

Meeting of the Full Council
Meeting to be held on Thursday, 17 February 2022

Report of the Chief Executive and Director of Resources

Part A

Electoral Division affected:
(All Divisions);

Corporate Priorities:
Delivering better services;
Protecting our environment;
Supporting economic growth;
Caring for the vulnerable;

Revenue Budget 2022/23 and Financial Strategy 2022/23 to 2025/26
Capital Delivery Programme 2022/23
Capital Strategy 2022 to 2042
Council Tax and Precept 2022/23
Treasury Management Strategy and Non-Treasury Investment Strategy 2022/23
Minimum Revenue Provision Statement 2022/23
Fees and charges 2022/23
(Appendices 'A' - 'G' refer)

Contact for further information:

Angie Ridgwell, Tel: (01772) 536260, Chief Executive and Director of Resources
angie.ridgwell@lancashire.gov.uk

Brief Summary

To consider the recommendations of the Cabinet regarding:

1. The revenue budget 2022/23 and financial strategy 2022/23 to 2025/26: section 1 of this report and Appendix A.
2. The capital delivery programme 2022/23: section 2 of this report and Appendix B.
3. The capital strategy 2022-2042: section 3 of this report and Appendix C; and
4. The council tax and precept 2022/23: section 4 of this report.

5. The Fees and Charges report 2022/23, Appendix G and G1, and

To consider the recommendations of the Audit, Risk and Governance Committee from its meeting on 31 January 2022 regarding:

6. The treasury management strategy, the non-treasury investment strategy and the minimum revenue provision policy statement for 2022/23 as shown in Appendices D, E & F.

Recommendation

The Full Council is asked to consider and approve:

- The revenue budget for 2022/23 and financial strategy 2022/23 to 2024/25.
- The capital delivery programme for 2022/23.
- The capital strategy 2022 to 2042.
- The council tax requirement and precept for 2022/23 including the level of Band D council tax for 2022/23 reflecting a 3.99% increase including 2% to be used for adult social care as per the new flexibilities.
- The treasury management strategy, non-treasury investment strategy, minimum revenue provision policy statement 2022/23 as set out at Appendices D, E, & F.
- The fees and charges report (as set out at Appendix G) for implementation on 1 April 2022 bar Adult Social care charges which will be uplifted from Monday 4 April.

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 2022/23

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. Reports throughout the financial year to Cabinet, have made clear that the council remains committed to the delivery of a significant savings programme. There are inherent risks with saving plans of this scale, particularly in light of the impact of the on-going 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 Final Settlement, the announcement of additional funding for social care, the flexibility to raise an Adult Social Care Precept, along with planned investments in services the council will be utilising an amount of £13.340m from reserves to support a balanced budget

Revenue Budget 2022/23 as of 01.02.2022	Net Budget
	£m
Adult Services	418.950
Chief Executive Services	15.470
Children's Social Care	171.440
Corporate Services	23.160
Education and Skills	58.230
Finance Services	18.760
Growth, Environment and Planning	6.290
Waste Management	71.730
Highways and Transport	75.540
Public Health and Wellbeing	2.290
Strategy and Performance	33.650
Organisational Development and Change	1.980
Digital Services	33.510
Sub-Total	931.000
Financing Charges	30.450
Use of one off resources	-13.340
Revenue budget 2022/23	948.110

2. Capital Programme Delivery 2022/23

Full Council is asked to consider and approve the proposals for the capital programme delivery 2022/23 as set out at Appendix B.

3. Capital Strategy 2022-2042

Full Council is asked to consider and approve the proposals for the capital strategy 2022-2042 as set out at Appendix C.

4. Council Tax and Precept 2022/23

Full Council is 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 2022/23.

a) Budget, Council Tax Requirement and Precept for 2022/23:

That the band D council tax for 2022/23 is increased by:

- 2% for the adult social care precept being an annual increase of £29.12 for band D council taxpayers.
- 1.99% for general council tax being an annual increase £28.98 for band D council taxpayers.
- This gives an overall position of:

	£m
Budget Requirement	948.110
Less Revenue Support Grant	34.630
Less Business Rates	215.250
Less New Homes Bonus	2.470
Less Improved Better Care Fund	47.150
Less Social Care Grant	57.090
Less Collection Fund	1.260
Less Services Grant 2022/23	13.060
Less Capital Receipts	6.000
Equals council tax cash	571.190
Divided by tax base (estimate)	377,198.67
Gives Band D council tax for 2022/23	£1,514.29
2021/22 council tax	£1,456.19
Percentage increase	3.99%

- b) Council Tax (on the basis of a budget requirement of £948.110m and the Council Tax base for each property valuation band:

Council Tax Band	£
Band A	1,009.53
Band B	1,177.78
Band C	1,346.04
Band D (basic)	1,514.29
Band E	1,850.80
Band F	2,187.31
Band G	2,523.82
Band H	3,028.58

- c) The share for each district council of the net total raised from the council tax of £571.190:

District	£m
Burnley	35.570
Chorley	57.710
Fylde	47.540
Hyndburn	31.880
Lancaster	63.690
Pendle	36.250
Preston	60.220
Ribble Valley	37.180
Rosendale	31.160
South Ribble	55.400
West Lancashire	57.040
Wyre	57.550
Total Raised from the Council Tax	571.190

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 24 January 2022 outlining the proposal for Council Tax and including the 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 is 11 February 2022, and all responses received will be shared at the meeting. It is recognised 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		