

POLICY AND RESOURCES COMMITTEE – 23 JANUARY 2023

PART I - NOT DELEGATED

10. FINANCIAL PLANNING - RECOMMENDATIONS
(DoF)

1. Summary

1.1 This report enables the Committee to make its recommendations on the Council's Revenue and Capital budgets and Treasury Management Policy for the period 2023/24 to 2025/26 (medium term) to Council on 21 February 2023.

2. Details

Context

2.1 The Committee is reminded that each Financial Planning report on this agenda needs to be considered before the recommendations on this report are agreed.

Revenue Budget

2.2 The Committee should agree the revenue budget as amended for any growth or additional savings it proposes to add.

Capital Strategy and Investment Programme

2.3 The Committee should agree the level of capital investment for 2023/24 to 2025/26 having regard to any balances it wishes to see carried forward.

3. Options/Reasons for Recommendation

3.1 The recommendation below enables the Committee to make recommendations to the Council on 21 February 2023 concerning the Council's corporate framework, service and financial plans.

4. Policy/Budget Reference and Implications

4.1 The recommendations in this report contribute to the process whereby the Council will approve and adopt its strategic, service and financial plans under Article 4 of the Council's Constitution.

5. Equal Opportunities Implications

5.1 The Equality Impact Assessment Relevance Test is attached at Appendix 1.

Has a relevance test been completed for Equality Impact?	Yes
Did the relevance test conclude a full impact assessment was required?	No

5.2 Services changes arising from the budget will be subject to individual Equality Impact Assessments.

6. Financial Implications

6.1 The key financial implications for the Council are:-

- Officers recommend a minimum prudent revenue balance of **£2,000,000** in the light of the financial and budgetary risks.
- The general fund balance at 31 March 2026 is forecast to be **£3,461,732**.
- A 2.99% **increase** in its Council Tax charge for 2023/24, 2024/25 and £5.00 for 2025/26.
- Capital balance is estimated to be **£2,759,047** at 31 March 2026.

7. Legal Implications

7.1 The provisions of the Local Government Finance Act 1992 (LGFA 1992) set out what the Council has to base its budget calculations upon regarding council tax and requires the Council to set a balanced budget having regard to the advice of its Chief Finance Officer (section 151 Officer). The setting of the budget is a function reserved to Full Council in accordance with Part 2, Article 4.02 of the Council's Constitution and the Policy and Resources Committee must therefore forward its recommendations on the budget to Full Council.

7.2 Section 30(6) LGFA 1992 provides that the Council has got to set its budget calculations before 11 March in the financial year preceding the one in respect of which the budget is set although, it is not invalid merely because it is not set on or after 11 March. However, it is important that the Council sets its 2023/24 budget by 11 March 2023 as any delay in setting council tax may leave the Council vulnerable to legal proceedings requiring it to set the tax.

8. Risk Management Implications

8.1 The Committee should recommend that the financial and budgetary risks identified be incorporated into service plans as appropriate.

9. Recommendations

Either

9.1 To Council:-

- (a) That the 2022/23 revised estimates for the revenue account be agreed giving a balance on the general fund at 31 March 2023 of **£3,986,864**. (*Agenda Item 8 Appendix 1 refers*)
- (b) That the draft revenue estimates in respect of the revenue account for the period 1 April 2023 to 31 March 2026, subject to the changes agreed, be approved (*Agenda Item 8 refers*)
- (c) That it be noted that **£2,000,000** be considered as a prudent minimum balance for the general fund.
- (d) That the financial and budgetary risks be agreed and their management monitored by the Audit Committee. (*Agenda Item 8 refers*)
- (e) That the existing Council Tax Reduction Scheme is continued for 2023/24. (*Agenda Item 8 refers*)
- (f) That the total capital strategy and investment programme for 2023/24 be agreed at **£3,096,420**. (*Agenda Item 9 Appendix 1 refers*)

- (g) That the arrangements for funding the 2023/26 capital strategy and investment programme resulting in an estimated balance of capital resources at 31 March 2026 of **£2,759,047** be agreed. (*Agenda Item 9 Appendix 4 refers*)
- (h) That the Council notes the capital funding available and approves the Policy and Resources Committee's allocation of funds for the period from 1 April 2023 to 31 March 2026 (*Agenda Item 9 refers*)
- (i) That the Treasury Management Strategy Statement 2023/24 be approved. (*Agenda Item 9 Appendix 5 refers*)
- (j) That the Minimum Revenue Provision Policy Statement 2023/24 be approved. (*Agenda Item 9 Appendix 6 refers*) and
- (k) That the Council notes the Director of Finance's advice on the robustness of the estimates and the adequacy of the financial reserves.

Or

- 9.2 That the Policy and Resources Committee notes that the Administration will publish its final recommendations on Financial Planning 2023/24 to 2025/2026 five working days prior to the Council meeting on 21 February 2023 and present them at this meeting.

Appendices

Appendix 1 Equality Impact Assessment Relevance Test

Report prepared by:

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Alison Scott – Director of Finance

Background Papers:

2022/23 Budget Monitoring Reports

Fees & Charges Reports to Committees

2022-26 Financial Planning Report

Form A – Relevance Test

Function/Service Being Assessed: Financial Planning 2023/24

Officer completing form: Hannah Doney

Date of completion: 12 January 2023

1. Populations served/affected:

Universal (service covering all residents)?

Targeted (service aimed at a section of the community –please indicate which)?

2. Is it relevant to the general equality duty? (see Q and A for definition of ‘general duty’)

Which of these three aspects does the function relate to (if any)?:

1 – Eliminating discrimination, harassment and victimisation

2 – Advancing equality of opportunity

3 – Fostering good relations

Is there any evidence or reason to believe that some groups could be differently affected?

Yes

No

Which equality categories are affected?

Race

Age

Sexual Orientation

Disability

Sex

Religion

Gender reassignment

Marriage / civil partnership

Maternity / Pregnancy

3. What is the degree of relevance?

In your view, is the information you have on each category adequate to make a decision about relevance?

- Yes (specify which categories)
- No (specify which categories)

Are there any triggers for this review (for example is there any public concern that functions/services are being operated in a discriminatory manner?) If yes please indicate which:

- Yes
- No

4. Conclusion

On the basis of the relevance test would you say that there is evidence that a medium or high detrimental impact is likely? (See below for definition)

- Yes
- No

Note: if a medium or high detrimental impact has been identified then a full impact assessment must be undertaken using Form B.