

Record of Decisions

Mayor's Response to the Objections to the Review of Reserves

Decision Taker

Mayor on 16 February 2017

Decision

The Mayor disagrees with the Council's objection and confirms his original recommendation to Council as set out below:

- (i) that the transfer of £2.750m identified from a number of individual earmarked reserves (as detailed in paragraph A2.19 of the submitted report) to the following reserves be approved:
 - a) £2.0m to the Comprehensive Spending Review to fund the predicted 2016/17 Council overspend primarily as a result of budget pressures in children's and adults social care; and
 - b) £0.750m to the General Fund Reserve to be used as a contingency to support the Council's financial risks in future years; and
- (ii) that, given the significant financial pressures facing the Council in future years, the allocation of additional funds, as required, to the Comprehensive Spending Review Reserve in each budget process from 2018/2019 onwards to increase, and then maintain, an ongoing minimum balance in the reserve of £2m be agreed.

Reason for the Decision

To respond to the Council's objection to the Review of Reserves. The Harbour Reserve was £727,000 and the Regeneration Reserve was £789,000 at the start of the 2016/2017 financial year and the proposal is move the money from these two Reserves to the General Fund which will give the Council more resilience for the significant financial risks facing the Council over the next few years, which was supported by senior officers of the Council.

Implementation

The Mayor's response to the Council's objection will be considered at the Council meeting on 23 February 2017.

Information

At the adjourned Council meeting held on 9 February 2017, the Council formally objected to the Mayor's review of reserves proposals on the basis of the reallocation of reserves from Harbours (£272,000) and Regeneration (£201,000).

In accordance with the Constitution at F4.9, the Council required the Mayor to consider this objection by 17 February 2017 and either:

- a) submit a revision of the review of reserves with the reasons for any amendments to the

Council for its consideration; or

- b) inform the Council of any disagreement that the Executive has with any of the Council's objections and the Executive's reasons for any such disagreement.

The Mayor considered the recommendation of the Council and his proposed response is set out above.

Alternative Options considered and rejected at the time of the decision

None

Is this a Key Decision?

No – Reference Number: I029677

Does the call-in procedure apply?

No

Declarations of interest (including details of any relevant dispensations issued by the Standards Committee)

None

Published

17 February 2017

Signed: _____
Mayor of Torbay

Date: 16 February 2017