

WRITTEN STATEMENT OF A KEY DECISION CABINET

ITEM:	2017/18 REVENUE BUDGET, MEDIUM TERM FINANCIAL STRATEGY AND TREASURY MANAGEMENT STRATEGY
Members Present:	Councillors: AW Johnson (Leader), H Bramer, D Harlow, J Lester, PM Morgan (Deputy Leader), PD Price, P Rone.
Date of Decision:	19 January 2017
Exempt:	No
Confidential	No
<p>This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function to which the decision relates.</p> <p>and</p> <p>This is a key decision because it is likely to be significant in terms of its effect on communities living or working in an area comprising one or more wards in the county.</p>	
<p>A notice was served in accordance with Part 3, Section 9 (Publicity in connection with key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.</p>	
Urgency/Special Urgency: (As defined in Constitution)	No
Purpose:	To agree the draft 2017/18 budget and medium term financial strategy (MTFS) for recommendation to Council on 3 February.
Decision:	<p>THAT the following be recommended to full Council on 3 February 2017:</p> <p>(a) the council tax base of 67,937.91 band D equivalents;</p> <p>(b) an increase in council tax in 2017/18 of 1.9%;</p> <p>(c) an additional precept in respect of adult social care costs of 2.0%</p> <p>applied to council tax in 2017/18. Cabinet notes that the impact of the above recommendations will result in a total council tax increase of 3.9%; increasing the band D charge from £1,324.83 to £1,376.50 for Herefordshire Council in 2017/18; and</p> <p>(d) the balanced 2017/18 revenue budget proposal of £145.025m (appendix 1 to this report) subject to any amendments approved at the meeting, and specifically.</p> <p>i. the net spending limits for each directorate as at 3.4.1</p> <p>ii. the gross revenue budget of £350.438m</p> <p>iii. delegates to the section 151 officer the power to make necessary</p> <p>changes to the budget arising from any variations in central government funding allocations via general reserves.</p> <p>THAT cabinet recommend Council adopts the following:</p>

	<p>(a) the treasury management policy statement, appendix 3; (b) the medium term financial strategy (MTFS) which incorporates: i. the capital programme approved by Council on 16 December 2016; ii. the treasury management strategy (TMS); iii. the reserves policy, as determined by the section 151 officer as a prudent level of reserves.</p>
<p>Reasons for the Decision:</p>	<p>The council has a legal obligation to set a balanced budget and Council is responsible for approving a budget, based on cabinet’s recommendations, in line with the budget and policy framework rules within the constitution.</p>
<p>Options Considered:</p>	<p>Cabinet can recommend alternative spending proposals or strategies within the constraint of setting a balanced budget for 2017/18. Any alternative proposals must identify sufficient compensatory funding to support additional spending proposals.</p>
<p>Conflict of Interest ■ (See below):</p>	
<p>Date the key decision is due to take effect:</p>	<p style="text-align: center;">Budget and Policy Framework Item</p> <p>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.</p>

<p>COUNCILLOR AW JOHNSON</p> <p>LEADER OF THE COUNCIL</p>	<p>Date: 19 January 2017</p>
---	------------------------------

- 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.