

Public
Key Decision - No

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Alternative Proposals for the Council Budget 2020/21.

Meeting/Date: Overview and Scrutiny Panel (Performance and Growth) – 8th January 2020

Cabinet – 23rd January 2020

Executive Portfolio: Executive Councillor for Strategic Resources

Report by: Councillor Tom Sanderson, Independent Group Leader

Wards affected: All

Executive Summary:

The Council is required to set an annual Budget for the forthcoming year, in order to set the Council Tax for the area and approve its Medium Term Financial Strategy (MTFS) covering the following four years.

RECOMMENDED

The Overview and Scrutiny Panel is invited to comment on the proposed alternative budget and council tax proposals and to recommend to Cabinet that the proposals are adopted.

1. PURPOSE OF THE REPORT

- 1.1 To provide the Overview and Scrutiny Panel (Performance and Growth) with the detail of some alternative ideas for the draft Budget for 2020/21 from the Independent Group for the panel to consider when making its recommendations to Cabinet. All suggested savings, new investments and changes to the Band D Council Tax charge has been fully costed by the council's finance team.

2. PROPOSED ALTERNATIVES

- 2.1 The current (2019/20) budget for Active Lifestyles is £177,00. We propose moving £100,000 from this budget line to the Community Chest with new governance arrangements in place to allow for greater transparency and a cross party input to allocating funding for good causes in Huntingdonshire. Clearly there would be no impact on the level of Band D Council Tax charge.
- 2.2 The total budget contribution to the Commercial Investment Reserve is £2.2m, funded by the New Homes Bonus, an increase of £738k. We propose re-allocating £900k of this funding to the following schemes:

£600k for Housing and Homeless Shelter partnership working
£100k towards the Local Highway Improvements Fund for Huntingdonshire (LHI) in partnership with the County Council. As these would be a capital schemes and not funded from reserves, funding of capital from borrowing would have a direct impact on the General Fund. For the additional provision of Minimum Revenue Provision (MRP) of £5,000 per annum. The impact on the Band D council tax would be an increase of £0.079 per annum.

£200k Youth Facilities Fund (for parish councils to bid for).

This would still leave £1.3m to contribute towards any future CIS funding.

2.3 Council Tax

We endorse the 2020/21 draft Budget and MTFS which includes a 2.6% increase in Council Tax which would make the 2020/21 Band D Council Tax £145.86 (an increase of £3.70) which over the life of the MTFS would raise £3.92m.

3. COMMENTS OF OVERVIEW & SCRUTINY

- 3.1 Comments will be added here following the Overview and Scrutiny Panel meeting on 8th January 2020.

4. LIST OF APPENDICES INCLUDED

- 4.1. Appendix 1 – Summary of alternative budget proposals

CONTACT MEMBER

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Summary of Proposals for the 2020/21 Budget

Budget Proposal	Growth/(Savings) Impact on General Fund £000	Impact on Council Tax Band D £	Comments
Diversion of half Active Lifestyles budget to the wider community via Community Chest Fund	Nil	Nil	A diversion between services with no net impact to the General Fund.
Housing and Homeless Shelter Partnership fund	Nil	Nil	This assumes that this is funded from New Homes Bonus. As this is a re-allocation of funds already included within the MTFS the impact to the General Fund will be nil.
Provide a contribution to LHI scheme	Nil	Nil	This assumes that this is funded from New Homes Bonus. As this is a re-allocation of funds already included within the MTFS the impact to the General Fund will be nil.
Youth facilities fund	Nil	Nil	This assumes that this is funded from New Homes Bonus. As this is a re-allocation of funds already included within the MTFS the impact to the General Fund will be nil.