

EXTRACT OF MINUTES

CABINET

11 FEBRUARY 2021

9. **GENERAL FUND BUDGET 2021/22**
(CAB3289)

Councillor Cutler introduced the report outlining the key elements of the proposed budget and emphasising the continued significant impact of the Covid pandemic. He drew Members' attention to a correction to the report as published to replace paragraph 17.1 with the text set out below:

“Business Rates – The business rates collection fund is forecast to be balanced at the end of 2020/21. A technical collection fund deficit caused by government reliefs is expected to be balanced off by S31 government grants. This means that a claim to government for 75% of any losses incurred is not expected to be made and there will also be no losses to spread over three years.”

At the invitation of the Leader, Councillors Horrill and Lumby addressed Cabinet as summarised briefly below.

Councillor Horrill

Acknowledged the achievements of the Council in maintaining services during the Covid pandemic and also the significant amounts of government grants received. Believed that the proposed increases to council tax and fees were not justified and expressed concern about the proposals to delete staffing posts. Considered that there should be increased efforts to bring in additional income and progress key projects to enable this.

Councillor Lumby

Noted the report had been discussed at Scrutiny Committee on 2 February 2021 and welcomed the commitment that there would be no further increase to waste collection charges this year. Believed that the proposal to reduce staffing levels in the Planning team would have a significant negative impact on the service provided, particularly enforcement.

Cabinet Members responded to the comments made, including emphasising that all councils in Hampshire now charged for garden waste collection and that, regrettably, it was not possible to achieve the levels of savings required without reducing staffing costs. Smarter working practices would be examined to minimise the impact on service levels.

Cabinet agreed the following for the reasons set out above and outlined in the report.

RECOMMENDED (TO COUNCIL):

1. That the level of General Fund Budget for 2021/22 be agreed and the summary as shown in appendix A of the report.

2. That the investment proposals set out in section 15 of this report be supported, including:

- a. Additional staff provision to support the delivery of the Movement Strategy at an annual cost of £60,000;**
- b. £60,000 per annum in to cover potential additional costs in relation to Meadowside leisure centre;**
- c. Increased provision for Local Council Tax Support, with £169,000 additional one off provision to the Council's Hardship Fund, funded directly from Government grant;**
- d. Provision of £250,000 to meet Covid related/recovery costs in 2021/22 funded from the "tranche 5" Covid grant confirmed in the Government Settlement;**
- e. Additional revenue budget provision, funded from the Major Investment Reserve, of £2m required to fund Central Winchester Regeneration project work in 2021/22 and 2022/23, subject to the approval of the business case which will be brought to Cabinet later in the year;**
- f. Additional revenue provision, funded from the Major Investment Reserve of £250,000 to fund the creation of an interim open space at the Friarsgate site in Winchester.**

3. That the savings proposals set out in section 16 of the report be approved, including:

- a. The implementation of "cashless parking", phased over 2 years;**
- b. Fees and charges for services to be increased by an average of 3% (not including parking charges or garden waste, where no increase is proposed for April 2021);**
- c. Building Control fees increase by 10% on average;**
- d. That no additional revenue contributions be made to the Property and Asset Reserve and that use of the reserve be reviewed as part of the refresh of the Asset Management Strategy in 2021;**
- e. That the annual revenue contribution to the Car Park and Transport reserve be reduced to £150,000 per annum for the next four years;**

- f. The budget for “small grants” is reduced by £15,000;**
- g. A one year grant agreement based on a maximum grant of £147,200 for “Play to the Crowd”;**
- h. That financial support for the annual Criterium event is not continued.**

4. That £1.5m be transferred from the Transitional Reserve to the Major Investment Reserve to ensure sufficient resources are available to cover major investment after accounting for the CWR provision set out in recommendation 2 e) above.

5. That the policy as previously agreed by the Council on 14 July 1999 (min 186 refers) is confirmed to treat all expenses of the Council as General Expenses other than those specifically identified and itemised in the Winchester Town Account. In consequence of which 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, Appendix D.

6. That the Council Tax for the Special Expenses in the Winchester Town area at Band D for 2021/22 be increased to £73.41.

7. That the deficit balance on the Council Tax Collection Fund for distribution to this Council, calculated in January 2021 of £153,843.75, be approved.

8. That the level of Council Tax at Band D for City Council services for 2021/22 be increased to £147.38.

9. That the Council Tax requirements per parish area, listed in Appendix E, be noted.