

**MINUTE EXTRACT
COUNCIL CABINET
15 February 2017**

Recommendation: To approve minute 166/16 of Council Cabinet dated 15 February 2017

166/16 Report on the Robustness of Estimates and on the Adequacy of Reserves

The Council Cabinet considered a report which stated that the Council's Medium Term Financial Plan – MTFP – had been prepared with consideration to the resources available to the Council and to the demands and priorities included within the Council Plan. The current medium term financial plan was evidence that the Council could no longer provide the range of services it had done historically. Services would have to stop unless they were provided at no further cost to the Council.

The MTFP process incorporated a review of current levels of reserves to ensure there was adequate cover for current and future planned needs and unforeseen eventualities and it identified any reserves which could be released to support the delivery of a three year MTFP.

The purpose of this report was to provide an opinion under Section 25 (1) of the Local Government Act 2003 which required the Chief Finance Officer to report to Council on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of Council reserves.

The report was split into; Section 4 detailing the MTFP process and budgetary controls, Section 5 covering the robustness of estimates and Section 6 covering the adequacy of reserves.

The Corporate Scrutiny and Governance Board noted the report.

Decision

1. To note the Chief Finance Officer's opinion that the estimates used in the production of the MTFP for 2017/18 were robust.
2. To note the Chief Finance Officer's opinion that, based on the assessment of the Council's reserves, the key financial risks identified, and the process used for developing the Medium Term Financial Plan, the level of reserves and balances for 2017/18 was adequate.
3. To recommend to Council that they consider this report in conjunction with the General Fund Revenue Budget 2017/18 report.
4. To note the Reserves Policy outlined in Appendix 5 of the report.