

<b>Committee:</b>	Cabinet	<b>Date:</b>	12 February 2019
<b>Title:</b>	Budget Reports – 2019/20		
<b>Portfolio Holder:</b>	Councillor Simon Howell, Portfolio Holder for Finance and Administration		
<b>Report Author:</b>	Angela Knight, Assistant Director – Resources aknight@uttlesford.gov.uk	<b>Key decision:</b>	No

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## Summary

1. The council is required to prepare detailed budget reports to enable the annual budgets for the General Fund and Council Tax, Housing Revenue Account and the Capital Programme to be set.
2. The Section 151 Officer is also required to provide members with a Section 25 report giving advice and assurance on the reserves position, including the minimum safe level of contingency funds that need to be held and the robustness of any estimates used in the calculation of the proposed budgets. The report also provides commentary on the assumptions in the Medium Term Financial Strategy and any associated plans and strategies.
3. In addition the council is required to prepare a number of supporting strategies:
  - Medium Term Financial Strategy
  - Reserves Strategy
  - Treasury Management Strategy
  - Investment Strategy
  - Capital Strategy
4. An Equality Impact Assessment is attached with this report as Appendix I.

## Recommendations

5. The Cabinet are requested to recommend for approval by the Council the 8 budget reports for 2019/20 as attached in Appendices A to H and the associated Annexes. The reports and individual recommendations are detailed in the table shown in point 10. The Equalities Impact Assessment is attached as Appendix I.

## Financial Implications

6. All financial implications are included in the individual reports as listed in the table in paragraph 10.

## Background Papers

7. None

## Impact

8.

Communication/Consultation	Full consultation carried out with Residents and Businesses
Community Safety	N/A
Equalities	EQIA attached as Appendix I
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	All Wards
Workforce/Workplace	N/A

9. All the budget reports and associated strategies are attached as Appendices A to I and a brief outline of each report is detailed below,

10. In all cases, numbers I - XVIII, The Cabinet is requested to recommend that Council:

Report Title	Purpose of report	Recommendations
<p>Appendix A Section 25 Report - Robustness of Estimates and Adequacy of Reserves</p>	<p>This is a statutory report provided by the S151 Officer, this report provides members with advice and assurances on reserves, safe levels of contingency, assumptions used for estimates and any associated risks. The Reserves Strategy is included as Annexe A1 and details the purpose and lifespan of all the reserves the council holds</p>	<ul style="list-style-type: none"> <li>I. Takes account of the advice in the report when determining the 2019/20 General Fund budget and Council Tax</li> <li>II. Approves the risk assessment relating to the robustness of estimates as detailed in the report</li> <li>III. Sets the minimum safe contingency level for 2019/20 at £1.308 million for the General Fund and £0.499 million for the Housing Revenue Account</li> <li>IV. Adopt the Reserves Strategy set out in Annexe A1</li> <li>V. Agrees that no transfers to or from the Working Balance should be built into the 2019/20 budget</li> </ul>
<p>Appendix B Investment Strategy</p>	<p>Sets out good practice as per MHCLG guidance relating to Local Authorities commercialisation and investment activity. The strategy also details our current investment and future aspirations</p>	<ul style="list-style-type: none"> <li>VI. Adopt the Investment Strategy 2019/20</li> <li>VII. Agrees to the principle of up to £20m of additional borrowing across the 2019/20, 2020/21 and 2021/22</li> </ul>

Report Title	Purpose of report	Recommendations
		<p>financial years for loans to Aspire (CRP) Ltd for future development at Chesterford Research Park; and</p> <p>VIII. Agrees to the principle of up to £80m of additional borrowing across the 2019/20, 2020/21 and 2021/22 financial years for investment outside of Chesterford Research Park</p>
Appendix C Medium Term Financial Strategy	Details all known factors affecting the financial position of the council over a 5 year period, providing a clear and concise view of future sustainability and resilience, allowing for effective longer term planning	IX. Approves The Medium Term Financial Strategy
Appendix D Treasury Management Strategy	Sets out the strategy and governance relating to the council's cash-flow management, use of banks, investments and borrowing, taking into account guidance from our independent advisors and risk appetite	<p>X. Approves the Treasury Management Strategy</p> <p>XI. Approves the amended maximum level of investment with other Local Authorities from £6m to £3m per Local Authority as set out in the counterparties table within the Treasury Management Strategy</p>
Appendix E Capital Strategy	An overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services along with an overview of how associated risk is managed and the implications for future financial sustainability	<p>XII. Approves the Capital Strategy</p> <p>XIII. Approves the Minimum Revenue Provision as set out in Annexe E1</p>

Report Title	Purpose of report	Recommendations
Appendix F Capital Programme	Sets out capital expenditure and the associated financing over a 5 year period for the council's assets, including buildings, vehicles and ICT infrastructure.	XIV. Approves the 5 year Capital Programme
Appendix G Housing Revenue Account (HRA)	Details the spending plans for council housing for 2019/20 and includes the action plan for the 30 year business plan developed as part of the self-financing arrangements	XV. Approves the Housing Revenue Account
Appendix H General Fund Revenue and Council Tax	Details all the income, expenditure and use of reserves during the financial year 2019/20, sets out the proposals for the council's council tax precept	XVI. Approves the General Fund Council Tax requirement of £5,657,106 XVII. Approves the schedule of fees and charges as set out in Annexe H6
Appendix I Equalities Impact Assessment	This is to show that when making decisions on setting the budget and strategies we have ensured that no person and/or persons with protected characteristics have been disadvantaged	XVIII. Note the outcome of the EQIA

### Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
Included in the individual appendices			

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.