



## BURNLEY BOROUGH COUNCIL REPORT TO THE FULL COUNCIL

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**PORTFOLIO:** **RESOURCES AND PERFORMANCE  
MANAGEMENT**

**EXECUTIVE MEMBER:** **COUNCILLOR WAJID KHAN**

**DATE OF REPORT:** **22/02/2017**

### Progress against our strategic commitments

<b>Strategic commitment</b>	<b>Progress update</b>
<b>PF1-</b> To embed the partnership with Liberata within the Council's budget, strategic vision and commercial strategy.	I am pleased to report that Liberata achieved its key performance targets in Q3.
<b>PF2-</b> To develop and implement resourcing strategies primarily through financial, workforce and asset management planning aligned to enhance and develop organisational performance.	<p>Workforce – as part of the process of maintaining the Council's Investors in People (IiP) accreditation the IiP Assessor will be visiting for an interim review in early February. The Council will include in its report the work undertaken to refresh its core values and behaviour framework, the recognition strategy and continuing excellent work on health and wellbeing. The internal review team will undertake their first workplace assessment against the new revised IiP standard at the end of February 2017</p> <p>Discussions and actions are underway to implement the new Apprenticeship Levy which comes into effect in April 2017. A review of the Council's apprenticeship scheme will be undertaken.</p>

**Finances –** The provisional settlement figures were announced in December 2016 and gave indications for next year, 2017/18 and the following two years. This is reflected in the 2017/18 revenue budget report and the 2018/21 MTFS due to be approved by Members at this meeting.

The Council's core spending next year will be reduced by a further 4.3% (4.4% in 2016/17). This is four times the average reduction for England. Within this there is a decrease in the main grant funding element (Revenue Support Grant) of 24% (23% in 2016/17).

In addition, the Government is reducing the amount that the Council will get through New Homes Bonus which means that it will lose £1.6m of the existing years 1 to 6 grant allocations and £148k of the year 7 (2017/18) allocation. This is lost for each of the 4 years over which NHB will be paid in the future and there is expected to be a similar loss in year 8 (2018/19). The Lancashire District Councils have responded to the DCLG to highlight the 'unfairness' of taking NHB off Districts to fund social care in County Councils.

Over the term of the Medium Term Financial Strategy, the Council needs to save £4.0m by 2021 equivalent to 27.5% of the net revenue budget for 2016/17. This is in addition to the £1.5m (or 10%) of savings required to achieve a balanced budget in 2017/18. The increases in Council tax are however limited to 2% in Burnley beyond which a local referendum needs to be held.

September's Council meeting approved £2.166m of savings which leaves a gap of £2.35m for 2018/19 and 2019/20 and a further £1.05m has been identified as our initial estimate of the gap for 2020/21.

This year is not a part of the three year indicative settlement, and due to the uncertainties around Revenue Support Grant funding, arrangements (if any) to compensate for the possible 100% loss of RSG, and the move to 100% retention of Business Rates make the projections for funding

	<p>in 20/21 very difficult at the moment.</p> <p>The Council continues to actively attempt to maximise business rates income through economic growth.</p> <p>The Council does not have any facility to increase strategic earmarked reserves over the medium-term and it is estimated that there will be minimal balances on these reserves by 2021.</p> <p>Work continues as a priority to make further efficiency and other savings to balance the budget over the medium term and maintain the Council as a going concern.</p>
<p><b>PF3-</b> To develop and maintain appropriate governance and regulatory frameworks aligned to the Council's statutory/legal responsibilities, budgets, strategic vision and commercial strategy.</p>	<p><b>Mayoral Referendum</b> Following consultation with Group Leaders, an advisory leaflet is being distributed to citizens regarding the forthcoming Mayoral Referendum.</p> <p><b>Constitution</b> The Council's constitution has been updated following the approval of the new operating model in December 2016.</p> <p><b>Committee Management System</b> The pilot regarding the Committee Management system has proven to be a success and the only minor issues experienced have been predominantly down to user error.</p> <p>Two thirds of Members have now received their electronic tablet devices and training. The remaining Members are scheduled to receive their devices and training on 20<sup>th</sup> February 2017.</p> <p>We remain on track to achieve paperless meetings before 1 April 2017. One to one training and support will continue to be provided to Members where necessary.</p>