

REPORT OF THE EXECUTIVE DIRECTOR, RESOURCES

MEETING OF THE CITY COUNCIL
7TH MARCH, 2018

At its meeting on 14th February, 2018, the Cabinet received reports of the Executive Director, Resources on the Revenue Budget 2018/19 and the Capital Programme 2018/19, and the Cabinet made recommendations for consideration by the City Council.

Approval of the Revenue Budget and Capital Programme and setting the Council Tax charge is a function reserved to full Council.

The Cabinet minutes are set out below, and the Council is asked to approve the recommendations:-

REVENUE BUDGET 2018/19

The Executive Director, Resources submitted a report to recommend that the Cabinet request Full Council to:-

- approve the City Council's revenue budget for 2018/19, including the position on reserves and balances;
- approve a 2018/19 Council Tax for the City Council; and
- note the levies and precepts made on the City Council by other authorities.

RESOLVED: That Cabinet recommends to the meeting of the City Council on 7 March 2018:-

- (a) to approve a net Revenue Budget for 2018/19 amounting to £401.857m;
- (b) to approve a Band D equivalent Council Tax of £1,513.92 for City Council services, i.e. an increase of 5.99% (2.99% City Council increase and 3% national arrangement for the social care precept);
- (c) to approve the savings as set out in Appendix 2 of the report;
- (d) to approve the Revenue Budget allocations for each of the services, as set out in Appendices 3a to 3d of the report;
- (e) to note that, based on the estimated expenditure level set out in Appendix 3 to this report, the amounts shown in part B of Appendix 6 of the report would be calculated by the City Council for the year 2018/19, in accordance with sections 30 to 36 of the Local Government Finance Act 1992;
- (f) to note that the Section 151 Officer has reviewed the robustness of the estimates and the adequacy of the proposed financial reserves, in accordance with Part 2 of the Local Government Act 2003, and further details can be found in Appendix 4 of the report;
- (g) to note the information on the precepts issued by the South Yorkshire Police &

Crime Commissioner and of South Yorkshire Fire & Rescue Authority, together with the impact of these on the overall amount of Council Tax to be charged in the City Council's area;

- (h) to approve the proposed amount of compensation to Parish Councils for the loss of Council Tax income in 2018/19 at the levels shown in the table below paragraph 170;
- (i) to note the latest 2017/18 budget monitoring position;
- (j) to approve the Treasury Management and Annual Investment Strategies set out in Appendix 7 of the report and the recommendations contained therein;
- (k) to approve the Minimum Revenue Provision (MRP) Statement set out in Appendix 7 of the report;
- (l) to agree that authority be delegated to the Executive Director, Resources to undertake Treasury Management activity, to create and amend appropriate Treasury Management Practice Statements and to report on the operation of Treasury Management activity on the terms set out in these documents;
- (m) to approve a Pay Policy for 2018/19 as set out in Appendix 8 of the report; and
- (n) to agree that the Members' Allowances Scheme for 2017/18 and onwards, approved on 3 March 2017, be also implemented for 2018/19.

CAPITAL PROGRAMME 2018/19

The Executive Director, Resources submitted a report setting out the proposed Capital Programme for 2018-19 onwards, describing the programmes to be undertaken and the projects to be delivered.

RESOLVED: That Cabinet recommends to the meeting of the City Council on 7 March 2018:-

- (a) to note the specific projects included in the years 2017/18 to 2023/24 at appendices 1 and 2 of the report; that block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate Member approval as part of the monthly monitoring procedures;
- (b) to note the proposed Capital Programme for the 6 years to 2023/24 as per appendices 1 and 2 of the report; and
- (c) to approve the Growth and Investment Fund (GIF) policy set out at appendix 3 of the report, such that the commitment from the GIF is limited to one year and no GIF supported schemes are approved beyond 2018/19 unless explicitly stated; and that further reports will be brought to Members as part of the monthly approval process should the receipts position improve.

(NOTE: 1. Reports on the Revenue Budget and Capital Programme 2018/19, updated since submission to the Cabinet so as to include information on the precepts, have been circulated to all Council Members with the Council Summons).

(NOTE: 2. As part of Cabinet's consideration of the reports on the Revenue Budget and Capital Programme 2018/19, the Chair of the Overview and Scrutiny Management Committee (Councillor Chris Peace) submitted a report outlining the outcome of the Committee's consideration of the reports at its meeting held on the morning of 14th February. The Committee had passed the following resolution, which was noted by the Cabinet:-

RESOLVED: *That the Committee:-*

(a) notes the contents of the reports of the Executive Director, Resources, on the Capital Programme 2018/19 and the Budget Report 2018/19, together with the comments made and the responses provided to the questions raised;

(b) recommends that the reports of the Executive Director, Resources on the Capital Programme 2018/19 and the Budget Report for 2018/19, be submitted to Cabinet without amendment;

(c) believes that the approach of central government to local government, one of a combination of incompetence and deliberate action, has led us to a critical point in local government finance. The Committee has concerns about the longer term financial sustainability of local government without changes in how central government chooses to fund councils;

(d) believes that the social care crisis, which is the driving force behind many of the difficult budget decisions that councils are having to make, is a national crisis borne almost entirely by local government, exacerbated by similar challenges facing the NHS;

(e) pays tribute to the Council's front line staff who, it believes, go above and beyond in terms of time, capacity and compassion in delivering services in difficult circumstances;

(f) acknowledges and thanks volunteers and community groups in the city who work tirelessly to tackle the negative effects of austerity that so many local communities are facing;

(g) agrees to include greater oversight of the budget in its Work Programme, both in terms of in-year monitoring to support the implementation of this year's budget; and being involved in the process for putting together next year's budget proposals – particularly in the approach to public consultation; and

(h) thanks the Cabinet Member for Finance, the Cabinet and all officers involved for their hard work in delivering a balanced budget for 2018/19.

Eugene Walker
Executive Director, Resources

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