

## Part A

**Report to:** Finance Scrutiny Committee

**Date of meeting:** Monday, 10 January 2022

**Report author:** (Shared Services) Director of Finance

**Title:** Financial Planning

### 1.0 Summary

1.1 The purpose of this report is to enable the Budget Panel to consider service level expenditure, funding and council tax levels for the medium term 2022/23 to 2024/25, including the use of reserves and the 2022/23 Council Tax calculations.

1.2 The report sets out:

- the revenue budgets for the period 2022/23 to 2024/25 and a revised budget for 2021/22
- the capital programme for the period 2021/22 to 2024/25
- the Council's income charging policy (including the individual Service fees and charges)
- the Capital Strategy 2022/23 including the Treasury Management Policy and Prudential Indicators

all of which are subject to Council approval.

### 2.0 Risks

2.1

<b>Nature of risk</b>	<b>Consequence</b>	<b>Suggested Control Measures</b>	<b>Response</b> (treat, tolerate, terminate or transfer)	<b>Risk Rating</b> (combination of severity and likelihood)
The budgets set are not sufficiently accurate	Creates either inyear budget pressures, underspends or additional borrowing costs	Use of reserves	Treat	6
The Council will not have adequate reserves to manage emerging risks	Reserves diminish	General Fund Balance is set at £2m	Treat	6

### 3.0 Recommendations

#### 3.1 That the Finance Scrutiny Committee:

- Considers the budget (**Attachment 1**) as laid out in the report, including:
  - the base budget for 2022/23
  - the Capital Investment Programme 2021/22 to 2024/25
- Considers the schedule of fees and charges & income charging policy (**Attachment 2**)
- Considers the capital strategy for 2022/23, including the Treasury Management policy and Prudential Indicators. (**Attachment 3**)
- Notes the advice provided by the Director of Finance on the robustness of estimates and the adequacy of reserves
- Notes the indicative budgets for 2023/24 and 2024/25.
- Makes any recommendations to Cabinet

#### **Further information:**

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**Report approved by:** Alison Scott, Shared Director of Finance

### 4.0 Detailed proposal

4.1 The detailed proposals are set out in the attachments to this report.

### 5.0 Implications

#### 5.1 Financial

5.1.1 The financial implications are set out in Attachment 1.

#### 5.2 Legal Issues (Monitoring Officer)

5.2.1 The Group Head of Democracy and Governance comments that the Council must set its 2022/23 budget by 10 March 2022.

5.2.2 It is a statutory requirement that the Capital Strategy is reviewed annually. The report meets the requirement of CIPFA's Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities and complies with the Local Government Act 2003.

5.2.3 It is a statutory requirement that the Chief Financial Officers provides a report under Section 25 of the Local Government Act 2003 on the robustness of estimates used in the budget and the sufficiency of the Council's reserves. This is included in the report.

### 5.3 **Equalities, Human Rights and Data Protection**

5.3.1 Under s149 (1) of the Equality Act the council must have due regard, in the exercise of its functions, to the need to –

- eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act
- advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share them
- foster good relations between persons who share relevant protected characteristics and persons who do not share them.

5.3.2 This report provides an over view of Budget proposals and equalities issues will need to be specifically considered before any changes to existing service levels are introduced.

### 5.4 **Staffing**

5.4.1 There are no staffing issues arising directly from this report.

### 5.5 **Accommodation**

5.5.1 There are no accommodation issues arising directly from this report.

### 5.6 **Community Safety/Crime and Disorder**

5.6.1 There are no community safety issues arising directly from this report.

### 5.7 **Sustainability**

5.7.1 There are no sustainability issues arising directly from this report.

## **Appendices**

- Attachment 1: Budget Setting Report
- Attachment 2: Income Charging Policy (including fees & charges schedule)
- Attachment 2: Capital Strategy (including the Treasury Management Policy and Prudential Indicators for Capital Finance)

## **Background papers**

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

- Financial Planning – Report to Council 26 January 2021
- Finance Digest – Reports to Cabinet