

REPORT ON THE REVENUE BUDGET AND MEDIUM TERM FINANCIAL STRATEGY 2021/22 - 2024/25 AND THE CAPITAL STRATEGY 2021/22 - 2025/26

Report of County Treasurer

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 2021/22 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 Final Settlement Funding of £103.2 millions;
- 4) Approve the budgets (pages 42 to 89) within the targets set;
- 5) Recommend to Council the Net budget of £545.505 millions as set out in Key Table 1 on page 9;
- 6) Recommend to Council that a 3% Adult Social Care Precept is set as set out in Key Table 2 page 10;
- 7) Recommend to Council that the Council Tax requirement be set at £440,441,821.24 as set out in Key Table 2 page 10;
- 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 10;
- 9) That members note there are no new Fees & Charges proposed for 2021/22;
- 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 2021/22 - 2024/25 as set out on pages 91 to 113;
- 12) Take account of the risks outlined on pages 150 to 166 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 2021/22 as set out on pages 114 to 121;
- 14) Recommend to the Council the Capital Programme Overview 2021/22 - 2025/26 set out on pages 19 to 37;
- 15) Recommend to the Council the Capital Programme for 2021/22 of £147.355 millions and its financing as shown in Summary Table D on page 27;
- 16) Approve, for planning purposes, the indicative Capital Programmes for 2022/23, 2023/24, 2024/25 and 2025/26 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 2021/22 - 2024/25 as set out on pages 122 to 138;
- 18) Recommend to the Council the Prudential Indicators for 2021/22 to 2025/2026 contained pages 122 to 138;
- 19) Delegate to the County Treasurer 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 2021/22 - 2025/26 contained on pages 139 to 149.

Introduction

This report covers the Revenue Budget for 2021/22, Medium Term Financial Strategy to 2024/25 and Capital Strategy 2021/22 to 2025/26. 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.

The final Local Government financial settlement (Settlement Funding Assessment) for 2021/22 has now been announced and is £103.2 millions which is the same as 2020/21.

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 Strategy and Programme Overview 2021/22 - 2025/26;
 - Service Budgets;
 - Fees & Charges;
 - Medium Term Financial Strategy 2021/22 - 2024/25;
 - County Fund Balance and Earmarked Reserves 2021/22;
 - Treasury Management Strategy 2021/22 - 2024/25 and Prudential Indicators 2021/22 - 2025/26;
 - Capital Strategy;
 - 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/budget-2021-2022/>

More Information

Contact details are provided throughout the budget book, for any general budget issues please contact Angie Sinclair, Deputy County Treasurer on 01392 380711.

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Mary Davis

Electoral Divisions: All

Local Government Act 1972

List of Background Papers

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Background Paper Date 8th February 2021 File Ref Nil

Detailed Budget Working Papers

Cabinet Member: Councillor John Hart