



RECORD OF EXECUTIVE DECISIONS

The following is a record of the decisions taken at the meeting of **CABINET** on **WEDNESDAY 14 JANUARY 2015**.

The decisions will come into force and may be implemented from **MONDAY 26 JANUARY 2015** unless the Overview and Scrutiny Management Committee or its Committees object to any such decision and call it in.

Medium Term Financial Plan 2015/16 to 2017/18 (MTFP 5) and 2015/16 Budget [Key Decision: CORP/R/14/02]

Summary

The Cabinet considered joint report of the Corporate Director, Resources and Assistant Chief Executive which provided an update on the Medium Term Financial Plan (MTFP(5)) 2015/16 to 2017/18 and the 2015/16 Budget, following the Government's Local Government Finance Settlement announcement on 18 December 2014 and feedback from the budget consultation process.

The Chancellor of the Exchequer's December 2014 Autumn Statement confirmed that funding cuts to the public sector will continue until 2019/20. It is now forecast that Government funding to Local Government will have reduced by over 60% between 2011 and 2019. The Autumn Statement confirmed that due to the deterioration in the forecast for the national deficit, additional public expenditure funding cuts would be required in 2016/17. To reflect this, the Council has increased the forecast of Government funding reductions in 2016/17 from £33m to £38m. Overall the forecast for total savings between 2011 and 2018 up to the end of the MTFP(5) period is £224.8m. Based upon analysis of public expenditure funding reductions in the Autumn Statement however it is forecast that the savings figure will exceed £250m by 2018/2019.

The provisional financial settlement was received on 18 December 2014 and details were included within the report.

The main points are as follows:

- Revenue Support Grant will reduce by £39.4m to £99.3m. This is in line with Council forecasts.
- Specific grant allocations are broadly in line with Council forecasts.
- It is still apparent that deprived areas will continue to see higher levels of funding reduction in 2015/16.
- Although the Government's Spending Power figures are unrepresentative of actual funding reductions faced by local authorities, they do highlight the regional variation in settlements. The published average spending power reduction for England is 1.8%, for Durham it is 2.7%.

The draft Council Plan and Service Plans for 2015/16 – 2017/18 continue to be developed within the context of the financial settlement and budget planning, and will be presented to Cabinet in March.

Decision

The Cabinet:

- (i) Noted the 2015/16 budget and Medium Term Financial Plan update in relation to the provisional Local Government Finance Settlement announced on 18 December 2014.
- (ii) Noted that the Council continues to face funding reductions in excess of the national average.
- (iii) Noted the impact of the 2014 Autumn Statement upon the Medium Term Financial Plan.
- (iv) Noted the results of the phase 1 consultation.

Annual Report of the Director of Public Health

Summary

The Cabinet considered the 2014 Annual Report of the Director of Public Health, County Durham.

Under the Health & Social Care Act 2012, one of the statutory requirements of each Director of Public Health is to produce an annual report about the health of the local population. The 2014 annual report focuses on tackling social isolation and the action that needs to be taken by a range of organisations to reduce the impact on the health and wellbeing of communities. Social isolation has been identified in the joint health and wellbeing strategy as an issue raised by communities during the consultation period.

The Better Care Fund programme includes a social isolation workstream that focuses on community action. The key messages were detailed in Appendix 2 of the report.

Decision

The Cabinet:

- (i) Received the 2014 annual report of the Director of Public Health, County Durham and noted the key messages and recommendations.
- (ii) Noted that the report is used to inform commissioning plans, service developments and assessment of need to support a range of funding bids, particularly by third sector organisations

Colette Longbottom
Head of Legal and Democratic Services
16 January 2015