

# TEIGNBRIDGE DISTRICT COUNCIL

## OVERVIEW & SCRUTINY 1 & 2

9 FEBRUARY 2021

<b>Report Title</b>	<b>FINAL FINANCIAL PLAN PROPOSALS 2021/22 TO 2023/24</b>
<b>Purpose of Report</b>	To consider the final financial plan proposals 2021/22 to 2023/24 for recommendation to Council on 22 February. These proposals include recommended revenue and capital budgets for 2021/22 and planned in outline for 2022/23 and 2023/24.
<b>Recommendation(s)</b>	<p><b>The Committee is recommended to resolve:</b></p> <p><b>That the Overview and Scrutiny Committee recommends that these proposals be considered together with any subsequent consultation comments for approval by Council as the final budget for 2021/22 and the outline plan for the subsequent years 2022/23 and 2023/24.</b></p> <p><b>The proposed budget includes:</b></p> <ul style="list-style-type: none"><li>• <b>An increase in council tax of £5 or 2.85% to £180.17</b></li><li>• <b>Continued funding for a climate change officer and enhanced planning enforcement</b></li><li>• <b>Increased provision in the capital programme for climate change projects</b></li><li>• <b>The continuing reduction in new homes bonus</b></li><li>• <b>Other central funding reductions – in particular provisional assumptions for business rates for future years and reset of the baseline</b></li><li>• <b>Reserves at 13.0 % of the net revenue budget or just under £2.0 million</b></li><li>• <b>Increased support for housing including the Teignbridge 100 whilst backing business and bringing people and organisations together for local neighbourhood planning</b></li><li>• <b>Infrastructure delivery plan investment funded by community infrastructure levy and external sources where available</b></li><li>• <b>Continuation of grant funded South West Regional Monitoring Programme</b></li><li>• <b>Town centre investment in infrastructure and employment</b></li></ul>

	<ul style="list-style-type: none"><li>• <b>Use of long term borrowing where appropriate</b></li><li>• <b>Assumptions of a 1.5% pay deal</b></li><li>• <b>Reducing rural funding frozen during the Covid 19 pandemic</b></li></ul> <p><b>The recommendation to Council to note the mid year review of Treasury Management at appendix 8</b></p>
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<b>Financial Implications</b>	<p>The financial implications are contained throughout the Executive report attached. The main purpose being to approve the final budget proposals for both revenue and capital budgets and medium term financial plan covering the years 2020/21 to 2023/24.</p> <p>Martin Flitcroft – Chief Finance Officer  Tel: 01626 215246 Email:  martin.flitcroft@teignbridge.gov.uk</p>
<b>Legal Implications</b>	<p>The Executive is required under the budget and policy framework procedure rules in the constitution (section 7 (a) and 7 (b)) to agree and recommend a budget to Council each year. See section 8 of the attached report.</p> <p>Karen Trickey – Solicitor to the Council  Tel: 01626 215119  Email: Karen.trickey@teignbridge.gov.uk</p>
<b>Risk Assessment</b>	<p>The risks involved in not setting a balanced budget are highlighted throughout the attached report. The major risks are in 3.9, 4.14, 4.16 and 4.27 with reference to uncertainties as to income projections as a result of Covid 19, future funding – particularly business rates retention and New Homes Bonus and an alternative funding stream to replace New Homes Bonus if this is scrapped. A programme of identifying savings or increased income is required to meet the budget gap in 2022/23 and future years thereafter if additional funding is not provided from Government.</p> <p>Martin Flitcroft – Chief Finance Officer  Tel: 01626 215246  Email: martin.flitcroft@teignbridge.gov.uk</p>
<b>Environmental/ Climate Change Implications</b>	<p>The revenue budget supports the funding of a Climate Change Officer and associated revenue budget and capital projects are highlighted which contribute towards our climate change objectives in the capital programme appendix 7.</p> <p>David Eaton – Environmental Protection Manager  Tel: 01626 215064  Email: david.eaton@teignbridge.gov.uk</p>
<b>Report Author</b>	<p>Martin Flitcroft – Chief Finance Officer  Tel: 01626 215246  Email: martin.flitcroft@teignbridge.gov.uk</p>
<b>Executive Member</b>	<p>Councillor Richard Keeling – Executive Member for Corporate Resources</p>
<b>Appendices</b>	<p>Executive report 11 February 2021 and associated appendices</p>

<b>Part I or II</b>	Part I
<b>Background Papers</b>	Budget and settlement files The Constitution

## **1. PURPOSE**

- 1.1** To consider the final financial plan proposals 2021/22 to 2023/24 as appended, to be considered by the Executive on 11 February 2021.
- 1.2** These proposals include recommended revenue and capital budgets for 2021/22 and planned in outline for 2022/23 and 2023/24.
- 1.3** To bring the mid year treasury management review for information as shown at appendix 8.
- 1.4** The report and appendices to be considered by the Executive on 11 February 2021 are appended for ease of reference. Members are asked to refer to these papers for all background information.