

COUNCIL

THURSDAY, 21ST FEBRUARY 2019

MINUTES FOR CONFIRMATION

CABINET

WEDNESDAY, 6 FEBRUARY 2019

56. Budget 2019/20 and Beyond

Councillor Russell Holland, the Cabinet Member for Finance, and the Director of Finance submitted joint report

proposing a Budget for 2019/20 and setting out the financial context for 2020/21 and beyond.

It was noted that, under the Council's Constitution, the Cabinet is required to recommend a budget to Council as part of its formal Council Tax Setting responsibilities.

Councillor Holland introduced the report, advising the meeting of responses that had been received to the Council's public consultation on its budget proposals and placing the draft budget and the proposed increase in Council Tax in the context of the key financial challenges, particularly the continuing challenges facing Children's Services and the measures being taken to mitigate that budget pressure, and his own confidence that the Council's budget strategy will secure the long term viability of its service provision for Swindon residents.

Following his introduction of the report, Councillor Holland, supported by Councillors Oliver Donachie, Gary Sumner and the Leader of the Council, and the Director of Finance, responded to questions put by Councillors Jim Grant and Bob Wright on (i) the focussing of the Vision and budget proposals on social deprivation and the provision of more social housing and improved social services, (ii) the responses to issues raised by the Scrutiny Committee in respect of the approach to fees and charges and the surplus on the collection fund, (iii) provision for the delivery of the Council's cultural offer objectives, and (iv) the Council's Reserves Policy.

Resolved – (1) That it be noted that:

- a) The medium term financial context and impact on Swindon of the draft Local Government Finance settlement;
- b) The projected out-turn for 2018/19;
- c) The consultation feedback, summarised in Appendix 3, in relation to the

- Budget proposals presented to Cabinet in December 2018;
- d) That the detailed Dedicated Schools budget for 2019/20 has been set within the provisional funding envelope of £184.7m;
 - e) That, in line with the requirements of the Local Government Act 2003, the Director of Finance, in his Section 151 capacity, confirms the robustness of the estimates underlying the recommended Budget and having reviewed the financial risks being faced by the Council concludes that the proposed minimum level of general reserves is adequate in the context of the earmarked reserves held, specific contingencies and the proposed budget risk contingency of £3.5m.
- (2) That the 2018/19 virements, set out in Appendix 2 to the report, be agreed.
- (3) That the medium term financial strategy, set out in Appendix 6 to the report, be endorsed.
- (4) That the specific reserves held in support of the 2019/20 Revenue Budget, set out in Appendix 5 to the report, be agreed.
- (5) That the Director of Finance be authorised to balance any changes between the provisional local government finance settlement and the final numbers expected to be released by mid-February by adjusting the Budget Risk Contingency.
- (6) That Council be recommended that, subject to any changes resulting from the Government's announcement of the final local government finance settlement for 2019/20:**
- a) The 2019/20 Budget be set at £142.497m.**
 - b) The council tax be increased by 3.99%, comprising 2.99% for the basic amount of council tax and a specific adult social care precept of 1%.**
 - c) It be determined that the proposed increase in the basic amount of Council Tax for 2019/20 is not excessive in accordance with Schedule 5 of the Localism Act 2011 and therefore does not trigger the requirement for a referendum.**
- (7) That the respondents to the Council's budget consultation exercise be thanked for their contribution.

The reasons for the decision and alternative options are as set out in the report to the meeting.

57. Capital Programme 2019/2020

Councillor Russell Holland, the Cabinet Member for Finance, and the Director of Finance, submitted joint report advising Cabinet of the new Capital Programme requirements for the year 2019/20 and the Capital Strategy for 2019/20 to 2023/24.

Councillor Holland responded to questions put by Councillors Dale Heenan and Bob Wright regarding (i) alternative budget proposals received in response to the formal

consultation, (ii) provision to alleviate recognised traffic management problems in Rodbourne, and (iii) the approval of the Local Transport Plan Capital Programme for 2019/20.

Resolved – (1) That the Devolved Formula Capital Grant is distributed once it has been received from Government as detailed in paragraph 3.12 of the report.

(2) That a budget of £1.018m be approved for the schemes referred to in paragraphs 3.3 to 3.12 of the report and detailed at Appendix 1 to the report.

(3) That a total budget of £5.074m be approved for the 2019/20 local priority Highways and Transport schemes, referred to in paragraphs 3.13 to 3.22 of the report and detailed at Appendix 2 to the report.

(4) That a total budget of £3.676m be approved for 2018/19 for Corporate & Property schemes, as referred to in paragraphs 3.23 to 3.32 of the report and detailed at Appendix 3 to the report.

(5) That a total budget requirement of £1.317m be approved for Children's & Older Peoples proposals, as referred to in paragraphs 3.33 to 3.36 of the report and detailed at Appendix 4 to the report.

(6) That the use of CIL receipts be approved to support the existing capital programme of works at Junction 16, as detailed in paragraph 3.37.

(7) That the Capital Strategy 2019/20 – 2023/24, attached at Appendix 5 to the report, be approved.

(8) That Council be recommended to approve the Investment Strategy, attached as Annexe 3 to Appendix 5 of the report.

The reasons for the decision and alternative options are as set out in the report to the meeting.

58. Treasury Strategy Statement 2019/20

Councillor Russell Holland, the Cabinet Member for Finance, and the Director of Finance submitted a joint report advising Cabinet of the Treasury Management Strategy for 2019/20, including Prudential Indicators up to 2023/24, the Annual Investment Strategy, and the Minimum Revenue Provision Policy Statement.

Resolved – (1) That Council be recommended:

- a) To approve the Treasury Management Strategy, Minimum Revenue Provision Policy and Prudential Indicators, as set out in Appendix 1 to the report.**
- b) To approve the terms of the UK Municipal Bond Agency, as set out in Appendix 2 to the report.**

(2) That the loan facilities to Swindon Music Services, outlined in paragraph 3.23 of the report, be approved.

The reasons for the decision and alternative options are as set out in the report to the meeting.