

MEETING: **AUDIT AND GOVERNANCE COMMITTEE**

DATE: **28 NOVEMBER 2019**

TITLE: **FINANCIAL STRATEGY – 2020/21 BUDGET REMIT**

PURPOSE: **PRESENT A TIMETABLE FOR FINANCIAL PLANNING**

AUTHOR: **DAFYDD L EDWARDS, HEAD OF FINANCE**

CABINET MEMBER: **COUNCILLOR IOAN THOMAS, FINANCE CABINET MEMBER**

ACTION: **FOR INFORMATION**

1. The purpose of this report is to give an outline of the budget setting procedure for the year 2020/21, in accordance with the Committee's forward work programme.
2. The Council's accountants have carried out much of the budget preparation work in terms of the 2020/21 spending requirements, by estimating the impact of pay agreements, other inflation, adjusting pension contributions and other spending commitments.
3. Several requests for additional resources have been submitted by Council services facing unavoidable pressure, and these will be addressed by the Corporate Management Team and Cabinet members over the coming months.
4. The other side of the coin is the grant resources which will be available to the Council in order to fund these commitments. I enclose in **Appendix B** the Welsh Government's statement, noting that they intend to publish their 2020/21 provisional settlement on 16 December 2019 (compared to 10 October 2018) and the final local government settlement on 25 February 2020 (compared to 19 December 2018).
5. This timetable will be challenging for local authorities, but we had already predicted a range of possible scenarios and reported on that to the Cabinet on 23 July. As a result, all Council departments are in the process of presenting savings plans worth 0.78% of their budgets for scrutiny.
6. In January, Cabinet members will consider the savings proposals and unavoidable spending commitments in the context of the provisional grant settlement, before the Finance Cabinet Member and the Head of Finance consult with all Council Members in a series of seminars.
7. The Council's budget timetable is in **Appendix A**.
8. We will be adhering to the usual annual timetable of reporting to the Audit and Governance Committee (13 February), the Cabinet (18 February), and full Council (5 March), as the Council Tax must be set by 11 March.
9. The Audit and Governance Committee is asked to consider the timetable, question the Head of Finance and the Finance Cabinet Member as necessary, to offer comments, and to note for information.