

## RECORD OF EXECUTIVE DECISION

Tuesday, 15 December 2020

**Decision No:** (CAB 20/21 30878)

DECISION-MAKER:	CABINET
PORTFOLIO AREA:	Cabinet Member for Finance and Income Generation
SUBJECT:	Budget Matters: update on budget for 2021/22 including COVID, budget shortfall and potential savings.
AUTHOR:	Steve Harrison

### THE DECISION

Cabinet:

- i) Notes the update within this report and the assumptions it has been necessary to make at this stage. Also that given the uncertainty involved, the pending local government finance settlement will be more crucial than ever in influencing the final budget proposals.
- ii) Notes the budget pressures which have been included in the forecast which are set out in paragraphs 27 to 29 and appendix 2.
- iii) Note the initial savings set out in paragraph 35 to 37 and appendix 4.
- iv) Notes that the budget proposals for conversation and consultation are based on the assumption that they will recommend a Council Tax increase, as outlined in paragraph 30, being 1.99% for a core increase and 2% extra specifically for Adults Social Care.
- v) Further notes that the Spending Review 2020 announced social care authorities will be able to charge a 3% precept to help fund pressures in social care. This is 1% more than the current draft budget assumption for 2021/22. Cabinet are asked to await the details of the provisional local government finance settlement and the funding it will provide before assessing if this extra flexibility on council tax should be considered.
- vi) Note the formal public consultation on the draft budget proposals will commence on 16 December 2020 and run until 19 January 2021 but that later comments received via paper consultation very shortly after this date will still be considered.
- vii) Notes that even with the proposals contained in this report, a budget shortfall of £3.97M is still currently forecast. Further work will therefore be needed should this gap persist once the provisional local government finance settlement is announced.
- viii) Notes the amendments to the capital programme contained in paragraphs 44 to 46.

## **REASONS FOR THE DECISION**

This report is submitted for consideration as part of good practice establishing draft budget proposals in advance of the financial year.

The production of a financial forecast and an outline timetable are a requirement of the Council's Budget and Policy Framework Procedure Rules.

In addition, it is good practice for the Council to consult with a range of stakeholders on its proposals for developing the budget. The recommendations in this report have therefore been put forward to allow this process to formally begin.

## **DETAILS OF ANY ALTERNATIVE OPTIONS**

The proposals presented in this report represent the Cabinet's initial proposals for the 2021/22 budget and medium term, which are being published for consultation. There are a number of variables and alternative options that could be implemented as part of the budget. The budget will be set by Full Council in February 2021.

## **OTHER RELEVANT MATTERS CONCERNING THE DECISION**

None.

## **CONFLICTS OF INTEREST**

None.

## **CONFIRMED AS A TRUE RECORD**

We certify that the decision this document records was made in accordance with the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000 and is a true and accurate record of that decision.

Date: 15<sup>th</sup> December,  
2020

Decision Maker:  
The Cabinet

Proper Officer:  
Claire Heather

**SCRUTINY**

Note: This decision will come in to force at the expiry of 5 working days from the date of publication subject to any review under the Council's Scrutiny "Call-In" provisions.

Call-In Period expires on

Date of Call-in *(if applicable) (this suspends implementation)*

Call-in Procedure completed *(if applicable)*

Call-in heard by *(if applicable)*

Results of Call-in *(if applicable)*