

# Budget Proposal



**Date:** January 2019 **Version:** 1.0 **Author:** Janice Gillespie

Maximising Resources – Proposal 2



North Tyneside Council

## 2019-2023 Budget Proposal

<b>Title</b>	Effective Treasury Management/Corporate Resources
<b>Business Case Number</b>	Max Resource (2)
<b>Cabinet Member</b>	Councillor Ray Glendon
<b>Responsible Chief Officer</b>	Janice Gillespie
<b>Growth or Saving</b>	Saving
<b>Council Plan Theme</b>	Maximising Resources

### Summary of proposed change to Service

#### Effective Treasury and Debt Management

The current, sustained, low interest rate climate is allowing some significant work to be done to ensure the Authority's Treasury functions are effective and the debt portfolio optimised. This proposal takes a short, medium and long-term look at the requirement with a view to reducing costs.

#### Treasury Management £0.306m

This saving has arisen from a review of cash flow projections and the timing of the use of reserves and balances. As a result it is anticipated that borrowing can be delayed to allow for further savings in interest costs.

This saving is a timing issue and the budget will need to be reinstated in 2020/21.

#### Strain on the Fund £0.200m

This saving has arisen from a review of anticipated strain on the fund payments based on the current level of applications and approvals over recent years. The accounting treatment for strain on the fund payments was changed in 2017/18 and the full payment is now recognised in the year that the employee leaves rather than being spread over a three year period.

This saving is expected to be on-going.

There is no change to services.

### Impact for Customers

n/a

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### Impact for Partners

n/a

### Engagement

n/a

Financial Implications (if part year effect please include the number of months in first year)	Part year?	2019/20	2020/21	2021/22	2022/23
		£'000	£'000	£'000	£'000
Reduce interest costs	No	(306)	306	0	0
Reduce Strain on the Fund costs	No	(200)	0	0	0
<b>TOTAL</b>		<b>(506)</b>	<b>306</b>	<b>0</b>	<b>0</b>

Staffing Implications					
None					
Number of posts Reduction (-), Increase (+) WTE	2019/20	2020/21	2021/22	2022/23	
<b>TOTAL</b>					

What is the Risk Assessment for this proposal (see guidance notes for descriptions)?	Red (High)	Amber (Medium)	Green (Low)
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

What are the Key Milestones and Outcomes?		
Milestone	Lead Officer	Completion Date
Keep cashflow movements under review	Cathy Davison	ongoing
Keep interest rate movements under review	Cathy Davison	ongoing
Keep level of Strain on the Fund agreements under review	Cathy Davison	ongoing

## 2019-2023 Budget Proposal

### Equality Impact Assessment

n/a

### Sign off

**Financial Business Manager**

Claire Emmerson

**Head of Service(s)**

Janice Gillespie

**Mayor / Cabinet Member(s)**

Cllr Ray Glindon