The purpose of the report is to finalise the Cabinet’s 2018/19 Revenue Budget and Capital Programme Investment Plans. It also outlines the Council’s financial outlook and challenges across the medium term period 2018/19 to 2022/23. The report highlights the overarching priorities and desired outcomes upon which the Cabinet has based its budget proposals, and which form the basis of the updated Council Plan included on this agenda.

This report needs to be considered in conjunction with the Borough Treasurer’s report on the Council’s Medium Term Financial Plan (MTFP) for 2018/19 to 2022/23 following the Provisional Local Government Finance Settlement announced by Government.

This report also takes account of other reports included on this agenda as follows:

- Update of the MTFP revenue budget forecasts for 2018/19 to 2022/23;
- The Corporate Performance and Resources Final Update report for 2017/18;
- The Cabinet Response Growth an Reform Programme Update report;
- Update of the Council’s Capital Programme taking account of the Quarter 3 2017/18 Capital Programme monitoring and the Cabinet’s medium term capital investment plans; and

Comments/Views of the Cabinet Member: (c)

The Cabinet remains disappointed that the Government would have provided a stronger and clearer plan to address the ongoing budget and performance pressures in relation to Adult Social Care and Children’s Social Care in the Autumn Budget and Provisional Local Government Finance Settlement.

It is regrettable that the Government continues to place too much reliance on Council Tax as a means of providing additional resources to protect the most vulnerable in our society. We have always maintained that it is a regressive form of taxation and that the increasing shift of the burden of funding of services onto Council Tax Taxpayers at a national level is not a sustainable model for the future.

Notwithstanding these concerns the Cabinet has developed a suite of proposals that delivers a balanced for budget in an open and transparent way. It is recognised that the budget contains proposals that are difficult, however the financial challenges facing the Council continue to be significant and difficult.
The budget includes the use of one off resources such as the improved better care fund and also the use of the Council’s double running reserve to mitigate some of the impact of the proposals in 2018/19. The Cabinet’s proposals regarding Council Tax were not taken lightly and we have weighed up the impact it would have on Stockport residents whilst ensuring the Council’s future financial sustainability and its ability to provide important services to the most vulnerable people in the Borough.

We remain committed to working with our partners across the Borough to develop a Medium Term Growth and Reform Programme that ensures the Council is financially self-sufficient over the medium term period.

Recommendation(s) of Cabinet Member: (d)

The Cabinet is recommended to ask the Council Meeting to:

- Agree the Budget for 2018/19 described in the report and set out in Appendix 2 and 3;
- Note the risk assessment of the Budget at Appendix 5 and the report of the Borough Treasurer on the adequacy of proposed financial reserves and robustness of the estimates included at Appendix 5;
- Note and comment upon the financial forecasts for 2018/19 to 2022/23 (Appendix 6), and the key issues to be addressed in formulating a response to the future financial challenges facing the Council;
- Approve the 2018/19 to 2020/21 Capital Programme and the funding arrangements as described in the report and set out at Appendix 7;
- Approve the prudential indicators set out in Appendix 8; and
- Pass the appropriate Council Tax resolutions which produce a Council Tax increase of 4.99% (2.99% General increase and 2% Adult Social Care Precept increase) as illustrated in Appendix 9.

Relevant Scrutiny Committee (if decision called in): (e)
Not applicable

Background Papers (if report for publication): (f)
There are none.

Contact person for accessing background papers and discussing the report Officer: Michael Cullen
Tel: 0161 474 4631

‘Urgent Business’: (g) Yes/ No (Please circle)

Certification (if applicable)
This report should be considered as ‘urgent business’ and the decision exempted from ‘call-in’ for the following reason(s):

The written consent of Councillor and the Chief Executive/Monitoring Officer/ Borough Treasurer for the decision to be treated as ‘urgent business’ was obtained on /will be obtained before the decision is implemented.