

Report of the Director of Customer and Business Support Services
(Portfolio of the Leader of the Council)

FINANCIAL STRATEGY 2015 - 2020

Revised Recommendations

3. Members are asked to approve the average rent increase for 2015/16, as shown in table 18 and paragraphs 118 to 119, as 2.2%. This rent increase will be applied across council dwellings, hostels and Gypsy, Roma and Traveller Community sites.

Reason: To ensure the ongoing financial stability of the HRA and allow work on improving the quality of the council's affordable housing to continue.

4. Members are asked to consider the appropriate levels of council tax that they wish to see levied by the City of York Council for 2015/16. In doing so they should pay due regard to factors such as;
 - Expenditure pressures facing the council as set out in the report
 - Impacts of savings proposals set out in annexes 3a to 3d
 - Medium term financial factors facing the council as outlined in the report
 - Projected levels of reserves as set out in the report
 - Statutory advice from the Director of CBSS
5. In light of the considerations outlined in the paragraph above, members are asked to recommend to Council approval of the budget proposals as outlined in this report. In particular;
 - The net revenue expenditure requirement of £119.760m

- A Council Tax requirement of £72.736m
- The revenue growth proposals as outlined in the body of the report
- The revenue savings proposals as outlined in Annex 3a to 3d
- The fees and charges proposals as outlined in Annex 5
- The Housing Revenue Account budget set out in Annex 6
- The dedicated schools grant proposals outlined in paragraphs 120 to 128

Reason: To ensure a legally balanced budget is set

5.1 *Members are asked to note the Government have allocated within the final grant settlement, announced after the Cabinet papers were published, an additional £162k. It is recommended that this be allocated to the general contingency budget, and it be noted that the effect of this is as follows:-*

- *new growth item of £162k in respect of general contingency*
- *increase in grant funding of £162k*
- *increase in net revenue expenditure of £162k, from £119.598m to £119.760m.*

Reason: The final grant settlement was announced on 4 February after publication of the Cabinet report.

6. The effect of approving the income and expenditure proposals included in the recommendations would result in no increase in the City of York element of the council tax. It is intended that the total council tax increase including the parish, Police and Fire Authority precepts, will be agreed at the full council meeting on 26th February 2015.