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To: The Chair and Members
of the Cabinet

County Hall
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Date: 3 February 2022

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CABINET

A G E N D A

- 7 Revenue Budget and Medium Term Financial Strategy 2022/23 - 2025/26 and
Capital Programme 2022/23 - 2026/27 – Covering Report and Recommendations
(Pages 1 - 4)

DF/22/17

Cabinet

11th February 2022

REPORT ON THE REVENUE BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2022/23 - 2025/26 AND THE CAPITAL STRATEGY 2022/23 - 2026/27

Report of Director of Finance

Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect.

Recommendations:

It is recommended that Cabinet:

- 1) Have full regard to the responsibilities placed upon the Council in the exercise of its Public Sector Equality Duty under s149 of the Equality Act 2010 (as set out in the 'Budget 2022/23 Impact Assessment' circulated previously for the purposes of this meeting, and specific impact assessments undertaken as part of the budget's preparation) in considering the proposals and their impact, before making a decision;
- 2) Have regard to the views of the Council's Scrutiny Committees, the Devon Education Forum, the Business Community, the Voluntary Sector, and the Trades Unions and other consultees on the budget (set out elsewhere on the agenda);
- 3) Note the Provisional Settlement Funding of £103.2 million;
- 4) Approve the budgets (pages 40 to 87) within the targets set;
- 5) Recommend to Council the Net budget of £560.1 million as set out in Key Table 1 on page 8;
- 6) Recommend to Council that a 1% Adult Social Care Precept is set as set out in Key Table 2 page 9;
- 7) Recommend to Council that the Council Tax requirement be set at £462,193,800.97 as set out in Key Table 2 page 9;
- 8) Recommend to Council the precepts required from each District Council and the levels of County Council Tax for each of the eight property valuation bands consequent upon the budget as amended by adjustments in collection in the current year, as set out in Key Table 2 on page 9;
- 9) That members note the new Fees & Charges proposed for 2022/23;
- 10) That members note that in line with financial regulations, changes to existing charges will be agreed by the appropriate Cabinet Member and Chief Finance Officer via a Delegated Decision; and
- 11) Note the Medium Term Financial Strategy 2022/23 - 2025/26 as set out on pages 89 to 113;

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- 12) Take account of the risks outlined on pages 167 to 189 in determining the final service budgets, levels of reserves and Council Tax figure to be recommended to the Council;
- 13) Note the County Fund Balance and Earmarked Reserves 2022/23 as set out on pages 114 to 120;
- 14) Recommend to the Council the Capital Programme Overview 2022/23 - 2026/27 set out on pages 19 to 37;
- 15) Recommend to the Council the Capital Programme for 2022/23 of £165.2 million and its financing as shown in Summary Table D on page 27;
- 16) Approve, for planning purposes, the indicative Capital Programmes for 2023/24, 2024/25, 2025/26 and 2026/27 shown in summary Table D on page 27. These levels will be reviewed in the light of the overall level of revenue and capital resources available to the Council for each year
- 17) Recommend to the Council that it adopts the Treasury Management Strategy 2022/23 - 2025/26 as set out on pages 121 to 154;
- 18) Recommend to the Council the Prudential Indicators for 2022/23 to 2026/27 contained pages 121 to 154;
- 19) Delegate to the Director of Finance the authority to effect movements between the separately agreed limits for borrowing and other long-term liabilities; and
- 20) Recommend to the Council the Capital Strategy 2022/23 - 2026/27 contained on pages 155 to 166.

Introduction

This report covers the Revenue Budget for 2022/23, Medium Term Financial Strategy to 2025/26 and Capital Strategy 2022/23 to 2026/27. This includes an assessment of the adequacy of reserves, a range of prudential indicators concerning the financial implications of the capital programme and an assessment that identifies risks associated with the budget strategy, together with how these risks will be managed.

The budget book contains details of the County Council's revenue and capital budgets together with associated financial and operational information.

The Council's financial plans are drawn up with reference to:

- the County Council's major policies and objectives;
- the County Council's performance framework;
- demographic changes occurring within the county; and
- consultation with local residents, businesses and other stakeholders.

At the time of writing this report the final Local Government financial settlement (Settlement Funding Assessment) for 2022/23 has not been announced. The Provisional settlement was announced as £103.2 million and any change to this by the Final settlement will be made verbally at the Cabinet meeting.

The Budget Book attached to this report contains:

- Revenue Budget Overview;
- Statement on the Robustness of the Budget Estimates, the Adequacy of Reserves and Affordability of the Capital Strategy;
- Capital Programme Overview 2022/23 - 2026/27;
- Service Budgets;
- Fees & Charges;
- Medium Term Financial Strategy 2022/23 - 2025/26;
- County Fund Balance and Earmarked Reserves 2022/23;
- Treasury Management Strategy 2022/23 - 2025/26 and Prudential Indicators 2022/23 - 2026/27;
- Capital Strategy 2022/23 - 2026/27;
- Risk Analysis of Volatile Budgets; and
- Abbreviations.

Members are asked to consider each part of this consolidated budget report.

Equality Impact and Needs Assessments

Equality Impact and Needs Assessments have been completed and were considered when the budget was set. These are available at

<https://www.devon.gov.uk/impact/budget22-23/>

More Information

Contact details are provided throughout the budget book, for any general budget issues please contact Mat Thorpe, Deputy Director of Finance on 01392 381310.

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Angie Sinclair

Electoral Divisions: All

Local Government Act 1972

List of Background Papers

Contact for Enquiries: Angie Sinclair

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Background Paper

Date 7th February 2022 File Ref Nil

Detailed Budget Working Papers

Cabinet Member: Councillor Phil Twiss

