

**REPORT TO THE CABINET**  
**19 February 2013**

**Cabinet Member :** Councillor Peredur Jenkins

**Subject :** 2013/14 Budget and the 2013/14 - 2016/17 Financial Strategy

**Contact Officer:** Dilwyn Williams, Corporate Director

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**Decision Required**

To confirm the proposals formulated by the Cabinet at its meeting on the 22 January (attached in the appendix to this report) as the final proposals for the 2013/14 budget and the financial strategy for 2013/14 - 2016/17 and to recommend these proposals to the Council at its meeting on 28 February.

**Local Member's Views**

*Not a local matter.*

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**Introduction**

1. At its meeting on the 22 January, the cabinet considered the financial circumstances it is likely to face over the next four years and as a result of those considerations a draft financial strategy for the four year period was established along with the detailed budget for 2013/14.
2. Following the formulation of these initial proposals 4 seminars have been conducted for members in order to explain the whole process and the logical choices available to the Council. It also provided an opportunity to hear what the members in general had to say about the proposed strategy and to listen to any contrary views in order that I could take those views into account when formulating the final proposals.
3. At the time this report was being prepared 3 of the 4 sessions had been completed and it is fair to say that there appears to be general agreement on the strategy's direction. If any contrary views come to light at the last session, I shall report orally.

4. A number of constructive comments have been received in these sessions which will assist us with the practical implementation of some of the strategy's proposals and especially the process of finding the financial gap.
5. The Audit Committee will be discussing the proposals at its meeting on the 14 February and I shall also report orally on their deliberations.

### **Reasons for recommending the decision**

6. The observations received at the sessions have been unanimously in favour of the strategy's general direction (including the proposal to increase Council Tax by 3.5% a year in order to try and reduce the level of service cuts we will have to implement) and as no other direction has been suggested for me to consider, the proposals can be confirmed.

### **Relevant Considerations**

7. As the members who came to the seminars have had the opportunity to understand the background to the proposed strategy, I hope that I have given every member the opportunity to question and challenge the strategy in detail and to propose any alternatives which they would have wished us to consider.
8. In fact, in the sessions which have hitherto taken place, one or two attendees raised the arguments for increasing the Council Tax by more than 3.5% in order to avoid service cuts, but those members also accepted that the proposed 3.5% level represented the appropriate balance.

### **Next Steps and Timetable**

9. If the cabinet confirms the original proposals as recommended in this report, then the report and the recommendations will be presented to the Council.
10. The attached report does include some minor changes from the version originally considered in January which -
  - Makes a small addition to the amount to be added to the schools budget in order to meet the 2.08% addition(part 3.12 (b) of the appendix to the report)

- Reflects the changes to the Council Tax support scheme announced after the original report was prepared (changes to part 3.9 of the appendix to the report);
  - Strengthens the statements made in relation to the equality impact assessment (following suggestions made by the equalities officer) [changes in parts 10.3 to 10.6 of the appendix to the report]
  - Records minor changes to the savings profile as a result of the latest information [change to the savings profile in the table in clause 17 of the report and in section 6.6 of the appendix to the report]
  - Adds section 3.2 in the appendix to the report in order to highlight the level of income which comes from fees and charges for services (following views expressed at one of the sessions).
11. These changes do not change the direction nor the conclusions drawn at the last meeting.

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### **Views of the Statutory Officers**

#### **Chief Executive:**

My main views on the strategy are contained on the attached report. However,, I think it is important to welcome the work done by the Cabinet Member and the Corporate Director to conduct a meaningful dialogue with councillors on the strategy's direction. I also welcome the element of consensus of opinion on what is a difficult matter which has emerged as a result of that dialogue.

#### **Monitoring Officer:**

Nothing to add in terms of propriety.

#### **Head of Finance:**

My observations on the strategy are to be found at the end of the attached report.