

Committee:	Council	Date:
Title:	Medium Term Financial Strategy and Budget Proposals - 2021/22	Tuesday, 23 February 2021
Portfolio Holder:	Portfolio Holder for Finance and Budget	
Report Author:	Angela Knight, Assistant Director - Resources aknight@uttlesford.gov.uk	Key decision: N

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
 - Commercial Strategy
 - Capital Strategy
4. The Council is required to consider and approve the Council Tax Resolution for 2021/22 which sets the combined Band D equivalent for all preceptors.
 - Essex County Council
 - Police, Fire & Crime Commissioner for Essex – Policing and Community Safety
 - Police, Fire and Crime Commissioner for Essex - Fire and Rescue Authority
 - Uttlesford District Council
 - Town and Parish Councils
5. The Commercial Strategy was approved by the Investment Board on the 21 January 2021 and the Housing Rent and Service Charges for the Housing Revenue Account were recommended for approval by the Tenants Forum and the Housing Board.
6. The Scrutiny Committee reviewed all the budget reports at their meeting on the 2 February and will provide comments as a separate item on tonight's agenda.

Recommendations

7. The Council is requested to approve;
 - 2021/22 Budget strategies and reports as set out in Appendices A to H of this report and the associated Annexes for Approval by Council.
 - Council Tax Resolution for 2021/22 – Appendix I

The reports and individual recommendations are set out in the table at the end of this report

Financial Implications

8. All financial implications are included in the individual reports and strategies

Background Papers

9. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.
<https://www.gov.uk/government/collections/final-local-government-finance-settlement-england-2021-to-2022>

Impact

- 10.

Communication/Consultation	Members, CMT and Budget Holders
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

Report Title	Purpose of report	Recommendations
Appendix A Section 25 Report - Robustness of Estimates and Adequacy of Reserves	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. Annexe A1 provides details of all the reserves held by the Council	<ul style="list-style-type: none"> I. Take account of the advice in the report when determining the 2021/22 General Fund budget and Council Tax II. Review the risk assessment relating to the robustness of estimates as detailed in the report III. Set the minimum safe contingency level for 2021/22 at £1,458,615 million for the General Fund and £463,865 million for the Housing Revenue Account IV. Agree that no transfers to or from the Working Balance should be built into the 2021/22 budget
Appendix B Commercial Strategy	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	V. Cabinet recommends the approval of the Commercial Strategy 2021 - 2026
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	VI. Cabinet recommends the approval of 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	VII. Cabinet recommends the approval of the Treasury Management Strategy

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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	Cabinet recommends the approval of VIII. the Capital Strategy IX. the Minimum Revenue Provision (MRP) Policy
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.	X. Cabinet recommends the approval of the 5 year Capital Programme
Appendix G Housing Revenue Account (HRA)	Details the spending plans for council housing for 2021/22 and includes the action plan for the 30 year business plan developed as part of the self-financing arrangements	XI. Cabinet recommends the approval of 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 2021/22, sets out the proposals for the council's council tax precept	Cabinet recommends the approval of XII. the General Fund Council Tax requirement of £6,158,684 XIII. the use of reserves XIV. the schedule of fees and charges as set out in Annexe H6 XV. that delegated authority is given to the Director of Public Services to amend the S106 monitoring fee, Port Health fees and trade waste fees.
Appendix I Council Tax Resolution	Sets out the combined and individual Council Tax Band D equivalent for all preceptors, for the financial year 2021/22	XVI. Approve the Council Tax Resolution for 2021/22

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
All risks are 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.