

Executive

07 February 2024

Draft Minute Extract

EXE 84 Medium Term Financial Plan Update 2024-2028 (MTFP) and Recommended Budget for 2024-25

Councillor Bell presented the report to members noting that it would be referred to the Council meeting later in the month. He added that whilst the council had been able to set a balanced budget, demand led services in relation to social care, housing and council tax benefits now accounted for around 70% of the council's budget. After capital financing costs and demand led services, 25% of the budget remained for all other services including libraries, parks, street lighting and waste collection. He advised that the council was raising council tax by just under 5% and that a quarter of the overall council tax bill related to services not provided by North Somerset Council such as town and parish councils, the police and fire service. He informed members that additional investment was being made into social services.

Members considered the report and noted their duty to consider the Equality Impact Assessments which accompanied the budget. They had been written after a stakeholder engagement session and demonstrated the cumulative impact of budget changes on those with low incomes and the impact of the rural nature of the district. Councillor Bell confirmed that the Corporate Plan would be referred to Council with a recommendation for approval. The Corporate Services Director confirmed that the recommendation to Council later in the month would include details of the final finance settlement that had been received from central government.

Resolved: that the Executive

- i. Noted the updated revenue budget forecasts in respect of the current 2023/24 financial year as detailed within section 3.3 of the report.
- ii. Noted the updated core assumptions that have been included within the medium-term financial plan (MTFP) as detailed within sections 3.4 to 3.7 of the report and summarised in Appendices 5 and 6 of the report, and the impact this has on the council's four-year MTFP forecast.
- iii. Noted the statement of the Chief Financial Officer on the adequacy of reserves and the robustness of the recommended budget as detailed in section 3.10 of the report and attached at Appendix 8 of the report.

- iv. Noted the Equality Impact Assessment (EIA) report attached at Appendix 9 to the report and the duty to familiarise themselves with the published EIAs that underpin the 2024/25 budget savings plans.
- v. Noted the draft school budgets and funding allocations as detailed within section 3.12 of the report that had been incorporated within the council's recommended budget for 2024/25 following the consultation and engagement process that has been led by the Strategic Schools Forum (SSF) over recent months.
- vi. Approved uplifts to the adult social care provider fee rates for 2023/24 and 2024/25 as detailed within section 3.14 of the report.

Recommended to Council

- i. that the Corporate Plan for the period 2024 to 2028 as detailed within section 3.2 of the report and supported by Appendices 1, 2 and 3 of the report be approved
- ii. that a revenue budget for 2024/25 as shown at Appendix 4 of the report be approved
- iii. that a council tax increase of 2.99% for 2024/25 to support the recommended budget be approved
- iv. that an adult social care precept of 2% on the council tax for 2024/25 to specifically support spending on adult social care services within the recommended budget be approved.

Reasons for the decision:

As set out in the report and discussed above.

Alternative options considered and rejected:

As set out in the report and discussed above.

EXE Treasury Management Strategy 2024-25

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Councillor Bell presented the report which set out the council's overall approach to borrowing and investment.

Recommended to Council

- i. That the Treasury Management Strategy for 2024/25, as described throughout the report and shown in Appendix 1 of the report be approved,
- ii. That the Prudential Indicators for 2024/25, as shown in Appendix 2 be approved,
- iii. That the Minimum Revenue Provision Statement for 2024/25, as shown in Section 3.5 be approved.

Reasons for the decision:

As set out in the report and discussed above.

Alternative options considered and rejected:

As set out in the report and discussed above.

**EXE
87** **Capital Strategy 2024-25**

Councillor Bell presented the report which set out the council's capital strategy for the next four years and included areas where the council had obtained additional funding.

Members discussed the report and noted that the relevant policy and scrutiny panel would consider the stream of work around energy reduction measures although the budget for this had been reduced, how the budget was being applied in relation to highways maintenance particularly given the opportunities resulting from the change in contracts and the A38 Major Road Network project.

Councillor Bell noted that the challenging financial position meant the council had diminished headroom regarding funding capital projects and that the programme was increasingly being driven by those projects where external funding had been secured.

Recommended to Council

1. a. that the capital strategy for 2024 to 2028 as detailed throughout the report be approved

 b. that an increase in the capital programme of £9.789m for a new range of investment proposals as detailed in section 3.5 and Appendix 3 of the report, subject to confirmation of grant funding allocations, be approved
2. that the additional borrowing impact within the capital programme of £2.6m for the period 2024 to 2028 as detailed in section 3.4 and Appendix 4 of the report, which will increase the council's overall borrowing requirement to £114.6m over the period, be noted
3. that the amendments to the capital budget for 2023/24 as detailed in Appendix 2 of the report be approved
4. that the approval for the detailed highways programme be delegated to the Assistant Director for Neighbourhoods and Transport in consultation with the Executive Member for Transport and Highways

Reasons for the decision:

As set out in the report and discussed above.

Alternative options considered and rejected:

As set out in the report and discussed above.

