

Cabinet - 15 July 2014

Report of the County Treasurer

Part I - Item No.

Electoral Division affected: All

Money Matters - The Financial Outlook for 2015/16 to 2017/18 (Appendix 'A' refers)

Contact for further information:

Gill Kilpatrick, (01772) 534715, County Treasurer's Directorate
gill.kilpatrick@lancashire.gov.uk

Executive Summary

As the County Council continues to develop proposals to reshape its services within the estimated level of resources that will be available in 2017/18 it is important that forecasts of both expenditure demand and resources are kept up to date. This report presents Cabinet with an update to the financial forecast based on the information on demand flowing from the 2013/14 outturn, and various other announcements since the budget was set in February 2014.

Excluding new burdens there is a relatively small increase in spending pressures of between £0.718m and £4.305m. In addition new burdens costing between £0.300m and £5.300m have been identified, excluding any impact of the Care Act. In relation to new burdens the lower figure assumes additional funding is provided, although this is by no means certain at this stage.

Further detailed work will provide a full update to all elements of the forecast after the summer. In the interim the issues identified in the report, set out at Appendix 'A', will be fed into the development of the proposals to reshape the Council's services.

Recommendations

Cabinet is recommended to:

- (i) Note the issues identified in the updated financial forecast as set out at Appendix 'A';
- (ii) Determine what representations, if any, should be made in relation to the new burdens identified within the forecast.

Background and Advice

The report set out at Appendix 'A' provides an initial update on the financial outlook for the Council for the period 2015/16 to 2017/18, based upon the information emerging in terms of demand trends, the latest available forecasts for inflation and resource forecasts.

Consultations

N/A

Implications:

The financial implications are set out at Appendix 'A'.

Risk management

As set out at Appendix 'A'.

List of Background Papers

Paper	Date	Contact/Directorate/Tel
Financial Outlook papers	April - June 2014	George Graham, County Treasurer's Directorate, (01772) 538102
Reason for inclusion in Part II, if appropriate		
N/A		