

EXECUTIVE – BUDGET MEETING

19 FEBRUARY 2020

PRESENT

Leader of the Council (Councillor A. Western)(in the Chair),
Executive Member for Children’s Social Care (Councillor C. Hynes),
Executive Member for Ault Social Care (Councillor J. Harding),
Executive Member for Communities and Partnerships (Councillor G. Whitham),
Executive Member for Culture and Leisure (Councillor E. Patel),
Executive Member for Environment, Air Quality and Climate Change (Councillor S. Adshead),
Executive Member for Finance and Investment (Councillor T. Ross),
Executive Member for Health, Wellbeing and Equalities (Councillor J. Slater),
Executive Member for Housing and Regeneration (Councillor J. Wright),
Executive Member for Public Safety, Governance and Reform (Councillor M. Freeman).

Also present: Councillors Acton, Bennett, Blackburn, Boyes, Brophy, Carter, Coggins, Evans, Morgan, Myers, Newgrosh, Thompson and Welton.

In attendance:

Chief Executive (Ms. S. Todd),
Corporate Director, Finance and Systems (Ms. N. Bishop),
Corporate Director, Governance and Community Strategy (Ms. J. Le Fevre),
Corporate Director, People (Ms. S. Saleh),
Corporate Director, Adult Services (Ms. D. Eaton),
Corporate Director, Children’s Services (Ms. J. McGregor),
Deputy Director of Finance (Mr. G. Bentley),
Democratic and Scrutiny Officer (Mr. J.M.J. Maloney).

93. QUESTIONS FROM MEMBERS OF THE PUBLIC

The Leader of the Council advised of the receipt of a question, relevant to Agenda Item 4 (a), Executive’s Revenue Budget Proposals, as follows:

“Where is the investment for the transition to a zero carbon economy? The sooner we invest into CO2 reductions the sooner the council will achieve its strategic priority of improving wellbeing and removing health inequality of Trafford residents.”

The Executive Member for Finance and Investment responded to the question, as follows:

“Sustainability, health and wellbeing are key priorities of the Council and climate change is at the forefront of Council decision making. It has recently set a target of becoming carbon neutral by 2038 and an action plan will be developed over coming months, supported by external experts, to understand and develop the plans we need to put in place with key stakeholders across the borough to address this target.

There are a number of measures in this budget report which provide a start to this process including, substantial investment through the Mayor's Challenge Fund in new cycling and walking schemes and a significant investment in parks and open spaces including new tree planting schemes. There are also proposals to reduce the carbon emissions at Altrincham Crematorium through the introduction of two resomation cremators and further work will be undertaken to understand the business case and financial viability of these proposals."

94. DECLARATIONS OF INTEREST

No declarations were made by Executive Members.

95. EXECUTIVE'S RECOMMENDATIONS TO THE COUNCIL ON THE BUDGET FOR 2020/21, AND THE MEDIUM TERM FINANCIAL STRATEGY (MTFS) FOR 2021/22 AND 2022/23

The Executive Member for Finance and Investment introduced a number of reports, as set out in the subsequent Minutes, relating to the Executive's Budget proposals for 2020/21 and related matters, on which the Executive was requested to make recommendations to the immediately following Budget Meeting of the Council. It was noted that the substantive details of the Budget would be open for debate at that Council Meeting.

96. EXECUTIVE'S REVENUE BUDGET PROPOSALS 2020/21 & MTFS 2021/22 - 2022/23

The Executive Member for Finance and Investment and the Corporate Director of Finance and Systems submitted a report which set out the Executive's updated 3 year budget strategy proposals and detailed revenue budget proposals for 2020/21 and Medium Term Financial Strategy (MTFS) for the period 2021/22-2022/23. Members were advised of an additional precautionary recommendation included since the report's publication, now set out as resolution m) below.

RESOLVED - That it be recommended to Council that it :-

- a) Approves the 2020/21 net Revenue Budget of £175.20m.
- b) Approves the 2021/22 to 2022/23 Medium Term Financial Strategy (MTFS) including the income and savings proposals.
- c) Approves the calculation of the Council Tax Requirement as summarised in Section 9.1 and set out in the Formal Council Tax Resolution in Annex K (any update for changes in Mayoral Police and Crime Commissioner or Mayoral General (incl. Fire Services) Precepts, if any, will be tabled at the Council Meeting);
- d) Approves the proposal to increase Council Tax by 3.99% in 2020/21:
 - o 1.99% general increase in the 'relevant basic amount' in 2020/21, 2021/22 and 2022/23, and

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- 2% for the 'Adult Social Care' precept in 2020/21.
- e) Approves the planned application of earmarked reserves as detailed in Section 6, Para 6.4.2
- f) Approves the Fees and Charges for 2020/21 and those relating to Registration of Births, Death & Marriages also shown for 2021/22, as set out in the Fees & Charges booklet.
- g) Delegates authority jointly to each Corporate Director in consultation with the Corporate Director of Finance and Systems to amend fees and charges during 2020/21 in the event of any change in VAT rate, as appropriate.
- h) Delegates authority jointly to each Corporate Director in consultation with the Corporate Director of Finance and Systems to amend fees and charges during 2020/21 where the economics of the charge levels have changed (e.g. costs have risen unexpectedly), or for commercial reasons.
- i) Approves the proposal to maintain the minimum level of General Reserve for 2020/21 at £7.0m, the same level as in 2019/20 (Section 6.6).
- j) Approves the Capital Strategy, Prudential and Local Indicators and overall level of the Capital Programme and Asset Investment Fund of £368.72m (as detailed in the Capital Strategy, Capital Programme & Prudential Indicators 2020/23) of which £262.11m relates to 2020/21; including the proposal in relation to £106.92 million of new prudential borrowing.
- k) Approves the Treasury Management Strategy 2020/21 to 2022/23, 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.
- l) 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 J.
- m) Due to the late publication of the Final Local Government Finance Settlement, delegate authority to the Corporate Director of Finance and Systems in consultation with the Executive Member for Finance and Investment to vary the level of Budget Support Reserve needed to balance the 2020/21 revenue budget in the event of any change at final settlement.

and confirmed that in recommending approval of the above, it has taken into consideration :

- n) The objective assessment by the Corporate Director of Finance and Systems of the robustness of budget estimates and adequacy of the financial reserves (Section 6 and Annex I).

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- o) The Executive's response to the Scrutiny Committee's recommendations to the budget proposals as included in a separate report on the agenda.
 - p) The Council's Public Sector Equality duty.
 - q) The results of the consultation on the budget proposals where required.

In addition, that it be recommended that Council notes the following :

- r) The approval on 18 January 2020 under delegated powers by the Corporate Director of Finance and Systems of the Council Tax Base for 2020/21 at 77,386 Band D equivalents.
- s) the calculation of the estimated Council Tax surplus, sufficient to release £(1.216)million to support the Council's 2020/21 revenue budget and a distribution of £(180)k and £(70)k representing the respective shares of the Mayoral Police and Crime Commissioner Precept and Mayoral General Precept (including Fire Services).
- t) The base budget assumptions as set out in the Medium Term Financial Strategy (MTFS) as detailed in Annex A.
- u) The budget gap for the two years 2021/22, £15.01m and 2022/23, £5.66m.
- v) That the Capital Programme for 2020/21, 2021/22 and 2022/23 is to be set at an indicative £262.11m, £60.37m and £46.24m respectively (indicative at this stage as a number of capital grants not yet known).
- w) 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.

97. EXECUTIVE'S RESPONSE TO SCRUTINY COMMITTEE'S RECOMMENDATIONS TO THE BUDGET PROPOSALS FOR 2020/21

The Executive Member for Finance and Investment and the Corporate Director of Finance and Systems submitted a report which contained a detailed response to each of the points raised by the Scrutiny Committee in its Budget Scrutiny report which had been presented to the Executive Meeting held on 27 January 2020.

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

*Executive (19.2.20)***98. TREASURY MANAGEMENT STRATEGY 2020/21 - 2022/23**

The Executive Member for Finance and Investment and the Corporate Director of Finance and Systems submitted a report which provided details of all of the key aspects of the proposed Treasury Management Strategy as far as 2023.

RESOLVED -

- (1) That the content of the report be noted.
- (2) That Council be recommended to approve the Treasury Management Strategy 2020/21 – 2022/23 including the:
 - policy on debt strategy as set out in section 3 of the report;
 - investment strategy as set out in section 5 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.

99. CAPITAL STRATEGY, CAPITAL PROGRAMME AND PRUDENTIAL & LOCAL INDICATORS 2020/23

The Executive Member for Finance and Investment and the Corporate 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 consisting of the Capital Strategy, General Capital Programme, Asset Investment Strategy, Prudential and Local Indicators and Details of Block Budget Allocations.

RESOLVED -

- (1) That approval be given to the:-
 - Capital Programme as detailed in Appendix 2 of the report;
 - Schemes to be undertaken from the "block" budget allocations reported in paragraph 21 and detailed Appendix 4 to the report.
- (2) That it be recommended that the Council approve:-
 - the Capital Strategy as included at Appendix 1 to the report;
 - the overall Capital Programme in the sum of £368.72m for the period 2020/23, comprising £168.72m in respect of the General Capital Programme and £200m for the Investment Fund, inclusive of the proposed £100m addition,
 - additional prudential borrowing of £6.92m to support revenue generating investment opportunities as detailed in Paragraph 11 of the report; and £100m to support the Asset Investment Strategy; and
 - the Prudential and Local Indicators as set out at Appendix 3 to the report.

100. STRATEGIC LAND REVIEW PROGRAMME 2020/23

The Executive Member for Housing and Regeneration and the Corporate Director for Place submitted a report which proposed a Strategic Land Review Programme for the disposal of land and buildings during the financial year 2020/21, sought the necessary delegations and advised as to proposals for 2021/22 and 2022/23.

RESOLVED -

- (1) That the Strategic Land Review Programme for 2020/21 as set out in the report be approved.
- (2) That authority be delegated to the Corporate Director Place to:
 - negotiate and accept bids in consultation with the Corporate Director of Finance and Systems and Corporate Director for Governance and Community Strategy.
 - specifically in relation to Brown Street Hale, to negotiate and accept offers from purchasers in respect of the disposal of individual residential apartments in the scheme.
 - engage external resources where this will assist in implementing the programme.
 - 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.
 - ii) any surveys/investigations where such surveys will reduce the risks associated with redevelopment and/or add value to the capital receipt /revenue return.
 - iii) any 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 this will either reduce the risks associated with holding the premise or accelerate the sale/redevelopment and/or add value to the capital receipt/revenue return.
 - offset eligible disposal costs against capital receipts in accordance with capital regulations.
 - 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, Air Quality and Climate Change.
 - 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.
 - add to or substitute sites into the programme during the year.
 - commission security services.
 - authorise alternative methods of disposal where appropriate.

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- (3) That the Corporate Director of Governance and Community Strategy in consultation with the Corporate Director Place and, where appropriate, the Corporate Director for Finance and Systems, be authorised to finalise and enter into all legal agreements required to implement the above decisions.

101. FEES AND CHARGES 2020/21

The Executive Member for Finance and Investment and the Corporate Director of Finance and Systems submitted a report which summarised the salient features of the annual review and pricing of the Council's main fees and charges. Members were advised that the booklet that detailed individual fees and charges could be found on the Council's website in the area supporting the agenda for the current meeting.

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

- The Fees and Charges for 2020/21 and those relating to Registration of Births, Death & Marriages also shown for 2021/22, as set out in the booklet available on the Council's web site;
- That approval is delegated jointly to each Corporate Director with the Corporate Director of Finance and Systems to amend fees and charges during 2020/21 in the event of any change in the rate of VAT, as appropriate;
- That approval be delegated jointly to each Corporate Director with the Corporate Director of Finance and Systems to amend fees and charges during 2020/21 under delegated powers where the economics of the charge levels have changed (e.g. costs have risen unexpectedly), or for commercial reasons.

102. BUSINESS RATES DISCRETIONARY RATE RELIEF POLICY - AMENDMENTS TO INCREASE AND EXTEND RETAIL RATE DISCOUNT, EXTEND LOCAL NEWSPAPER OFFICES RELIEF AND REINTRODUCE PUB DISCOUNT

The Executive Member for Finance and Investment submitted a report which set out, further to a Written Ministerial Statement made on 27 January 2020, proposals to increase and extend Retail Rate Discount, extend local newspaper offices relief and reintroduce Pub Discount.

RESOLVED - That the amendments be approved to the Council's Business Rates Discretionary Rate Relief policy as outlined in the report to ensure it reflects the business rates measures announced in January 2020.

The meeting commenced at 6.00 p.m. and finished at 6.11 p.m.