its meeting due to be held on 1<sup>st</sup> November 2016. This included the following:

- Four Year budget projections.
- An increase in Council Tax of 1.9% (any increase in excess of 1.95% would need to be the subject of a local referendum).
- A utilities increase of 6%.
- Fees and charges increases of 3% with any variance being put forward with supporting evidence.

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Chair

# Overview and Scrutiny Committee

Tuesday, 25th October, 2016

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Officers also provided Members with detailed information in respect of the superannuation rates. The three year valuation had been received in mid-October, which reflected the current revaluation of the pension liabilities. Detail was provided in respect both of back funding and forward funding rates which would provide a total net saving over a three year period of £327,000, due to the reduction in the back funding contribution. Officers were negotiating with the Actuary and Worcestershire County Council in respect of how this would be paid to the County to fund the pension fund liabilities.

Following the presentation Members debated a number of areas in more detail:

- The implementation and monitoring of the savings that needed to be made following submission of the Efficiency Plan.
- The need for Heads of Service to provide realistic budget savings for the next four years.
- Alternative models of providing services which would need to be considered in order to achieve the necessary savings to produce a balance budget.
- The assumption of 0% inflation across the majority of the Council's non-pay expenditure budgets.
- The percentage increase in Council Tax that would be needed to cover the authority's budget deficit and the cost of a referendum. Members also questioned whether this had been considered. Officers estimated that this would be in the region of 18-20% and further details could be provided in terms of the costs of a referendum outside of the meeting.

## **RECOMMENDED that**

**the Executive Committee recommends to Council that the revenue assumptions detailed in 3.4 of the report be incorporated into the budget setting process.**

The Meeting commenced at 7.05 pm  
and closed at 8.55 pm