



## Finance Sub-Committee

**Minutes of a meeting held on Wednesday 5 October 2016 at 10.30am, East Northamptonshire House, Thrapston**

**Present:** Councillors: Steven North (Chairman)  
Val Carter  
Roger Glithero JP  
Glenvil Greenwood-Smith  
Glenn Harwood MBE  
Richard Lewis

Officers: Glenn Hammons (Chief Finance Officer)  
Michelle Drewery (Finance Manager)

### **1.0 APOLOGIES FOR ABSENCE**

1.1 Apologies for absence were received from Councillor David Brackenbury and David Oliver (Chief Executive).

### **2.0 MINUTES**

2.1 The minutes of the meeting of the Finance Sub-Committee held on 12 September 2016 were approved and signed by the Chairman.

### **3.0 DECLARATIONS OF INTEREST**

3.1 No interests were declared.

### **4.0 QUESTIONS UNDER PROCEDURE RULE 10.3**

4.1 There were no questions submitted under Procedure Rule 10.3.

### **5.0 EFFICIENCY PLAN**

5.1 The Chief Finance Officer presented a report seeking approval to publish an Efficiency Plan to enable the Council to take advantage of the government's offer of a four-year funding settlement.

5.2 The scale of reduction of central government funding for local authorities, along with a degree of volatility around the phasing/ timing of these cuts to different authority types, made it difficult for authorities to plan their spending priorities strategically. In response to these concerns, the government had offered a guaranteed minimum grant to be paid to councils for a four-year period from April 2016, covering Revenue Support Grant, Transitional Funding and Rural Services Delivery Grant

- 5.3 In order to benefit from the offer of a four-year funding settlement, the council was required to submit an efficiency plan to the Department of Communities and Local Government by 14 October 2016.
- 5.4 The Council's Medium Term Financial Plan had been approved in March 2016. Whilst a balanced budget had been approved for 2016/17, it was estimated that there would be a budget shortfall from 2018/19 of £0.7m, rising to £1m by 2019/20 if no further action was taken.
- 5.5 A review of all council finances had been undertaken, including the use of reserves, in order to produce an efficiency plan. The plan set out how the council could meet the estimated budget shortfall that was expected from 2018/19 onwards, including a number of workstreams it would pursue in order to deliver this.
- 5.6 The plan also demonstrated the link to the Council's Corporate Plan, which had been approved in December 2015. Delivery of the Corporate Plan was paramount for the council and it was noted that the largest proportion of Reserves were allocated to delivery of the Plan.
- 5.7 There were currently significant funds received from the New Homes Bonus (NHB) and Members queried the risks involved to the council in relying on this source of funding. The government was consulting on the use of NHB and it was anticipated that funds for the NHB would reduce from its current level and more funds would be made available for the Better Care Fund. The council had planned for such changes in its Medium Term Financial Plan.

**RESOLVED:** That

- i) the content of the report be noted.
- ii) the efficiency plan be recommended for approval by the Policy and Resources Committee at its meeting on 10 October 2016

*(Reason: To take advantage of the four-year offer, so that the council has more certainty over finances and can manage resources efficiently to support delivery of the Corporate Plan and Medium Term Financial Plan)*

**RESOLVED TO RECOMMEND TO THE POLICY AND RESOURCES COMMITTEE:** That

- i) the Committee recommend to Full Council to invite the Leader of the Council to propose the endorsement of the efficiency plan as submitted.
- ii) the Chief Finance Officer, in consultation with the Chairman of the Finance Sub-Committee, be authorised to finalise the efficiency plan to be submitted to the Department of Communities and Local Government by 14 October 2016

*(Reason: To take advantage of the four-year offer, so that the council has more certainty over finances and can manage resources efficiently to support delivery of the Corporate Plan and Medium Term Financial Plan)*

**6.0 ASSET SALES UPDATE**

- 6.1 In the absence of the Head of Resources and Organisational Development, an update on the current position regarding asset sales was not given at this meeting and would be included on the Agenda for the next meeting.

**Chairman**