

At its meeting on the 23 February 2022, full Council made the decision set out below following recommendations of Cabinet. In line with Part 4.5 of the Winchester City Council constitution - Budget and Policy Framework Rules (Para 2.4), the Council's decision will become effective on the expiry of five clear days after the publication of this notice of decision, unless the Leader objects to it in that period.

Agenda item: General Fund Budget 2022/23 (CAB3335)

RESOLVED:

1 That the level of General Fund Budget for 2022/23 be agreed, and the summary as shown in Appendix A of CAB3335 be approved.

2 That the additional year of New Homes Bonus Allocation be used to fund the following proposals:

- a) Increased provision for Local Council Tax Support, with £100,000 additional one off provision to the Council's Hardship Fund
- b) £450k to fund essential maintenance work to Monuments and Historic Assets
- c) Low Carbon Transport - £250k to fund trials of low carbon bin lorries and/or buses operating existing Council services
- d) £40k to fund the installation of bike storage and other measures to support the promotion of cycling and walking
- e) £150k to fund feasibility work to prepare for the implementation of a food waste trial collection system in 2023.
- f) £185k to fund the cost of additional city and market town centre cleansing, the maintenance and replacement of street furniture (litter bins, seats, bollards bin stores etc) and also to fund an increased emphasis on fly tipping (additional clearance, surveillance and promotion)
- g) £25k to support work to embed the principles of the Council's "City of Sanctuary" commitments and to review the diverse needs of communities across the district.
- h) £100k to fund fixed term IT staff to develop council systems to meet the requirements of flexible/agile working

3 That the investment proposals set out in section 13.4 of report CAB3335 be supported, including:

- a) To reinstate the annual contribution of £250k to the Asset and Property reserve to support future investment and maintenance of council assets
- b) To increase the annual revenue contribution to the Parking and Access reserve by £200k per annum to support the implementation works set out in the annual Parking investment programme
- c) Increasing the annual staffing budget by £175k per annum from 2022/23 to create additional capacity in the Legal Services, Communications and Economic Development teams
- d) Increasing the annual staffing budget by £60k per annum from 2023/24 to create additional capacity in the Strategic Planning team
- e) An increase in the budget for annual audit fees of £30,000

4 That the 2022 Council Tax Hardship Scheme allocation of £100,000 and the distribution of this funding as set out in Appendix F be approved; to be administered by the Revenues & Benefits teams under the Service Lead for Revenues & Benefits.

5 That the sum of £1,061,591 be treated as Special Expenses under Section 35 of the Local Government Finance Act 1992 in respect of the Winchester Town area as set out in section 16 and Appendix D.

6 That the Council Tax for the Special Expenses in the Winchester Town area at Band D for 2022/23 be increased by 4.5% to £76.71, an increase of £3.30.

7 That the surplus balance on the Council Tax Collection Fund for distribution to this Council, calculated in January 2022 of £24,315, be approved.

8 That the level of Council Tax at Band D for City Council services for 2022/23 be increased to £151.29, an increase of £3.95 reflecting an average Council tax increase of 2.7%.

Reasons:

Report CAB3335 sets out the detailed General Fund Budget for 2022/23, reflecting the impact of the one year spending review announcement and a range of budget proposals.

The spending review announcement included an unexpected announcement of a further one year of New Homes Bonus. Whilst this does not assist the council to address longer term funding pressures, the report does include £1.3m of “one off” proposals to support the delivery of the Council Plan which can be funded from this allocation.

Projections indicate a balanced budget for 2022/23. A £0.3m deficit forecast for 2023/24 can be covered by the existing Transitional Reserve to ensure the Council can maintain a balance budget through to March 2024. However, significant uncertainty remains in relation to future funding of local government and projections indicate the potential for longer term deficits, subject to Government funding announcements. It is proposed that a strategic service review is completed by March 2023 to identify how the longer term deficits can be addressed.

Alternative Options Considered:

Consideration has been given to not increasing Council tax in 2022/23. However, it should be noted that the Government settlement and additional resources allocated to the Council is a one year announcement and forecasts still indicate increasing deficits in future years and therefore this cannot be recommended.

The proposals set out in report CAB3335 do result in increasing base budget costs in future years. Consideration has been given to not taking forward the proposals in light of this. However, they are considered to be essential to support the delivery of the Council Plan. A strategic budget review is planned for 2022 as set out in the Medium Term Financial Strategy (CAB3318 refers).

Consideration has also been given to transferring the New Homes Bonus allocation for 2022/23 to reserves to mitigate against future deficits. However, it is recommended that this funding be used to support specific one off projects which make a positive contribution to the Council Plan as set out in the report.

At its meeting on the 23 February 2022, Council considered the following amendment:

A. Delete Recommended Minute 5a-h and replace with:

- 5 That the additional year of New Homes Bonus Allocation be used to fund the following proposals:
- a) £250k to fund planting of trees in accordance with the Council's Carbon Neutrality plans and as part of the Queen's Green Canopy to mark Her Majesty's Platinum Jubilee.
 - b) £1,050k to the Major Investment Reserve.

B. Delete Recommended Minute 6a-e and replace with:

- 6 Support the following investment proposals:
- a) To remove charges for car parks after 6pm and on Sundays
 - b) Increasing the annual staffing budget by £250k per annum from 2022/23 to create additional capacity for planning and environmental enforcement
 - c) Increasing the annual staffing budget by £175k per annum from 2022/23 to create additional capacity in the Legal Services, Communications and Economic Development teams as set out in section 13.4 of this report
 - d) Increasing the annual staffing budget by £60k per annum from 2023/24 to create additional capacity in the Strategic Planning team as set out in section 13.4 of this report.
 - e) An increase in the budget for annual audit fees of £30,000 as set out in section 13.4 of this report.

C. Delete Appendices A, B and C to Report CAB3335 and insert new Appendices A, B and C so to reflect the proposed changes described above.

This amendment was voted upon but not carried.

Date of Publication of notice:

24 February 2022