

8A REFERRAL FROM CABINET: 31 JANUARY 2023 – FINAL REVENUE BUDGET 2023/24

RECOMMENDED TO COUNCIL: That Council

- (1) Notes the position on the Collection fund and how it will be funded.
- (2) Notes the position relating to the General Fund balance and that due to the risk identified a minimum balance of £2.5million was recommended.
- (3) Notes the net revenue savings that are likely to be required in future years, combined with the Chief Finance Officer's commentary on the reliability of estimates and the resilience index.
- (4) Approves the revenue savings and investments as detailed in Appendix B.
- (5) Approves a net expenditure budget of £18.123m, as detailed in Appendix C.
- (6) Approves a Council Tax increase of 2.99%, which was in line with the provisions in the Medium term Financial Strategy.
- (7) Approves that the revenue investment for leisure centre condition surveys (as detailed in Appendix B, reference R13) was brought forward so that it can be spent in 2022/23.
- (8) Approves an additional revenue investment (for 2023/24 only) to create a Community Wealth Fund of £100k to support the local community in delivering projects that have wider community benefits.

REASON FOR REFERRALS:

- (1) To ensure that all relevant factors are considered in arriving at a budget and Council Tax level for 2023/24 as set out in the Council Plan.

Councillor Ian Albert, the Executive Member for Finance and IT, presented the report entitled Final Revenue Budget 2023/24, including:

- The report covered various elements of setting the budget for 2023/24.
- Overall, the Government settlement was better than forecast but was less than inflation, which would have an impact on the Council and its residents.
- Paragraph 8.24 advised that the medium and short term positions were better than forecasts, so less reserves will be used.
- Based on current forecasts, the Council could afford to be slower with the delivery of savings so that they could hopefully be delivered when the Cost-of-Living crisis had subsided, but overall needed to deliver annual savings of £2.5million in future.
- Paragraph 8.27 detailed uncertainties that may affect saving levels and timings.
- Paragraph 8.22 advised that it was sensible to set aside a central budget for the ongoing impacts of COVID, which would need to be reviewed.
- The report advised a Council Tax increase of 2.99%, which would help to try and maintain services in the medium term.
- The Capital Programme would be reviewed as there was significant revenue impacts arising from the forecasted capital spends.

- Overall, the Revenue Budget for 2023-2024 was prudent and affordable.
- The Executive Member proposed an additional recommendation which would create a Community Wealth Fund for one year, totalling £100k.

The following Members and participants asked questions:

- Councillor Ian Albert
- Councillor Steve Jarvis

In response to the Member's question, the Service Director – Resources advised:

- He was made aware of the Mausoleum item after the two reports were written.
- The Mausoleum item had three knock-on impacts: reduce the savings in future years, remove the capital line in relation to the building of the new Mausoleum and release the Mausoleum specific reserve back into the General Fund reserve.

The Chair confirmed the recommendations to Members.

Councillor Ian Albert proposed and Councillor Elizabeth Dennis-Harburg seconded and after a vote it was:

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The report considered by Cabinet at the meeting held on 31 January 2023 can be viewed at Minute 54 here: [Agenda for Cabinet on Tuesday, 31st January, 2023, 7.30 pm | North Herts Council \(north-herts.gov.uk\)](https://www.north-herts.gov.uk/agenda-for-cabinet-on-tuesday-31st-january-2023-7-30-pm)