



Report of: **Chair of Policy and Performance Scrutiny Committee**

Meeting of:	Date	Ward(s)
Executive	6 February 2020	All

Delete as appropriate		Non-exempt
-----------------------	--	------------

SUBJECT: BUDGET PROPOSALS – MEDIUM TERM FINANCIAL STRATEGY - 2020/21

1. Synopsis

- 1.1 The Committee considered the Budget proposals. The Executive Member for Finance, Performance and Community Safety, Councillor Andy Hull was present to respond to questions

2. Recommendations

- 2.1 That the comments of the Policy and Performance Committee be forwarded to the Executive for consideration.
- Noted that the combination of central government funding cuts, and rising costs, plus demand for services, has meant that the Council has already made savings of £239 m since 2010
 - Noted, and supported, Islington's aim to become the best Council in the country for prevention and early intervention, and that there will be continued support for residents through the Resident Support Scheme, and free school meals for all nursery and primary school children. Vital frontline services will be protected, including no library closures, no youth centre closures, or leisure centre closures, over the next 3 years
 - Welcomed the proposed package of budget growth in 2020/21, which will help the Council to continue to address some of the pressing issues facing residents, including enhanced services to support victims of violence against young women or girls, increased capacity to tackle anti-social behaviour, extra support for vulnerable young people and adults, to help them increase skills and find work, and investment in tackling homelessness/rough sleeping, and children's centres outreach
 - Noted the proposed Council Tax increase for 2020/21 of 1.99%, and the increase in the the social care precept of 2%

- Noted the possible pressures on the budget in the medium term, and that the estimated level of General Fund balances should be adequate to meet the working balance requirements, and to provide a reasonable level for unquantifiable risks, that are not already covered in the Council's budget, or in any contingency sums
- Noted and welcomed the proposal to agree any underspends at the end of the financial year should be used to increase General Fund balances, and/or earmarked reserves, in order to provide resilience going into an uncertain medium term budget cycle
- Noted the agreed balanced HRA 2020/21 budget, the £60m allocated for new build housing, and the latest estimate over the 3 year MFTS period, plus the Capital Programme, and Dedicated Schools Grant proposals. Also noted that an additional £10m had been allocated for increased capital expenditure
- Noted that job losses would be offset by the growth that has been proposed
- The view was expressed that the Council consider including in the Capital Programme the savings that are achievable in the capital programme from carbon emissions
- Noted that an Asset Register is currently being worked on

3. Implications

3.1 Financial implications:

These are contained in main report.

3.2 Legal Implications:

These are contained in main report.

3.3 Environmental Implications:

These are contained in main report.

4.4 Resident Impact Assessment:

This is contained in main report.

Appendices: None

Background papers: None

Final report clearance:

Signed by:



3 February 2020

Councillor Troy Gallagher

Vice Chair Policy and Performance Scrutiny
Committee

Date

Report Author: Peter Moore
Telephone: 020 7527 3252
Email: peter.moore@islington.gov.uk