

WRITTEN STATEMENT OF A NON-KEY DECISION CABINET

ITEM:	MEDIUM TERM FINANCIAL STRATEGY 2013-2016
Members Present	Councillors: JG Jarvis (Leader), H Bramer, RB Hamilton, AW Johnson, PM Morgan, GJ Powell, PD Price (Deputy Leader),
Date of Decision:	17 January 2013
Exempt:	No
Confidential	No
Urgency/Special Urgency: (As defined in Constitution)	No
Purpose:	To update Cabinet on the provisional Local Government Finance Settlement and to seek the views of Cabinet on the draft Medium Term Financial Strategy (MTFS) and the current planning assumptions and emerging proposals in the budget for 2013/14. The comments will then inform the final version to be presented for agreement to Cabinet on 5 February 2013 alongside the views from Overview and Scrutiny as part of the budget.
Decision:	<p>THAT Cabinet:</p> <ul style="list-style-type: none"> (a) Commented on the draft Medium Term Financial Strategy (MTFS) shown at Appendix A to the report; (b) Noted the assessment of the Provisional Local Government Finance Settlement announced on 19 December and the impact on Herefordshire; and (c) Endorsed a strict cash limit approach to budget management for future years.
Reasons for the Decision:	<ol style="list-style-type: none"> 1 The Council has a legal obligation to set a balanced budget as required by the Local Government Finance Act 1992. The proposed MTFS provides a framework to help deliver this over the coming years. 2 The requirement that the cash limits form the overall control on financial expenditure is an important discipline to help control expenditure.
Options Considered:	<ol style="list-style-type: none"> 1. The MTFS plays a key role in budget setting as it contains a number of planning assumptions. 2. The Council can operate without a MTFS but this makes planning beyond an annual cycle more difficult as there

	would be no overall framework. The MTFS helps support the requirement to set a balanced budget. Cabinet could change the current planning assumptions in the MTFS.
Conflict of Interest ■ (See below)	None
Date the decision is due to take effect:	17 January 2013

COUNCILLOR JG JARVIS :..... Date: 17 January 2013
LEADER OF THE COUNCIL

- a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;

And

- in respect of any declared conflict of interest, a note of dispensation granted by the relevant local authority's head of paid service.

Budget and Policy Framework Item

Under Part 4 Section 3 of the Constitution, this Decision is not subject to the usual call-in procedure as it is a Budget and Policy Framework item and therefore must be decided at a meeting of the full Council.