

## POLICY AND RESOURCES COMMITTEE – 22 JANUARY 2019

### PART I - NOT DELEGATED

#### 11. FINANCIAL PLANNING - RECOMMENDATIONS (DoF)

##### 1. Summary

1.1 This report enables the Committee to make its recommendations on the Council's Revenue and Capital budgets and Treasury Management Policy for the period 2019-22 (medium term) to Council on 26 February 2019.

##### 2. Details

###### *Context*

2.1 The Committee is reminded that each report on this agenda needs to be considered before the recommendations on this report are agreed.

###### *Revenue Budget*

2.2 The Committee should agree the revenue budget as amended for any growth or additional savings it proposes to add.

###### *Capital Strategy and Investment Programme*

2.3 The Committee should agree the level of capital investment for 2019/20 to 2021/22 having regard to any balances it wishes to see carried forward.

##### 3. Options/Reasons for Recommendation

3.1 The recommendation below enables the Committee to make recommendations to the Council on 26 February 2019 concerning the Council's strategic, service and financial plans.

##### 4. Policy/Budget Reference and Implications

4.1 The recommendations in this report contribute to the process whereby the Council will approve and adopt its strategic, service and financial plans under Article 4 of the Council's Constitution.

##### 5. Equal Opportunities, Staffing, Environmental, Community Safety, Customer Services Centre, Communications, Health & Safety & Website Implications

5.1 Dependant on budget decisions.

##### 6. Financial Implications

6.1 The key financial implications for the Council are:-

- Officers recommend a minimum prudent revenue balance of **£2,000,000** in the light of the financial and budgetary risks.
- The general fund balance at 31 March 2022 is **£3,508,429**

- The base budgets include efficiency savings of £100,000 in 2019/20, 2020/21 and 2021/22. These have yet to be specifically identified to services.
- A **£5 increase** in its Council Tax charge for 2019/20 and beyond.
- Capital balance is estimated to be **£2,908,443** at 31 March 2022.

## 7. Legal Implications

7.1 The Policy and Resources Committee must forward its recommendations on the budget to Council. The Council must set its 2019/20 budget by 11 March 2019.

## 8. Risk Management Implications

8.1 The Committee should recommend that the financial and budgetary risks identified be incorporated into service plans as appropriate.

## 9. Recommendations

Either

9.1 To Council:-

- (a) That the 2018/19 revised estimates for the revenue account be agreed giving a balance at 31 March 2019 of **£4,266,140**. (*Agenda Item 9 Appendix 1 refers*).
- (b) That the draft revenue estimates in respect of the revenue account for the period 1 April 2019 to 31 March 2022, subject to the changes agreed, be approved (*Agenda Item 9 refers*).
- (c) That it be noted that **£2.0 million** be considered as a prudent minimum balance for the general fund.
- (d) That the financial and budgetary risks be agreed and their management monitored by the Audit Committee. (*Agenda Item 10 refers*).
- (e) That the total capital strategy and investment programme for 2018/19 be agreed at **£33,314,165**. (*Agenda Item 10 Appendix 1 refers*).
- (f) That the arrangements for funding the 2018/19 capital strategy and investment programme resulting in an estimated balance of capital resources at 31 March 2019 of **£8,951,733** be agreed. (*Agenda Item 10 Appendix 4 refers*).
- (g) That the Council notes the capital funding available and approves the Policy and Resources Committee's allocation of funds for the period from 1 April 2019 to 31 March 2022 (*Agenda Item 10 refers*).
- (h) That the Treasury Management Policy 2019/20 - 2021/22 be approved. (*Agenda Item 10 Appendix 6 refers*) and
- (i) That the Council notes the Director of Finance's advice on the robustness of the estimates and the adequacy of the financial reserves.

Or

9.2 That the Policy and Resources Committee notes that the Administration will publish its final recommendations on Financial Planning 2019-2022 five working days prior to the Council meeting on 26 February 2019 and present them at this meeting.

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Background Papers:

2018/19 Budget Monitoring Reports

Fees & Charges Reports to Committees

2018-22 Financial Planning Report