

EXTRACT FROM MINUTES OF THE MEETING OF THE CABINET cont'd

GENERAL FUND

96. General Fund Budget and Capital Programme 2018-19 to 2021-22

Consideration was given to the Report of the Head of Finance (Item 6.1 – 6.79 of the Official Minutes of the Council).

It was noted that an Addendum to the report (Item 6.77 – 6.79) had been circulated in advance of the meeting. It outlined matters for Cabinet to consider in respect of the premium levied on long-term empty properties.

RESOLVED:

That the following be recommended to Council, at its meeting to be held on 20 February 2019, as part of the formal budget setting process:-

- (A) The level of net spending for the General Fund Revenue Budget for 2019-20 be set at £13.072 million, with indicative net spending for 2020-21 and 2021-22 of £13.301 million and £13.230 million, respectively.
- (B) The detailed portfolio budgets as set out in Appendix 2 of the 7 February 2019 Cabinet report.
- (C) The forecast outturn net budget of £12.258 million be approved.
- (D) The use of Government Grants in 2019-20 of £1.580 million.
- (E) To note that although indicative figures exist for the use of Government Grants in 2020-21 and 2021-22, they cannot be accurately determined at this stage with each element of Government funding being subject to review.
- (F) The working balances be set at £0.704 million; £1.061 million; and £1.006 million for 2019-20 to 2021-22, respectively.
- (G) A Council Tax of £217.09 for 2019-20, with indicative increases of 1.95% to the level of Council Tax for 2020-21 and 2021-22.
- (H) The Council's Tax Base be set at 28,874.46.
- (I) The revised Capital Programme, including new schemes, as set out in Appendices 3 and 4 of the 7 February 2019 Cabinet report.
- (J) The Council notes that the Authority is now part of the 'Staffordshire and Stoke-on-Trent Business Rates Pool', with the 'Greater Birmingham and Solihull Pool' being dissolved following successful pilot applications for 2019-20.
- (K) The premium for long-term empty properties be increased to 100% from April 2019.
- (L) A detailed report on the impact of recommendation (K) be submitted as part of the 2020-21 budget process enabling Cabinet to determine whether further increases in the premium are to be adopted.

Reasons for Decisions

The Council was required to set a balanced budget for 2019-20 set in the context of a sustainable medium term financial plan. Detailed figures were only available

for 2019-20, nevertheless, the level of Working Balances maintained by the Council would enable a Balanced Budget to be set for the duration of the Financial Plan.

The current Council Tax Base included 92 properties that were subject to the empty homes premium levy. The purpose of the increase was to address the rising level of unoccupied properties. The current Council Tax Base calculation included provision for the 50% premium, however no account had been made in the Tax Base for the increase to 100% since the change was intended to bring empty properties back into use.

99. Treasury Management Strategy, Minimum Revenue Provision Policy and Annual Investment Strategy 2019-20

Consideration was given to the Report of the Head of Finance (Item 9.1 – 9.64 of the Official Minutes of the Council).

RESOLVED:

- (A) That Council, at its meeting to be held on 20 February 2019, be recommended to approve:
 - (i) The Prudential and Treasury Indicators;
 - (ii) The Minimum Revenue Provision Policy Statement;
 - (iii) The Treasury Management Policy;
 - (iv) The Annual Investment Strategy for 2019/20; and
 - (v) The Capital Strategy 2018-22.
- (B) That it be noted that indicators may change in accordance with the final recommendations from Cabinet to Council in relation to both the General Fund / Housing Revenue Account Revenue Budgets and Capital Programmes.

Reason for Decisions

The Council was required to approve its treasury management, investment and capital strategies to ensure that cash flow was adequately planned and that surplus monies were invested appropriately.

The meeting closed at 4:27 p.m.