

<b>Committee:</b> Cabinet	<b>Date:</b> 13 <sup>th</sup> February 2013	<b>Classification:</b> Unrestricted	<b>Report No:</b> Linked to: CAB 75/123
<b>Report of:</b> Interim Corporate Director of Resources  <b>Originating officer(s):</b> Alan Finch- Service Head, Financial Services, Risk and Accountability		<b>Title:</b>  <b>Supplementary information:</b>  <b>General Fund Capital and Revenue Budgets and Medium Term Financial Plan 2013-2016.</b>  <b>(Announcement of Final Local Government Settlement etc)</b>  <b>Wards Affected: ALL</b>	

<b>Lead Member</b>	Cllr Alibor Choudhury (Cabinet Member for Resources)
<b>Community Plan Theme</b>	One Tower Hamlets
<b>Strategic Priority</b>	Ensuring Value for Money across the Council

## **REASONS FOR URGENCY**

The information the subject of this report was only made available on 4 February 2013. It is essential that this information be considered by the Mayor in Cabinet on 13 February 2013 in order to make a decision about the budget which is to go forward for consideration by full council.

### **1. FINANCIAL RESOURCES**

- 1.1. On February 4<sup>th</sup>, the Secretary of State announced final figures for the Local Government funding settlement for 2013/14 and provisional figures for 2014/15. This supplementary information sets out the implications of that announcement
- 1.2. The detailed local government settlement providing authority-by-authority figures for 2013/14 was announced on 4<sup>th</sup> February and will be debated in Parliament on 13<sup>th</sup> February. The majority of grant figures have been confirmed and this report deals only with those that have changed.
- 1.3. In terms of the mainstream grant allocations, the figures for 2013/14 have changed only marginally, by £2,000, and this has been adjusted in the MTFP by reducing central contingencies by this amount. Indicative figures for 2014/15 have increased by £109,000 and this has been carried to general reserves to

reduce the savings target required in 2015/16. The following table sets out the revised figures.

	2013-14 Provisional £million	2013-14 Final £ million	2014-15 Provisional £million	2014/15 Final £ million
Top up/ tariff	4.229	4.228	4.358	4.358
Revenue Support Grant	146.443	146.442	118.501	118.610
<b>Total funding</b>	<b>150.672</b>	<b>150.670</b>	<b>122.859</b>	<b>122.968</b>
		<b>-0.002</b>		<b>+0.109</b>

- 1.4. With effect from 1<sup>st</sup> April 2013, local authorities take over responsibility for public health provision from the NHS. The final grant announcement confirms the ring-fenced grant of £31,382m for 2013/14. Officers managing the transition programme now indicate that £1.4m of the grant will not initially be required to meet existing Public Health commitments either in 2013/14 or 2014/15, and accordingly a total of £2.8m is available for one-off public health initiatives over these two years.
- 1.5. A revised Appendix 1.1 and 1.2 are attached reflecting these figures. Any further grant announcements will be reported during the year.

## **2. COMMENTS OF THE CHIEF FINANCIAL OFFICER**

The comments of the chief financial officer have been incorporated into this report of which he is the author.

## **3. CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)**

The legal comments are set out in the principal report on the General Fund Capital and Revenue Budgets and Medium Term Financial Plan 2013-2016, to which this information is supplemental.

## **4. ONE TOWER HAMLETS CONSIDERATIONS**

The one Tower Hamlets considerations are as set out in the main report..

## **5. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

. The SAGE implications are as set out in the main report.

## **6. RISK MANAGEMENT IMPLICATIONS**

. The risk management implications are set out in the main report.

## **7. CRIME AND DISORDER REDUCTION IMPLICATIONS**

The crime and disorder reduction considerations are as set out in the main report.

## **8. EFFICIENCY STATEMENT**

The Council is required to consider the value for money implications of its decisions and to secure best value in the provision of all its services. It is important that, in considering the budget, Members satisfy themselves that resources are allocated in accordance with priorities and that full value is achieved. The information provided by officers on committed growth and budget options assists Members in these judgments.

## **9. APPENDICES**

Appendix 1.1 - Summary of the Medium Term Financial Plan (Revised)

Appendix 1.2- Detailed analysis of the Medium Term Financial Plan (Revised)

<p style="text-align: center;"><b>Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012</b></p>
<p><u>Brief description of "Background Paper"</u></p>
<p>None <span style="float: right;">Alan Finch, London E14, 2BG. 0207 7364 4915</span></p>