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**Report to:** Overview and Scrutiny Committee

**Date:** 4 January 2018

**Subject:** Business planning and budget 2018/19

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## **1. Purpose**

- 1.1 To advise the Overview and Scrutiny Committee of the work underway to progress business and budget planning for 2018/19.

## **2. Information**

### **Budget process**

- 2.1 At its last meeting the Committee received a report outlining the business planning and budget setting process for 2017/18. At the time of that meeting a report in preparation for submission to WYCA setting out progress to date in defining corporate objectives and priorities and how the available funding could be best used in supporting these.
- 2.2 The report also considered the key performance indicators and the 'cliff edge' funding problem. Members wished to understand more about the budget setting process and to consider the draft budget before it is taken for approval in February.
- 2.3 A report was taken to the October meeting of WYCA setting out the initial capital and revenue position and highlighting a potential shortfall in funding. The report proposed the establishment of a budget working group to look at the options available and to report back on 14 December with a proposed balanced budget that covered the next three years.
- 2.4 Work was undertaken by the Working Group and original forecasts for both income and expenditure were further developed and refined by officers. This resulted in a budget paper to WYCA on 14 December which proposed a £1m per year levy cut and set out a number of measures to align revenue income and expenditure over the three year period. The paper is attached as Appendix 1.
- 2.5 Members are asked to consider the attached report. The final budget report is in preparation for the WYCA meeting of 1 February, using the figures in the attached report and providing further detail on the specific savings plans and any income generation opportunities. It will also set out a detailed reserves policy and treasury management statement.

**3. Financial Implications**

3.1 As set out in the report.

**4. Legal Implications**

4.1 As set out in the report.

**5. Staffing Implications**

5.1 As set out in the report.

**6. External Consultees**

6.1 None.

**7. Recommendations**

7.1 That the Overview and Scrutiny Committee provide any further input to business planning and budgets.

**8. Background Documents**

8.1 None.