

EXECUTIVE – BUDGET MEETING

21 FEBRUARY 2018

PRESENT

Leader of the Council (Councillor Sean Anstee)(in the Chair),
Executive Member for Investment (Councillor A. Williams),
Executive Member for Adult Social Care (Councillor Stephen Anstee),
Executive Member for Children and Families (Councillor M. Whetton),
Executive Member for Communities and Partnerships (Councillor L. Evans),
Executive Member for Corporate Resources (Councillor P. Myers),
Executive Member for Health and Wellbeing (Councillor J. Lamb),
Executive Member for Highways, Parks and Environmental Services (Councillor B. Shaw),
Executive Member for Housing and Strategic Planning (Councillor D. Hopps).

Also present: Councillors Bowker, Brophy, Cordingley, Fishwick, Freeman, Harding, Holden, Hynes, Lloyd and A. Western.

In attendance:

Chief Executive (Ms. T. Grant),
Corporate Director, Transformation and Resources (Ms. J. Hyde),
Corporate Director, Children, Families and Wellbeing (Ms. J. Colbert),
Director of Legal and Democratic Services (Ms. J. Le Fevre),
Chief Finance Officer (Ms. N. Bishop),
Head of Financial Management (Mr. G. Bentley),
Principal Solicitor (Ms. D. Adcock),
Democratic and Scrutiny Officer (Mr. J.M.J. Maloney).

184. DECLARATIONS OF INTEREST

No declarations were made by Executive Members.

185. MATTERS FROM COUNCIL OR OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)

The Executive's response to Scrutiny Committee's Budget Scrutiny report was considered within the suite of budget reports (Minute 188 below refers).

186. EXECUTIVE'S RECOMMENDATIONS TO THE COUNCIL ON THE BUDGET FOR 2018/19, AND THE MEDIUM TERM FINANCIAL STRATEGY (MTFS) FOR 2019/20 AND 2020/21

A number of related reports concerning the Council's Budget and Financial Strategy were considered, as set out in the following Minutes, for recommendation to the Budget Council Meeting.

187. EXECUTIVE'S REVENUE BUDGET PROPOSALS 2018/19 & MTFS 2019/20 - 2020/21

The Executive Member for Corporate Resources and Chief Finance Officer submitted a report which set out the Executive's updated 3 year budget strategy proposals and detailed revenue budget proposals for 2018/19 and Medium Term Financial Strategy (MTFS) for the period 2019/20-2020/21. A copy was presented for Members' consideration of the "Green Sheets" document, setting out details of Budget recommendations to be made to Council, and in particular the Council Tax requirement for 2018/19.

RESOLVED -

That it be recommended that Council approve the following:-

- a) The 2018/19 net Revenue Budget of £164.25 million.
- b) The 2019/20 to 2020/21 Medium Term Financial Strategy (MTFS) including the income and savings proposals.
- c) The calculation of the Council Tax Requirement as summarised in Section 9.1 of the report and set out in the Formal Council Tax Resolution (Green Sheets circulated at Executive and Council);
- d) To increase Council Tax by 4.99% in 2018/19:
 - o 2.99% general increase in the 'relevant basic amount' in 2018/19 and 1.99% in 2019/20 and 2020/21, and
 - o 2% for the 'Adult Social Care' precept in 2018/19 and 1% in 2019/20.
- e) The policy changes as detailed in the report (Section 4.3.1)
- f) The Fees and Charges for 2018/19, as set out in the Fees & Charges booklet.
- g) That approval is delegated jointly to each Corporate Director with the Chief Finance Officer to amend fees and charges during 2018/19 in the event of any change in VAT rate, as appropriate.
- h) That the minimum level of General Reserve for 2018/19 be retained at £6.0 million, as in 2017/18 (Section 7.2).
- i) That the overall Capital Strategy and Programme level of £144.65 million be approved (as detailed in the Capital Strategy & Prudential Indicators report included elsewhere on the agenda) of which £59.42 million relates to 2018/19.
- j) The Prudential Borrowing Indicators as set out in in Appendix 3 and Appendix 4, of both the Treasury Management Strategy and Capital Strategy & Prudential Indicators reports respectively included elsewhere on the agenda.

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- k) The distribution of Dedicated Schools Grant as recommended by the School Funding Forum and Executive as summarised in Section 8 and detailed in Annex I.

That it be noted that, in recommending approval of the above, the Executive has taken into consideration:

- a) The objective assessment by the Chief Finance Officer of the robustness of budget estimates and adequacy of the financial reserves (Section 7.3 and Annex H).
- b) The Executive's response to the Scrutiny Committee's recommendations to the budget proposals as included in a separate report on the agenda.
- c) The Council's Public Sector Equality duty.
- d) The results of the consultation with staff on the extension of the mandatory leave scheme

That it be recommended, In addition, that Council note the following:

- a) The approval on 9 January 2018 under delegated powers by the Chief Finance Officer of the Council Tax Base for 2018/19 at 76,045 Band D equivalents.
- b) Along with the calculation of the estimated Council Tax surplus, sufficient to release £(0.5 million) to support the Council's 2018/19 revenue budget and a distribution of £(69)k and £(25)k representing the respective shares of the Mayoral Police and Crime Commissioner Precept and Mayoral General Precept (including Fire Services).
- c) The base budget assumptions as set out in the Medium Term Financial Strategy (MTFS) as detailed in Annex A.
- d) The budget gap for the two years 2019/20, £6.25 million and 2020/21, £8.85 million.
- e) That the Capital Investment Programme for 2018/19, 2019/20 and 2020/21 is to be set at an indicative £59.42 million, £61.76 million and £23.47 million respectively (indicative at this stage as a number of capital grants not yet known).
- f) 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.
- g) The Treasury Management Strategy 2018/21 detailed elsewhere on the agenda.

188. EXECUTIVE'S RESPONSE TO SCRUTINY COMMITTEE'S RECOMMENDATIONS TO THE BUDGET PROPOSALS FOR 2018/19

On behalf of the Executive, Councillor Myers introduced a report of the Executive Member for Corporate Resources and Chief Finance Officer, setting out key features of the Executive's formal response to the Scrutiny Committee's Budget Scrutiny report. It was noted that progress against key issues would be monitored throughout the year.

RESOLVED - That the Executive's response to Scrutiny be approved.

189. CAPITAL STRATEGY & PRUDENTIAL INDICATORS 2018/21

The Executive Member for Corporate Resources and Chief Finance Officer submitted a report requesting the Executive to recommend to Council key features of the proposed Capital Strategy, General Capital Programme, Capital Investment Strategy and Prudential and Local Indicators 2018-21.

RESOLVED -

- (1) That the Capital Expenditure Strategy as detailed in the report be recommended to Council.
- (2) That Council be recommended to approve the overall Capital Programme in the sum of £144.65m for the period 2018/21.
- (3) That Council be recommended to approve to approve £41.96m of additional prudential borrowing to support revenue generating investment opportunities as detailed in Paragraphs 20 and 21 to the report.
- (4) That Council be recommended to approve the Prudential and Local Indicators as set out at Appendix 4 to the report.
- (5) That the Investment Strategy as detailed in the report be recommended to Council.

190. TREASURY MANAGEMENT STRATEGY 2018/19 - 2020/21

The Executive Member for Corporate Resources and Chief Finance Officer submitted a report outlining the strategy to be followed during this period for investments and borrowing, the outlook for interest rates, management of associated risks, the policy to be adopted on Minimum Revenue Provision (MRP) and Prudential Indicators.

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RESOLVED - That the key elements in the report, as follows, be recommended to Council for approval:

- policy on debt strategy as set out in section 3 to the report;
- investment strategy as set out in section 5;
- 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.

191. FEES, CHARGES & ALLOWANCES 2018/19

The Executive Member for Corporate Resources and Chief Finance Officer submitted a report outlining the salient features of the annual review and pricing of the Council's main fees and charges, and which noted that the booklet providing full details of those fees and charges was available on the Council's website. The Executive Member drew attention to a number of the significant changes proposed.

RESOLVED - That it be recommended to Council that:

- The Fees and Charges for 2018/19, as set out in the booklet available on the Council's web site, be approved;
- Approval be delegated jointly to each Corporate Director with the Chief Finance Officer to amend fees and charges during 2018/19 in the event of any change in the rate of VAT, as appropriate;
- Approval be delegated jointly to the Corporate Director for EGEI in conjunction with the Chief Finance Officer to amend the fees and charges for Pest Control during 2018/19 following a planned review of the service.

The meeting commenced at 6.00 p.m. and finished at 6.09 p.m.