

## **Meeting of the Full Council**

**Meeting to be held on Thursday, 11 February 2021**

Report of the Chief Executive and Director of Resources

**Part A**

Electoral Division affected:  
All

**Revenue Budget 2021/22 and Financial Strategy 2021/22 to 2023/24**

**Capital Delivery Programme 2021/22**

**Capital Strategy 2021-2041**

**Council Tax and Precept 2021/22**

**Treasury Management Strategy and Non-Treasury Investment Strategy 2021/22**

**Minimum Revenue Provision Statement 2021/22**

(Appendices 'A' - 'F' refer)

Contact for further information:

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### **Executive Summary**

To consider the recommendations of the Cabinet regarding:

1. The revenue budget 2021/22 and financial strategy 2021/22 to 2022/23: section 1 of this report and Appendix A;
2. The capital delivery programme 2021/22: section 2 of this report and Appendix A;
3. The capital strategy 2021-2041: section 3 of this report and Appendix C; and
4. The council tax and precept 2021/22: section 4 of this report.

To consider the recommendations of the Audit, Risk and Governance Committee on 25 January 2021 regarding:

5. The treasury management strategy and non-treasury investment strategy and the minimum revenue provision policy statement for 2021/22, as shown in Appendices D, E & F.

## **Recommendation**

The Full Council is asked to consider and approve:

- The revenue budget for 2021/22 and financial strategy 2021/22 to 2023/24;
- The capital delivery programme for 2021/22;
- The capital strategy 2021-2041;
- The council tax requirement and precept for 2021/22 including the level of Band D council tax for 2021/22 reflecting a 4.99% increase including 3% to be used for adult social care as per the new flexibilities.
- The treasury management strategy, non-treasury investment strategy and minimum revenue provision policy statement 2021/22 (as set out at Appendices D, E & F).

The Full Council is asked to note and have regard to the advice of the Chief Executive and Director of Resources in relation to the robustness of the budget and the adequacy of reserves.

## **Background and Advice**

### **1. Revenue Budget 2021/22**

The revenue budget as set out in Appendix A and in the tables below, presents the proposed budget allocations to services and other budget areas. In reports throughout the financial year to cabinet, it is clear that the council remains committed to the delivery of a significant savings programme (c£24m over the period 2021/22 to 2022/23). There are inherent risks with saving plans of this scale and scope, particularly in light of the impact of the current pandemic, and any significant under-delivery of agreed savings will further increase the funding gap. This has been identified as one of the highest level risks in the council's risk and opportunity register and there are comprehensive arrangements in place to track delivery of financial savings and take corrective actions as required. Following the Provisional Settlement and the announcement of additional funding for social care and the flexibility to raise an Adult Social Care Precept, the council is able to set a balance budget without recourse to reserves.

<b>Revenue Budget 2021/22</b>	<b>Net Budget £m</b>
Adult Services	376.740
Adult Services and Public Health and Wellbeing	7.547
Chief Executive Services	3.545
Children's Social Care	162.705
Corporate Services	21.286
Education and Skills	55.811
Finance Services	17.774
Growth, Environment and Planning	6.164
Waste Management	69.398
Highways and Transport	71.015
Organisational Development and Change	2.042
Public Health and Wellbeing	-4.923
Strategy and Performance	63.076
<b>Sub-Total</b>	<b>852.180</b>
Financing Charges	30.457
Available Resources	4.322
<b>Revenue budget 2021/22</b>	<b>886.959</b>

## **2. Capital Programme Delivery 2021/22**

Full Council are asked to consider and approve the proposals for the capital programme delivery 2021/22 as set out at Appendix A.

## **3. Capital Strategy 2021-2041**

Full Council are asked to consider and approve the proposals for the capital strategy 2021-2041 as set out at Appendix C.

## **4. Council Tax and Precept 2021/22**

Full Council are asked to consider and authorise, in pursuance of the provisions of the Local Government Finance Act 1992, and in order to meet the general expenses of the county council for the financial year 2021/22.

a) Budget, Council Tax Requirement and Precept for 2021/22:

That the band D council tax for 2021/22 is increased by:

- 3% for the adult social care precept being an annual increase of £42.01 for band D council taxpayers.
- 1.99% for general council tax being an annual increase £27.87 for band D council taxpayers
- This gives an overall position of:

	£m
<b>Budget Requirement</b>	<b>886.959</b>
Less Revenue Support Grant	33.615
Less Business Rates	202.816
Less New Homes Bonus	2.416
Less Improved Better Care Fund	45.532
Less Social Care Grant	41.943
Less Collection Fund Deficit	-0.197
Less Local Council Tax Support Grant	11.479
Less Capital Receipts	4.000
<b>Equals council tax cash</b>	<b>545.355</b>
Divided by tax base	370,939.32
Gives Band D council tax for 2021/22	£1,470.20
2020/21 council tax	£1,400.32
<b>Percentage increase</b>	<b>4.99%</b>

- b) Council Tax (on the basis of a budget requirement of £886.959m and the Council Tax base for each property valuation band:

<b>Council Tax Band</b>	<b>£</b>
Band A	980.13
Band B	1,143.49
Band C	1,306.84
Band D (basic)	1,470.20
Band E	1,796.91
Band F	2,123.62
Band G	2,450.33
Band H	2,940.40

- c) The share for each district council of the net total raised from the council tax of £545,354,988:

<b>District</b>	<b>£</b>
Burnley	34,208,614
Chorley	55,097,509
Fylde	45,539,445
Hyndburn	29,755,378
Lancaster	61,013,300
Pendle	35,134,840
Preston	57,664,184
Ribble Valley	35,295,091
Rossendale	29,962,676
South Ribble	53,249,762
West Lancashire	54,065,223
Wyre	54,368,966
<b>Total raised from the Council Tax</b>	<b>545,354,988</b>

## **Consultations**

As part of the budget process the contents of the report to cabinet has been subject to a consultation with a variety of stakeholders and partners, including with the trade unions.

For the budget consultation, an email was sent out on behalf of the county council on 6 January 2021 outlining the proposal for Council Tax and an Adult Social Care Precept and containing a link to the relevant reports with respondents then able to e-mail or send in their written feedback. The closing date for the consultation was 15 January 2021, and all responses received will be shared at the meeting (Appendix B). We recognise that this is a short timeframe to consult, however any responses received after the deadline will still be shared with Members.

## **Local Government (Access to Information) Act 1985**

### **List of Background Papers**

Paper	Date	Contact/Tel
None		

Reason for inclusion in Part II, if appropriate

N/A