

Item 6 (c) - Budget Setting 2021/22

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

Cabinet (5 November 2020, Minute 140)

The Finance & Investment Portfolio Holder presented the report which was the final stage of the budget process that had seen significant Member involvement. The 2021/22 Budget Setting process had been more challenging than recent years due to the ongoing financial impact of the COVID-19 pandemic. The process had also been shortened to enable savings to be implemented prior to April 2021. The Council Tax for 2021/22 would be set at the Council meeting on 23 February 2021. If approved, the net expenditure budget for 2021/22 would be £16.879m.

The Chairman answered questions from a ward Member related to the future of shared services and the vehicle replacement programme.

The Deputy Chief Executive and Chief Officer - Finance and Trading set out that the report contained various appendices including growth and saving/additional income proposals (SCIAs) listed in Appendix D and detailed in Appendix E.

Appendix H (i), (ii) and (iii) set out the Capital Programme 2021-24, Capital Programme bids and the Capital Strategy 2021/22.

Appendix J contained a review of reserves which included three recommendations including:

- Any variance in the 2021/22 budget is put into the Budget Stabilisation Reserve or absorbed by the reserve;
- The General Fund Reserve be increased from £1.5m to £1.7m to remain as a 10% working balance, and
- Reserves for Sewage, Carry Forward Items, Asset Maintenance, IT Asset Maintenance, Action and Development and others are reduced with £789,000 transferred to the Budget Stabilisation Reserve and £200,000 transferred to the General Fund Reserve.

He explained that the Provisional Local Government Finance Settlement had not yet been announced, and the actual Council Tax Base and other tax setting issues would be reported to Cabinet and Council in February 2021. The report also included his opinion, as the Statutory Finance Officer, on the robustness of the budget estimates and adequacy of reserves.

He explained that based on the changes detailed within the report, the Council would once again have a balanced 10-year budget.

Public Sector Equality Duty

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

Resolved: That

- a) the growth and savings/additional income proposals as set out in Appendix D be included in the budget;
- b) as relates to further growth and saving suggestions put forward by the Advisory Committees listed in Appendix F
 - i) no further suggestion be supported and incorporated into the current budget cycle;
 - ii) the suggestion of a community lottery be discussed further with the Portfolio Holder and Chief Officer;
 - iii) the suggestions of charging for housing register referrals, charging for the private sector management service, hiring out Lullingstone Golf Course and providing services on behalf of the County Council not be taken any further;
- c) it be recommended to Council that the
 - i) summary of the Council Expenditure for 2021/22 set out in Appendix G be approved;
 - ii) 10 year budget 2021/22 to 2030/31 which was the guiding framework for the detailed approval of future years' budgets set out in Appendix B to the report, including the growth and savings proposals set out in Appendix D to the report, and that where possible any variations during and between years be met from the Budget Stabilisation Reserve;
 - iii) Capital Programme 2021/24 and funding method set out in Appendix H(i) and Capital Strategy 2021/22 set out in Appendix H(iii), be approved; and
 - iv) changes to reserves and provisions set out in Appendix J, be approved.