

**North Tyneside Council  
Report to Cabinet  
Date: 10 July 2017**

**ITEM 6(a)**

**Title: 2017/18 Initial Financial  
Management Report to 31 May 2017**

<b>Portfolio(s):</b> Elected Mayor  Finance and Resources  Housing	<b>Cabinet Member(s):</b> Norma Redfearn  Cllr Ray Glendon
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**Report from:** Finance

**Responsible Officer:** Janice Gillespie, Head of Finance      **Tel:** 643 5701

**Wards affected:** All

**PART 1**

**1.1 Executive Summary:**

- 1.1.1 This report will be the first monitoring report to Cabinet on the 2017/18 financial position. It will be in a different format and will bring together the financial and performance information with the intention of explaining more clearly the specific challenges and achievements of the Authority against the Our North Tyneside Plan. It will provide the first indication of the potential revenue and capital position of the Authority at 31 March 2018.
- 1.1.2 At this stage in the financial year Cabinet will understand that there are aspects of the £18.338m savings programme still to be made in order to deliver the General Fund budget approved by Council on 16 February 2017. The report will include details from a number of sessions held across all services where senior management have worked to manage that risk, including what additional actions can be taken in line with the Authority's Efficiency Statement and the Creating a Brighter Future Programme.
- 1.1.3 In addition to the savings risk, the report will explain where the Authority continues to manage financial pressures. Like most local authorities, North Tyneside Council continues to feel financial pressures which were reported in the 2016/17 Outturn Report and manifest in 2017/18. These include continue growth in demand for social care services compounded by pressure on NHS budgets and the unfunded

impact on social care of the national policy decision taken on the National Living Wage.

- 1.1.4 The report will advise Cabinet of performance so far on the 17/18 Schools budgets, planning for 2018/19 Schools funding and the forecast outturn for the Housing Revenue Account as at 31 May 2017
- 1.1.5 Finally, the report will also provide an update on the Capital Investment Plan including delivery so far this year along with details of variations and reprofiling of the Capital Plan which are presented to Cabinet for approval.

## **1.2 Recommendation(s):**

1.2.1 The recommendations to Cabinet will include:

- (a) advise Cabinet of the forecast budget monitoring position for the General Fund, Housing Revenue Account and Schools' Finance as at 31 May 2017;
- (b) seek Cabinet approval for the receipt of £0.201m of new revenue grants;
- (c) advise Cabinet of the Authority's Investment Plan spend to 31 May 2017 and the financing of the Plan to the end of the year and,
- (d) seek Cabinet approval for variations and reprogramming within the 2017/20 Investment Plan.

## **1.3 Forward plan:**

Twenty eight days' notice of this report has been given and it first appeared on the Forward Plan that was published on 30 May 2017.

## **1.4 Council plan and policy framework:**

1.4.1 The budget is a key strand of the Authority's Budget and Policy Framework.

## **1.5 Information**

An initial report is submitted at this stage to allow time for full analysis of the results in the new report style.

**PART 3 - SIGN OFF**

- Deputy Chief Executive  x
- Head(s) of Service  x
- Mayor/Cabinet Member(s)  x
- Chief Finance Officer  x
- Monitoring Officer  x
- Head of Corporate Strategy  x