

# TONBRIDGE & MALLING BOROUGH COUNCIL

## CABINET

13 October 2010

### Report of the Director of Finance

#### Part 1- Public

#### Executive Non Key Decisions

#### **1 MEDIUM TERM FINANCIAL STRATEGY AND PREPARATIONS FOR THE 2011/12 BUDGET**

**A report reminding Members of the key dates for the Comprehensive Spending Review and local government finance settlement, and proposing a special meeting of the Cabinet to consider the implications once these are known.**

#### **1.1 Introduction**

- 1.1.1 Members' attention is drawn to my joint report with the Cabinet Member for Finance entitled "Medium Term Financial Strategy and Initial Budgetary Guidance" which was presented to the Finance & Property Advisory Board on 29 September 2010. The minutes of that meeting are presented elsewhere on this agenda.
- 1.1.2 In the past couple of weeks, it has been reported that area-based grants and specific grants are more likely to be targeted by the government for reduction in 2011/12 rather than the formula grant (i.e. revenue support grant and redistributed business rates). Members are aware of the limited assistance this Council currently receives by way of area-based grants (at least directly) and specific grants via CLG, but until we are formally advised of the grant settlement for TMBC it is difficult to speculate as to the precise level of savings we will need to make.
- 1.1.3 Members will be aware that the Comprehensive Spending Review is due to be announced on 20 October which should give a higher level indication of the financial implications for the public sector.
- 1.1.4 We will have to wait until the local government finance settlement is published before we see the detailed implications by authority. Traditionally, the provisional local government finance settlement is published in late November/ early December with the final settlement being published in early February.
- 1.1.5 Once we have received the provisional settlement and have had the opportunity to refine our financial modelling, the Chief Executive and I agree that it would be appropriate to schedule a Special Meeting of the Cabinet, preferably prior to the

Christmas break. Accordingly, we recommend that the Cabinet endorses that proposal.

## **1.2 Legal Implications**

1.2.1 There are a number of legislative issues to consider in setting the budget. These will be addressed as we progress through the budget process.

## **1.3 Financial and Value for Money Considerations**

1.3.1 As set out in the report to Finance & Property Advisory Board 29 September 2010.

## **1.4 Risk Assessment**

1.4.1 As set out in the report to Finance & Property Advisory Board 29 September 2010.

## **1.5 Recommendations**

1.5.1 It is **RECOMMENDED** that Members

- 1) Note the contents of the report to the Finance & Property Advisory Board;  
and
- 2) Endorse the proposal to convene a special meeting of the Cabinet once the provisional local government finance settlement is received.

Background papers:

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Nil

Sharon Shelton  
Director of Finance