

BUDGET EXECUTIVE

16 FEBRUARY 2022

PRESENT

Leader of the Council (Councillor A. Western) (in the Chair),
Executive Member for Adult Social Care (Councillor J. Harding),
Executive Member for Children's Services (Councillor C. Hynes),
Executive Member for Communities and Partnerships (Councillor G. Whitham),
Executive Member for Covid-19 Recovery and Reform (Councillor M. Freeman),
Executive Member for Culture and Leisure (Councillor L. Patel),
Executive Member for Environmental and Regulatory Services (Councillor S. Adshead),
Executive Member for Finance and Governance (Councillor T. Ross),
Executive Member for Health, Wellbeing and Equalities (Councillor J. Slater).

Also present: Councillors Acton, Axford, Blackburn, Boyes, Butt, G. Carter, K. Carter, Chalkin, Evans, Jerrome, Mirza, Morgan, Myers, Newgrosh, Welton (part only), Whetton and Young.

Officers in attendance:

Chief Executive (Ms. S. Todd),
Director of Finance and Systems (Mr. G. Bentley),
Head of Governance and Deputy Monitoring Officer (Ms. D. Sykes),
Head of Financial Management (Mr. D. Muggeridge),
Governance Manager (Mr. J. Addison),
Governance Officer (Mr. J.M.J. Maloney).

APOLOGIES

Apologies for absence were received from Councillor J.A. Wright.

91. DECLARATIONS OF INTEREST

No declarations were made by Members of the Executive.

92. EXECUTIVE'S REVENUE BUDGET PROPOSALS 2022/23 & MTFS 2023/24 - 2024/25

The Executive Member for Finance and Governance and the Director of Finance and Systems submitted a report which set out, for recommendation to Council, the Executive's updated 3 year budget strategy proposals and detailed revenue budget proposals for 2022/23 and Medium Term Financial Strategy (MTFS) for the period 2023/24 - 2024/25. In introducing the report, the Executive Member for Finance and Governance advised that some minor changes to the formal Council Tax Resolution paper (Annexe J to the report) would be put before Council at its subsequent meeting. In discussion, it was noted that clarification would be provided outside the meeting in relation to the treatment of variances in Children's Services, as set out at paragraph 4.3.1 of the report.

RESOLVED -

- (1) That it be recommended to Council that it:-
- a) Approves the 2022/23 net Revenue Budget of £192.57m.
 - b) Approves the 2023/24 to 2024/25 Medium Term Financial Strategy (MTFS) including the income and savings proposals.
 - c) Notes the arrangements proposed in relation to an enhanced Finance and Change Programme and the establishment of a Finance and Change Board which will work with the Executive on the development of sustainable budget plans to support the Council in meeting the financial challenges from 2023/24 onwards
 - d) Approves the calculation of the Council Tax Requirement as summarised in Section 8.1 and set out in the Formal Council Tax Resolution in Annex J (any update for changes in Mayoral Police and Crime Commissioner or Mayoral General (incl. Fire Services) Precepts were to be tabled at the Council Meeting);
 - e) Approves the proposal to increase Council Tax by 2.99% in 2022/23:
 - o 1.99% general increase in the 'relevant basic amount' in 2022/23, 2023/24 and 2024/25, and
 - o 1% for the 'Adult Social Care' precept in 2022/23.
 - f) Approves the planned application of earmarked reserves as detailed in Section 7.
 - g) Approves the Fees and Charges for 2022/23 and those relating to Registration of Births, Death & Marriages and Allotments also shown for 2023/24, as set out in the Fees & Charges booklet.
 - h) Delegates authority jointly to each Corporate Director in consultation with the Council's Director of Finance and Systems to amend fees and charges which are within their respective delegated powers during 2022/23 in the event of any change in VAT rate, as appropriate.
 - i) Delegates authority jointly to each Corporate Director in consultation with the Council's Director of Finance and Systems to amend fees and charges during 2022/23 which are within their respective delegated powers where the economics of the charge levels have changed (e.g. costs have risen unexpectedly), or for commercial reasons.
 - j) Approves the proposal to increase the minimum level of General Reserve for 2022/23 at £9.5m, an increase of £1.5m from 2021/22 (Section 7.5).
 - k) Approves the Capital Strategy, Prudential and Local Indicators and overall level of the Capital Programme and Asset Investment Fund of £417.38m (as detailed in the Capital Strategy, Capital Programme & Prudential

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Indicators 2022/25) of which £209.71m relates to 2022/23; including the proposal in relation to £50.52m of new prudential borrowing.

- l) Approves the Treasury Management Strategy 2022/23 to 2024/25, including the debt strategy (Section 3), the Treasury Investment Strategy (Section 5) and the Prudential Indicators, including the Authorised Limit (as required by Section 3(1) of the Local Government Act 2003, Operational Boundary, Minimum Revenue Provision and investment criteria as set out in Appendix 3 of the report.
 - m) Approves the flexible use of capital receipts of up to £0.27m to support the cost of the Modernisation Team in developing the Council's Finance and Change Programme.
 - n) Approves the proposed distribution of Dedicated Schools Grant as recommended by the School Funding Forum and Executive as summarised in Section 8 and detailed in Annex I.
 - o) Due to the late publication of the Final Local Government Finance Settlement, Council delegates authority to the Director of Finance and Systems to vary the level of Budget Support Reserve needed to balance the 2022/23 revenue budget in the event of any change at final settlement.
 - p) Delegate to the Director of Finance and Systems in consultation with Executive Member for Finance and Governance to administer the energy related discretionary schemes as announced on 3 February 2022 in accordance with the guidance, which will be fully funded by a section 31 grant.
- (2) That it be confirmed that in recommending approval of the above, the Executive has taken into consideration:
- q) The objective assessment by the Director of Finance and Systems of the robustness of budget estimates and adequacy of the financial reserves (Section 1 and 7).
 - r) The Executive's response to the Scrutiny Committee's recommendations to the budget proposals as included in a separate report on the agenda.
 - s) The Council's Public Sector Equality duty.
 - t) The results of the consultation on the budget proposals where required.
 - u) The changes to the Council Tax Scheme 2022-23 and Council Tax Hardship Fund as detailed in a separate report to Executive on 24th January 2022.
- (3) That in addition, it be recommended that Council notes the following:

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- v) The approval on 11 January 2021 under delegated powers by the Corporate Director of Finance and Systems of the Council Tax Base for 2022/23 at 77,601 Band D equivalents.
- w) The estimated Council Tax surplus for 2021/22 has been calculated at £1.89m, sufficient to release £(1.550)m to support the Council's budget plans and a distribution of £(240)k and £(100)k representing the respective shares of the Mayoral Police and Crime Commissioner Precept and Mayoral General Precept (including Fire Services).
- x) The base budget assumptions as set out in the Medium Term Financial Strategy (MTFS) as detailed in Annex A.
- y) The budget gap for the two years 2023/24, £15.70m and 2024/25, £2.70m.
- z) The recurrent budget gap caused by the COVID-19 pandemic is expected to continue into 2022/23 and is estimated that £7.1m will be met from reserves.
- aa) That the Capital Programme for 2022/23, 2023/24 and 2024/25 is to be set at an indicative £209.71m, £143.60m and £64.07m respectively (indicative at this stage as a number of capital grants are not yet known).
- bb) That the Council Tax figures included in the report for the Mayoral Police and Crime Commissioner Precept and Mayoral General Precept (including Fire Services) are the recommended provisional amounts pending their formal approval.

93. CAPITAL STRATEGY, ASSET INVESTMENT STRATEGY, CAPITAL PROGRAMME AND PRUDENTIAL & LOCAL INDICATORS 2022/25

The Executive Member for Finance and Governance and the Director of Finance and Systems submitted a report which highlighted the Council's investment plans for the next three years taking into account the estimated resources to be made available from Government as well as the Council's own resources; and which consisted of Capital Strategy (Appendix 1), General Capital Programme (Appendix 2 – Section 1), Asset Investment Fund (Appendix 2 – Section 2), Prudential and Local Indicators (Appendix 3), Details of Block Budget Allocations (Appendix 4) and Asset Investment Strategy (Appendix 5). An opportunity was provided for Members to raise questions, which centred on risk levels associated with the refreshed Asset Investment Strategy.

RESOLVED -

(1) That approval be given to:

- The Capital Programme as detailed in Appendix 2 to the report.
- Schemes to be undertaken from the "block" budget allocations reported in paragraph 21 and detailed Appendix 4 of the report.

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(2) That it be recommended that Council approve:

- the Capital Strategy included in Appendix 1 to the report;
- the overall Capital Programme in the sum of £417.38m for the period 2022/25, comprising £187.23m in respect of the General Capital Programme and £230.15m for the Investment Fund and
- additional prudential borrowing of £50.52m as detailed in paragraph 12 of the report.
- the Prudential and Local Indicators as set out at Appendix 3 of the report.
- the Asset Investment Strategy included in Appendix 5 of the report.
- the flexible use of capital receipts of up to £0.27m to support the cost of the Modernisation Team in developing the Council's Finance and Change Programme.
- the flexible use of capital receipts strategy as detailed in paragraph 16 of the report.

94. TREASURY MANAGEMENT STRATEGY 2022/23 - 2024/25

The Executive Member for Finance and Governance and the Director of Finance and Systems submitted a report which outlined the strategy to be implemented during this period for investments and borrowing, the outlook for interest rates, the management of associated risks, and the policy to be adopted on Minimum Revenue Provision (MRP) and Prudential Indicators. It was noted that the report had previously been reviewed by the Accounts and Audit Committee.

RESOLVED -That the content of the report be noted and that Council be recommended to approve:

- the Treasury Management Strategy 2022/23 – 2024/25 including the:
- policy on debt strategy as set out in section 4 of the report;
- investment strategy as set out in section 6 of the report;
- Prudential Indicators and limits including the Authorised Limit (as required by section 3(1) of the Local Government Act 2003), Operational Boundary, Minimum Revenue Provision Statement and Investment criteria as detailed in Appendix 3 to the report.

95. STRATEGIC LAND REVIEW PROGRAMME 2022 - 2023 - PART I

The Executive Member Housing and Regeneration submitted a report which advised Members of the outcome of the 2021/22 Land Sales Programme, proposed to continue the Strategic Land Review Programme for the disposal of land and buildings during the financial year 2022/23, seeking the necessary delegations, and advising as to proposals for 2023/24. It was noted that an associated report setting out additional financial details was to be considered in Part II of the agenda, as set out in the relevant Minute below.

RESOLVED -

- (1) That the outcome of the 2021/22 Strategic Land Review Programme Disposals be noted.

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- (2) That the Strategic Land Review Programme for 2022/23 as set out in the report be approved.
- (3) That authority be delegated to the Corporate Director of Place to:
- a. negotiate and accept bids in consultation with the Director of Finance and Systems and Corporate Director for Governance and Community Strategy for all sites listed on the Land Review Programme.
 - b. engage external resources where this will assist in implementing the programme, including a professional team where reasonably required to support a development project.
 - c. Commission, submit and/or authorise as appropriate:
 - i) any applications for planning permission on any properties included in the programme where this will assist in marketing and/or add value, or in any case where the Council is proposing to redevelop the site whether directly or in partnership with another party.
 - ii) any surveys/investigations where such surveys will reduce the risks associated with redevelopment, add value to the capital receipt /revenue return and/or assist with the preparation, submission and resolution of any planning permission application, or any other usual pre-development survey or investigation.
 - iii) any feasibility study or design for the site and or premises in association with either obtaining a planning consent or as part of options appraisal
 - iv) any demolitions or physical alterations that will either reduce the risks associated with holding the premises or accelerate the sale/redevelopment and/or add value to the capital receipt/revenue return.
 - d. offset eligible disposal costs against capital receipts in accordance with capital regulations.
 - e. advertise the intention to dispose of a site in the event that it comprises open space as defined by the Town and Country Planning Act 1990, in accordance with the relevant statutory procedure, and if any objections are received, to refer to the relevant portfolio holder for consideration in consultation with the Executive Member for Environment and Regulatory Services.
 - f. acquire adjacent land or property where the acquisition will either add value to the overall development or de-risk the disposal/development of the Council asset.
 - g. Delegate authority to the Corporate Director of Place, in consultation with the Executive Member for Housing and Regeneration and the Director of Finance and Systems, to add or substitute sites into the programme during the year including sites with a value of over £499,000.
 - h. Transfer sites from Category 1 to Category 2, and vice versa
 - i. commission security services.
 - j. authorise alternative methods of disposal where appropriate.
 - k. authorise community engagement and consultations where the Corporate Director deems it necessary or advantageous.
 - l. In relation to any site currently in development or any site which commences development during this programme, agree any licence or

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- approve the grant of any easement or lease or any other disposal, including where that disposal taken in isolation would constitute a disposal at undervalue, which is designed or intended to implement or facilitate the development.
- m. In relation to the Brown Street and former Sale Magistrates sites, authorise a marketing, pricing and disposal strategy and authorise the sale of plots, either individually or in blocks, including where the anticipated or actual capital receipt exceeds £499,000
- (4) That the Corporate Director of Governance and Community Strategy in consultation with the Corporate Director of Place and, where appropriate, the Director for Finance and Systems, be authorised to finalise and enter into all legal agreements required to implement the above decisions.

96. FEES, CHARGES AND ALLOWANCES 2022/23

The Executive Member for Finance and Governance and the Director of Finance and Systems submitted a report which summarised for Council's approval the salient features of the annual review and pricing of the Council's main fees and charges. The Fees and Charges booklet represented the main fees and charges to the public upon which the Executive's proposed budget for 2022/23 had been based. Fees and charges had been reviewed and amended as appropriate either by regulation or as aligned to the budget and service planning process. It was noted that new charges for 2022/23 or revised wording to existing charges were highlighted, and significant changes referred to, in the report.

RESOLVED - That it be recommended to Council that it approve the following:

- The Fees and Charges for 2022/23 and those relating to Registration of Births, Death & Marriages and Allotments also shown for 2023/24, as set out in the booklet available on the Council's web site;
- That approval is delegated jointly to each Corporate Director with the Director of Finance and Systems to amend fees and charges which are within their respective delegated powers during 2022/23 in the event of any change in the rate of VAT, as appropriate;
- That approval be delegated jointly to each Corporate Director with the Director of Finance and Systems to amend fees and charges during 2022/23 which are within their respective delegated powers where the economics of the charge levels have changed (e.g. costs have risen unexpectedly), or for commercial reasons.

97. EXECUTIVE'S RESPONSE TO SCRUTINY COMMITTEE'S RECOMMENDATIONS TO THE BUDGET PROPOSALS FOR 2022/23

The Executive Member for Finance and Governance and the Director of Finance and Systems submitted a report setting out the Executive's response to the Scrutiny Committee's recommendations, made to the Executive at its meeting on 24 January 2022, in relation to the Budget proposals for 2022/23. The report contained a detailed response to each of the points raised by the Scrutiny Committee in its report. Councillor Acton, as Chair of the Scrutiny Committee, welcomed the response, noting that Scrutiny would continue monitor key issues throughout the forthcoming year, and to work with the Executive on issues of shared concern in relation to budgetary matters.

RESOLVED - That the Executive's response to the Scrutiny Committee, as set out in the report, be approved.

98. EXCLUSION RESOLUTION

RESOLVED - That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

99. STRATEGIC LAND REVIEW PROGRAMME 2022 - 2023 - PART II

The Executive Member Housing and Regeneration submitted a report which set out financial details in relation to land sales proposed as part of the Strategic Land Review Programme. All relevant formal resolutions in respect of this item are set out in the related Minute above.

The meeting commenced at 6.00 p.m. and finished at 6.14 p.m.