

Decision Maker: COUNCIL

Date: Monday 11 April 2016

Decision Type: Non-Urgent Non-Executive Non-Key

Title: BUDGET MONITORING -
GROWTH FUND AND EARMARKED RESERVE

Contact Officer: Graham Walton, Democratic Services Manager
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Chief Officer: Mark Bowen, Director of Corporate Services

Ward: All

1. Reason for report

- 1.1 At its meeting on 23rd March 2016 the Executive considered the attached Budget Monitoring Report for 2015/16. A report with further details was also considered on the part 2 agenda. The Executive approved recommendation (i) that £6m of the underspend in Central Contingency and services be transferred to the Growth Fund as detailed in paragraph 3.11.3 of the report.
- 1.2 With regard to recommendation (j), following discussion at the meeting, it was agreed that the monies would not be set aside for the purpose detailed in in the report. The Director of Finance provided an update on various examples of uncertainty on business rate income which were not covered in the budget monitoring report. Members agreed to set aside a sum of £3m for a further general financial risk provision. This provision would cover potential changes relating to the awaited outcome of the backlog of outstanding valuation appeals and uncertainty relating to securing government funding to meet the loss of income arising from changes to small business rate relief and increasing the associated thresholds announced as part of the Chancellor's 2016 Budget.
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2. **RECOMMENDATIONS**

- (1) That £6m of the underspend in Central Contingency and services be transferred to the Growth Fund.
- (2) That £3m be set aside in an earmarked reserve to provide a general provision to reflect the financial risks relating to the Council's share of business rate income.

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
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Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre: Not applicable
 4. Total current budget for this head: Not applicable
 5. Source of funding: Not applicable
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Staff

1. Number of staff (current and additional): Not applicable
 2. If from existing staff resources, number of staff hours: Not applicable
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Legal

1. Legal Requirement: None:
 2. Call-in: Not Applicable: This report does not involve an executive decision for the Council.
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not applicable
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not applicable

Non-Applicable Sections:	Policy/Finance/Legal/Personnel
Background Documents: (Access via Contact Officer)	None