

# Meeting of the City Council

## 9 November 2016

<b>Report title</b>	Financial Plan and Efficiency Strategy	
<b>Referring body</b>	Cabinet	
<b>Councillor to present report</b>	Councillor Andrew Johnson	
<b>Wards affected</b>	All	
<b>Cabinet Member with lead responsibility</b>	Councillor Andrew Johnson Resources	
<b>Accountable director</b>	Keith Ireland, Managing Director	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee(s)</b>	Mark Taylor Tel Email	Director of Finance 01902 554410 <a href="mailto:mark.taylor@wolverhampton.gov.uk">mark.taylor@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	Cabinet	19 October 2016
	Confident Capable Council Scrutiny Panel	16 November 2016

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### Recommendations for decision:

The Council is recommended to:

1. Approve the final Financial Plan and Efficiency Strategy for publication, following presentation of the draft document to Cabinet on 19 October 2016 and the delegation of authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to agree the final amendments to the Financial Plan and Efficiency Strategy.

## **1.0 Purpose**

- 1.1 The purpose of this report is to seek Full Council's approval to publish the Financial Plan and Efficiency Strategy.
- 1.2 The updated Financial Plan and Efficiency Strategy provides further evidence to support the Council's submission for a four year central government funding settlement which will enable the authority to operate with increased financial certainty in the medium term.

## **2.0 Background**

- 2.1 On 20 July 2016, Full Council approved that the 2016/17 Budget and Medium Term Financial Strategy 2016/17 - 2019/20 should form the basis of the Council's Efficiency Strategy subject to any appropriate drafting amendments, in order to sign up to the four year settlement.
- 2.2 Full Council also approved the delegation of authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to approve the final four year settlement submission.
- 2.3 On 19 October 2016, a draft version of the Financial Plan and Efficiency Strategy was presented to Cabinet, where approval was sought to delegate authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to agree the final amendments prior to presentation to Full Council.

## **3.0 Financial Plan and Efficiency Strategy**

- 3.1 The Financial Plan and Efficiency Strategy sets out the medium term financial forecasts for the Council, and the context in which these forecasts are made in terms of service and investment priorities, stakeholder engagement and resource constraints and opportunities.
- 3.2 The document complements the Council's Budget and Medium Term Financial Strategy and provides further evidence to support the Council's request to central government for a four year funding settlement to 2019/20.
- 3.3 The Council has produced and published a similar document on a regular basis in previous years in the form of an annual Financial Plan.
- 3.4 Full Council are asked to approve the the final version of the Financial Plan and Efficiency Strategy, as attached at Appendix A, for publication.
- 3.5 As stated in paragraph 2.2 above, Full Council delegated authority to the Cabinet Member for Resources, in consultation with the Director of Finance, to approve the final four year settlement submission to the Secretary of State which would provide the Council with indicative core government grant allocations for 2017/18 to 2019/20, to cover the Parliamentary period. It is important to note that the submission to the

Secretary of State has now been made. Confirmation of the Council's submission has been received and we are now awaiting further details from the Department of Communities and Local Government.

#### **4.0 Financial Implications**

- 4.1 The Financial Plan and Efficiency Strategy is a concise public document which summarises the Council's medium term financial plans and efficiency strategy.

[MH/31102016/L]

#### **5.0 Legal Implications**

- 5.1 The Council's budgets make assumptions which must be based on realistic projections of available resources, service priorities and inherent risks.
- 5.2 The legal duty to spend with propriety falls under section 151 of the Local Government Act 1972 and the arrangements for the proper administration of a Council's affairs is secured by the section 151 officer as the 'Chief Financial Officer'.

[RB/31102016/D]

#### **6.0 Equalities implications**

- 6.1 There are no direct equalities implications arising as a result of this report.

#### **7.0 Environmental implications**

- 7.1 There are no direct environmental implications arising as a result of this report.

#### **8.0 Human resources implications**

- 8.1 There are no direct human resources implications arising as a result of this report.

#### **9.0 Corporate landlord implications**

- 9.1 There are no direct corporate landlord implications arising as a result of this report.

#### **10.0 Schedule of Background Papers**

- 10.1 Financial Plan and Efficiency Strategy, report to cabinet, 19 October 2016.
- 10.2 Council Efficiency Strategy and Four Year Settlement, report to Full Council, 20 July 2016.
- 10.3 2016/17 Budget and Medium Term Financial Strategy 2016/17 – 2019/20, report to Cabinet, 2 March 2016

- 10.4 2016/17 Budget and Medium Term Financial Strategy 2016/17 – 2019/20, report to Cabinet, 24 February 2016.