

Revenue Budget 2022/23 - Garforth and Swillington Independents Amendments

Date: 23rd February 2022

Report of: Chief Officer Financial Services

Report to: Council

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- The Local Government Act (Part II) 2003 places a requirement on the Council that when making decisions on the setting of the Council's budget and the council tax, they must consider a report from the Council's statutory finance officer (the Chief Officer Financial Services) on the robustness of the budget and the adequacy of reserves within the proposals.
- This report provides Members of Council with comments on the robustness of the proposals contained in the amendments to the budget motion in the name of Councillor Mark Dobson.
- The Council's strategic ambitions can only be delivered through a sound understanding of the organisation's longer-term financial sustainability which enables decisions to be made that balance the resource implications of the Council's policies against financial constraints. This is the primary purpose of the Medium-Term Financial Strategy which then provides the framework for the determination of Council's annual revenue budget for which the proposals for 2022/23 are contained in the '2022/23 Revenue Budget and Council Tax' report. This report informs Members of any potential impact of proposed amendments on the robustness of the budget and the adequacy of reserves within the 2022/23 budget proposals.

Recommendations

- a) It is recommended that Council note that whilst the proposals in these amendments will collectively increase the risks associated with the delivery of the Council's budget, the amendments to the budget motion in the name of Councillor Mark Dobson will not materially impact on the overall robustness of the Council's budget for 2022/23 or the adequacy of its general fund reserves as at 31st March 2023.

Why is the proposal being put forward?

1. The Local Government Act (Part II) 2003 places a requirement on the Council that when making decisions on the setting of the Council's budget and the council tax, they must consider a report from the Council's statutory finance officer (the Chief Officer Financial Services) on the

robustness of the budget and the adequacy of reserves within the proposals. The report of the Chief Officer Financial Services at item 7(i) on the council summons includes at section 11 comments to this effect in respect of the proposed budget motion.

2. Given this requirement, in considering any proposed amendment to the budget motion, members must also consider the comments of the Chief Officer Financial Services on the robustness of the proposals. These comments supplement those contained in the main report.

Proposed amendments

3. Councillor Mark Dobson's amendments to the budget motion set out his proposals showing areas of additional spend and the sources of funding which are largely self-explanatory. In considering these amendments, the Chief Officer Financial Services would wish members of Council to be aware of the following:
 - (a) Amendment 38 proposes a reduction in the Council's contribution to Leeds 2023. Whilst the payment can be varied this should be done in accordance with the terms of the Council's grant agreement with Leeds 2023 which requires the Council "acting reasonably" to give three months written notice to terminate the Agreement and/or any Grant payment. In addition, since this amendment proposes a contribution to West Yorkshire Police to re-introduce 37 additional PCSOs in Leeds, sufficient for at least 1 additional PCSO for every ward in the city, further savings proposals will be required to be identified in future financial years to fund this recurring expenditure.
 - (b) Amendment 39 proposes to both ensure that there is no rent increase to those persons residing in Sheltered Housing and that there is no increase in Service charges in 2022/23. Both proposals will be funded through a contribution from the HRA general reserve, which is one off funding and is not available in future years. Since a reserve is being applied to resource revenue expenditure, future years' budgets will require the identification of further saving proposals to fund the removal of the rent increase and maintain service charges at 2021/22 levels.
 - (c) The amendments include savings and spending proposals which are interdependent, and which create additional risks to the budget. Where possible this risk should be managed by not committing to the additional spend until the additional savings have been realised or clearly identified.
4. Should these budget amendments be approved, they will be subject to the Council's procedures for further consultation and will need to be informed by equality impact assessments as appropriate.
5. These budget amendments do not have any impact on the Council's general reserve. In respect of the Housing Revenue Account general reserve the overall level of reserve available will be £7.4m which is considered to be adequate to meet the identified risks.

Overall conclusion

6. In conclusion, whilst the proposals in the amendments will collectively increase the risks associated with the delivery of the Council's budget, and these risks are set out in section 15 of the 2022/23 Revenue Budget and Council Tax report, the amendments to the budget motion in the name of Councillor Mark Dobson will not materially impact on the overall robustness of the Council's budget for 2022/23 or the adequacy of its general fund reserves as at 31st March 2023.

What impact will this proposal have?

Wards affected:

Have ward members been consulted?

Yes

No

7. Not applicable.

What consultation and engagement has taken place?

8. The 2022/23 Budget proposals themselves were developed through consultation with a range of stakeholders, notably with the Executive Board, all Scrutiny Boards, the Council's Corporate Leadership Team and other senior officers. They have also been subject to public consultation, the results of which are included in full at Appendix 2 of the 2022/23 Revenue Budget and Council Tax report on today's agenda. This report comments on the proposed amendments to the 2022/23 Budget proposals and has not been the subject of separate consultation.

What are the resource implications?

9. All resource implications are included in the 2022/23 Revenue Budget and Council Tax report on today's agenda. This report comments on the proposed amendments to the 2022/23 Budget proposals which do not impact on the overall proposed Budget position.

What are the legal implications?

10. In accordance with the Council's Budget and Policy Framework, decisions as to the Council's budget are reserved to Full Council. In accordance with the Local Government Act (Part II) 2003, which places a requirement on the Council to consider a report from the Council's statutory finance officer (the Chief Officer Financial Services) on the robustness of the budget and the adequacy of reserves within the proposals, this robustness report is considered an integral part of the budget process. As such, the recommendations are not subject to call in, as the budget is a matter that will be determined by Full Council.

11. If required, proposals will also be subject to separate consultation and decision-making processes, which will operate within their own defined timetables and be managed by individual directorates.

What are the key risks and how are they being managed?

12. The key risks associated with the 2022/23 Budget are discussed in the 2022/23 Revenue Budget and Council Tax report on today's agenda. Whilst the amendments in the name of Councillor Mark Dobson will collectively increase the risks associated with the delivery of the Council's budget, they will not materially impact on the overall robustness of the Council's budget for 2022/23 or the adequacy of its general fund reserves as at 31st March 2023.

Does this proposal support the council's three Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

13. Not applicable.

Options, timescales and measuring success

What other options were considered?

14. Not applicable.

How will success be measured?

15. Not applicable.

What is the timetable for implementation?

16. Not applicable.

Appendices

17. Not applicable

Background papers

18. None.