

Item 6 (d) - Budget and Council Tax Setting 2020/21.

The attached report was considered by the Cabinet, and the relevant minute extract is below:

Cabinet (Minute 64, 4 February 2020)

The Finance and Investments Portfolio Holder presented the report which was the final stage of the budget process that has seen significant member involvement.

If approved, the net expenditure budget for 2020/21 would be £15.6m with the District's Council Tax increasing by 2.3% resulting in Band D Council Tax being £219.96, an increase of £4.95. Provision had also been made for setting up the Net Zero Transition Fund.

The Portfolio Holder was pleased to say that the report once again left the council with a fully funded self-sufficient budget over the next 10 years.

The Chief Officer for Finance and Trading set out that the report contained various appendices including budget amounts for all service areas, growth and savings items recommended as well as pay costs and a risk analysis.

With regards to the 10-year budget, the major changes were listed in Appendix D on p.223. These included:

- a number of growth and savings/additional income items that had previously been presented to Cabinet;
- Council Tax increase of 2.3% in 2020/21 (£4.95 pa for a Band D property) but remaining at 2% for later years;
- increased assumptions for Property Investment Strategy income as presented in the previous report;
- interest receipts increasing from £250,000 to £300,000 per year;
- transferring the Council Tax increase above 2% to a new 'Net Zero Transition Fund'.

The Final Local Government Finance Settlement had not yet been announced but no changes from the provisional settlement affecting this Council were expected.

Appendix J contained a review of reserves which only included one recommendation to set up the Net Zero Carbon Emissions Reserve.

Appendix L summarised the Local Council Tax Reduction Scheme proposed for 2020/21.

He set out that appendices M to Q were not included in the papers but would be included in the Council version of the report after the other preceptors have set their Council Tax. He explained that the report included his opinion, as the Statutory Finance Officer, on the robustness of the budget estimates and adequacy of reserves.

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He explained that the report once again left the Council with a fully funded self-sufficient budget over the next 10 years, a rare achievement in Local Government.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That it be recommended to Council that

- a) the Summary of Council Expenditure and Council Tax for 2020/21 set out in Appendix E be approved;
- b) the 10-year budget 2020/21 to 2029/30 which is the guiding framework for the detailed approval of future years' budgets set out in Appendix B to the report be approved, including the growth and savings proposals set out in Appendix C-D to the report, and that where possible any variations during and between years be met from the Budget Stabilisation Reserve;
- c) the Capital Programme 2020/23 and funding method set out in Appendix H to the report, be approved;
- d) the changes to reserves and provisions set out in Appendix J to the report, be approved; and
- e) the Local Council Tax Reduction Scheme 2019/20, be rolled forward to 2020/21, with effect from 1 April 2020 (Appendix L to the report).