

**CABINET  
(FURTHER MEETING)  
HELD ON 19 SEPTEMBER 2007  
(FROM 5.30 PM TO 5.50 PM)**

**PRESENT:** Councillor Mike Gardner in the Chair. Councillors Jean Butterfield, Cooper, Ellington, Andrew Jones, Pat Jones and Don MacKenzie.

**Late Arrivals:** None.

**Early Departures:** None.

59/07 - **APOLOGIES FOR ABSENCE:** There were no apologies for absence.

(5.32 pm)

60/07 - **DECLARATIONS OF INTEREST:** Councillor Cooper declared a personal interest, relating to any reference on the agenda to Harrogate International Centre arising from the use of the facilities by his employer for conference purposes.

(5.32 pm)

61/07 - **MINUTES:** The Minutes of the meeting of the Cabinet held on 22 August 2007 were unanimously approved as a correct record and signed by the Chair.

(5.32 pm)

62/07 - **EXEMPT INFORMATION:** The relevant appendix of the report referred to at Minute 65/07 below, contained information considered to be exempt in accordance with paragraph 3 of Schedule 12A to the Local Government Act 1972 as amended. Discussion on the item was, however, held in open session.

**MATTER REFERRED TO COUNCIL FOR CONSIDERATION**

63/07 - **MEDIUM TERM FINANCIAL STRATEGY 2008/2009 to 2010/2011:** The Head of Financial Management submitted a written report in relation to the Council's policy objectives proposing a means of reconciling spending ambitions with resource projections over the medium term and providing the appropriate resource reallocation. The report was to be considered in conjunction with the Council's Strategic Plan and Corporate Improvement Plan, and decisions taken in light of the agreed corporate priorities, which themselves had been determined following consultation with local residents and other stakeholders. The report emphasised the need for sound financial management in the face of difficult financial circumstances and identified for approval the budget parameters and policy approaches for 2008/09. In addition, financial targets for the three year period to reflect the overall policy stance were identified for consideration. The external and internal revenue spending pressures were considered in Section 10 of the report in the context of future strategy options for the Council. Section 13 of the report set out the

suggested budget parameters for 2008/09 and appendix 2 the Revenue Budget Illustrations for the three financial years 2008/09 to 2010/2011.

**RECOMMENDED (UNANIMOUSLY):**

That (1) the following proposal for the medium term financial strategy be agreed;

(a) the revenue budget targets for 2008/09 to 2010/2011 (illustrative figures shown in Appendix 2 of the report).

(b) the following 2008/09 budget parameters be agreed.

- pay increases provision – 2.5%.
- other non-demand led expenditure budgets – 0%
- efficiency savings illustrations (provisional departmental targets) – 1% cash.
- fees and charges increase – 4% guideline (subject to service considerations and market forces).

(c) a continued working balance target of £2m to £2.75m.

(d) the cash limit for HIC be applied as outlined in the report.

(e) the Cultural Services bottom-line budget be discontinued as outlined in the report;

(2) given the plan to repeat the Simalto consultation exercise in 2008/2009, the Council contains its form of consultation to the District Panel on their draft medium term financial strategy for this year; and

(3) the Governance Panel of the Corporate Overview and Scrutiny Commission be allowed until 31 December 2007 to report on its deliberations on the Medium Term Financial Strategy 2008/2009 to 2010/2011.

(5.33 pm – 5.35 pm)