

BUDGET AND PERFORMANCE PANEL

Budget & Policy Framework Update 26 January 2021

Report of Chief Finance Officer

PURPOSE OF REPORT

To provide Budget and Performance Panel with an update on the Council's budget strategy for 2021/22 and financial outlook up to 2024/25. Specifically, the report considers the budget and Council Tax proposals for 2021/22.

This will enable the panel to consider and comment on the proposals ahead of formal presentation to Council in accordance with the Council's constitution.

This report is public.

RECOMMENDATIONS

- (1) That the panel considers the Budget & Policy Framework Update presented to Cabinet 19th January 2021, making any comments considered necessary for Cabinet to consider in line with the Council's constitution.**

1.0 INTRODUCTION

- 1.1 Under the Constitution, Cabinet has responsibility for developing corporate planning proposals and a balanced budget for Council's consideration.
- 1.2 All services have been working with the Chief Executive and Finance Team to ensure we achieve a balanced budget aligned with our priorities. Throughout the Summer and Autumn sessions have been held with all services to identify opportunities to address the structural deficit and align expenditure with priority outcomes based on the Funding the Future Strategy.

2.0 PROPOSAL DETAILS

- 2.1 The 19 January 2021 Cabinet report (Appendix A) considers savings and additional resource proposals for a balanced revenue budget for 2021/22 and reflects in-year changes and ongoing changes to accounting, forecasting, and funding formula for support and grant activity have caused a change in the budgetary position for this budget from that stated in November 2020.
- 2.2 As part of the provisional finance settlement, the Government published its referendum criteria for Council Tax. District councils will be permitted to raise their Council Tax by 2% or £5, whichever is higher, without reference to a referendum. The report contains

Cabinet's recommendation to Council regarding the Lancaster City Council element of the Council Tax which is a £5 increase to the Band D Council Tax (from £231.95 to £236.95).

3.0 CONSULTATION

- 3.1 The Council's Constitution requires that when a new or existing strategy is being considered, the Overview and Scrutiny Committee, or Budget and Performance Panel have an opportunity to comment. If it considers it appropriate, Cabinet may then amend its proposals before submitting them to Council for consideration.

CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):

The budget incorporates measures to make progress in addressing the climate emergency and digital improvements as well as activities to address wellbeing, health, and community safety. The budget framework in general sets out a financial plan for achieving the Council's corporate priorities which incorporate the above cross cutting themes. Equalities impact assessments are undertaken for the relevant activities which are reflected in the budget.

LEGAL IMPLICATIONS

Legal Services has been consulted on this report and has no further comments.

FINANCIAL IMPLICATIONS

As set out in appendix A of this report.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces

No other implications directly arising from this report.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has written this report in his capacity as Chief Finance Officer

MONITORING OFFICER'S COMMENTS

The Monitoring Officer has been consulted and has no comments on this report.

BACKGROUND PAPERS

Cabinet 19-01-21 Appended to this report.

Contact Officer: Paul Thompson Telephone: 01524 582603 Email: pthompson@lancaster.gov.uk
