

CABINET - 9 February 2023

MINUTE EXTRACT

Present: Councillors: I Courts, K Grinsell, T Diccico, M Gough, K Hawkins, D Howell, A Mackiewicz, R Sleigh OBE M McLoughlin and K Thomas (substitute)

Officers: Paul Johnson, Deborah Merry, Andrew Kinsey, Joanne Robinson, Sam Gilbert, Jenny Wood (virtual), Ruth Tennant, Pete Campbell, Julie Copper, Martin Clayton and Jane Game

10. BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2023/24 TO 2025/26

The Cabinet was provided with an update on the budget position for 2023/24 and subsequent years and invited to make recommendations on the budget to Full Council on 23 February.

The report also included an updated Medium Term Financial Strategy and Capital Strategy, which Members were asked to consider and recommend to Full Council for approval.

The report summarised the outcome of the Budget Strategy Group (BSG) process and highlighted the changes to the budget proposals made since the Members' Seminar in December 2022. The changes amounted to a significant improvement in the forecasted financial position over the three years to 2025/26, largely as a result of announcements in the Autumn Statement and provisional finance settlement.

In summary, the budget proposals:

- Provided a balanced budget in 2023/24, with proposals to balance in 2024/25 and 2025/26;
- Investment of over £25 million of additional funding in children's social care over the next three years and nearly £15 million of additional funding in adult social care budgets;
- Included over £9 million of savings from the Resources portfolio over the period to 2025/26;
- Maintained a minimum balance of £7.5 million on the budget strategy reserve (BSR) over the three-year MTFs period; and
- Were based on a council tax assumption in each of the three years of 2.0% for social care and 2.99% for the core council.

Tabled at the meeting was a report from the Leader setting out the recommendations he was proposing and the rationale for those decisions being put forward.

In presenting his supplementary report the Leader acknowledged that the budget process had been very challenging with the cost of living increases and pressure in services which had been exceptional. The proposals being put forward still required some saving targets in future years, but it was felt these were achievable.

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The Acting Chief Executive referenced the Structural and Strategic saving targets and pointed out that these were supported by a strategy detailed in the report, and as the Council's Section 151 Officer, he was satisfied with the robustness of the revenue estimates and the adequacy of the proposed financial reserves.

On receiving the report Members sought clarification on a number of points, which Officers provided. It was noted that there were still a number of risks which would need careful management within the proposals. Concern was expressed about the long term security of family hubs. The point was made that savings did not necessarily equate to cuts in services, but better asset management for example.

Members wanted to place on record they're thanks to all Members who had supported the Budget Strategy Group and Officers for all their hard work.

RESOLVED:

- (i) That the Medium Term Financial Strategy 2023/24 – 2025/26, as updated in the Leaders report, and the Capital Strategy (incorporating the Council's strategy on the flexible use of capital receipts and the annual Minimum Revenue Provision (MRP) Statement) be **recommended** for approval by Full Council;
- (ii) That the prudential borrowing requirements for the period of the MTFs, as set out at paragraph 3.32 of the report of the Acting Chief Executive be approved;
- (iii) That the fees and charges proposed within each portfolio (Appendix F of the report of the Acting Chief Executive) be **recommended** for approval by Full Council;
- (iv) That the Council's carbon budget, as outlined at paragraph 3.36 and detailed in Appendix G of the report of the Acting Chief Executive, be **recommended** for approval by Full Council;
- (v) That an increase of 2.99% in the level of general council tax in 2023/24 (to £1,388.02 at Band D), be **recommended** to Full Council for approval;
- (vi) That an increase of 2.00% in the level of the social care precept in 2023/24 (to £204.72 at Band D), be **recommended** to Full Council for approval;
- (vii) That a budget for 2023/24 of £199.250 million funded by total Band D council tax of £1,592.74, be **recommended** to Full Council for approval; and
- (viii) That the requirement for a recorded vote on the budget and the level of council tax at the Full Council meeting on 23 February, be noted.