

6c. REFERRAL FROM FINANCE, ADUIT AND RISK COMMITTEE: REVENUE BUDGET 2022-2023

RECOMMENDED TO CABINET:

- (1) Approves the decrease in the 2021/22 working budget of £111k, as detailed in table 5;
- (2) That Cabinet recommends to Council to note the position on the Collection Fund and how it will be funded;
- (3) That Cabinet recommends to Council to note the position relating to the General Fund balance and that due to the risks identified a minimum balance of £2.95 million is recommended;
- (4) That Cabinet recommends to Council to approve the saving and investments as detailed in Appendix B;
- (5) That Cabinet recommends to Council to approve a net expenditure budget of £18.123m, as detailed in Appendix C.
- (6) That Cabinet recommends to Council to approve a Council Tax increase of £5 or a band D property (other bands with pro-rata increases). This is in line with the Medium Term Financial Strategy and is equivalent to 2.08%.

REASON FOR RECOMMENDATIONS: To ensure that all relevant factors are considered in arriving at a proposed budget and Council Tax level for 2022/23, to be considered by Full Council on 10 February 2022. To ensure that the budget is aligned to Council priorities for 2022/23 as set out in the Council Plan.

The Service Director – Resources presented the report entitled Revenue Budget 2022/23 and advised:

- Paragraph 5.2 details the Business Ratepayers statutory consultation;
- Paragraph 8.1 to 8.6 summarises some of the key savings investments and are generally in line with what was presented at budget workshops;
- Paragraph 8.20 details that as Chief Finance Officer, it is required that advice be provided on what is the minimum General Fund balance;
- Paragraph 8.21 provides a table of a budget provision, set aside for COVID impact in both 2022/23 and 2023/24;
- The COVID provision money will be set aside in one general pot to be allocated as required;
- Paragraph 8.24 and 8.25 detail that the Council will need to borrow at the end of the period;
- Paragraphs 8.26 to 8.30 provides a commentary on the reliability of estimates within the budget, as well as mentioning the CIPFA financial resilience index which is yet to be published;
- Paragraph 8.32 highlights that the overall impact is that the Council needs to find a minimum of 1.5m savings over the next 5 years.

The following Members asked questions:

- Councillor Terry Hone

In response to questions asked, the Service Director – Resources advised:

- The Alternative Financial Model is accounted a year in arrears, the amount stated in 2022/23 is based on the performance of 2021/22. There is a risk this year that the Council won't receive anything. The amount of the year after is an estimate based on County Council information.

Following the vote, it was:

RECOMMENDED TO CABINET:

- (7) Approves the decrease in the 2021/22 working budget of £111k, as detailed in table 5;
- (8) That Cabinet recommends to Council to note the position on the Collection Fund and how it will be funded;
- (9) That Cabinet recommends to Council to note the position relating to the General Fund balance and that due to the risks identified a minimum balance of £2.95 million is recommended;
- (10) That Cabinet recommends to Council to approve the saving and investments as detailed in Appendix B;
- (11) That Cabinet recommends to Council to approve a net expenditure budget of £18.123m, as detailed in Appendix C.
- (12) That Cabinet recommends to Council to approve a Council Tax increase of £5 or a band D property (other bands with pro-rata increases). This is in line with the Medium Term Financial Strategy and is equivalent to 2.08%.

REASON FOR RECOMMENDATIONS: To ensure that all relevant factors are considered in arriving at a proposed budget and Council Tax level for 2022/23, to be considered by Full Council on 10 February 2022. To ensure that the budget is aligned to Council priorities for 2022/23 as set out in the Council Plan.

The reports considered by the Committee can be found at Item 7 here: [Agenda for Finance, Audit and Risk Committee on Monday, 17th January, 2022, 7.30 pm - North Hertfordshire District Council \(north-herts.gov.uk\)](#)