

COUNCIL CABINET
13 February 2019
Minute Extracts

Budget and Policy Framework

184/18 Report on the Robustness of Estimates and on the Adequacy of Reserves

The Council Cabinet considered a report which stated that the Council's Medium Term Financial Plan (MTFP) had been prepared with consideration to the resources available to the Council and to the demands and priorities included within the Council Plan. The current MTFP 2019/20 – 2022/23 was evidence that the Council could no longer provide the range of services it had done historically. Some services may have to stop or be scaled back unless they were provided at no further cost to the Council.

The MTFP process incorporated a review of current levels of reserves to ensure there was adequate cover for current and future planned needs and unforeseen eventualities and it identified any reserves which could be released to support the delivery of our four year MTFP.

The report provided an opinion under Section 25 (1) of the Local Government Act 2003 which required the Chief Finance Officer (Section 151 Officer) to report to Council on the robustness of the MTFP estimates made for the purposes of the budget calculations and the adequacy of Council reserves.

The report was split into; Section 4 detailing the MTFP process and budgetary controls, Section 5 covering the robustness of estimates and Section 6 covering the adequacy of reserves.

The Executive Scrutiny Board noted the report.

Decision

1. To note the Chief Finance Officer's opinion that the estimates used in the production of the MTFP for 2019/20 – 2022/23 were robust.
2. To note the Chief Finance Officer's opinion that, based on the assessment of the Council's reserves, the key financial risks identified, and the process used for developing the MTFP, the level of reserves and balances for our balanced budget forecasts in 2019/20 were adequate.
3. To recommend to Council that they consider the report in conjunction with the General Fund Revenue Budget and MTFP Report for 2019/20 – 2022/23.
4. To note the Reserves Policy outlined in Appendix 4