

REPORT OF THE
Cabinet
PART I

1. REVENUE BUDGET AND PRECEPT 2020/21

- 1.1. The Cabinet considered the proposed Revenue Budget and Precept for 2020/21 at its meeting on 3 February 2020 and resolved to make a number of recommendations to the County Council. The report considered by Cabinet is attached as Annex A to this Part I report and is referenced in recommendations a to n below.
- 1.2. The main changes that have been made to the figures presented to Cabinet are technical and relate to notifications from District Councils of final tax base, business rates and collection fund figures.
- 1.3. Various changes to figures have been notified by District Councils, which have been reflected in an amended Summary Revenue Budget for 2020/21 presented at Annex 1 to this Part I report.
- 1.4. Overall there is a net increase in income of £3.942m which can be used to reduce the draw from the Budget Bridging Reserve (BBR) in 2020/21.
- 1.5. The recommendations from Cabinet to County Council are not changed, although final figures reflect the technical adjustments that have been made.
- 1.6. The final local government finance settlement has yet to be announced at the time of publication of this Part I report. The expectation is that the figures which were released in December last year will be confirmed but should there be any change this will be reported to the County Council meeting.

2. CAPITAL PROGRAMME 2020/21 TO 2022/23

- 2.1. The Capital Programme report was presented to Cabinet on 3 February 2020 and recommendations were made to the County Council. The report is attached as Annex B to this Part I report and is referenced in recommendation o below. There have been no changes to the report since Cabinet.

The full reports to Cabinet can be found at the following link:

- [Cabinet - 3 February 2020](#)

RECOMMENDATIONS

A. Revenue Budget and Precept 2020/21

That the County Council approve:

- a. The Treasurer's report under Section 25 of the Local Government Act 2003 (Appendix 7 of the Cabinet report) and take this into account when determining the budget and precept for 2020/21.
- b. The Revised Budget for 2019/20 set out in Appendix 1 of the Cabinet report.
- c. The Revenue Budget for 2020/21 as set out in Annex 1 to this Part I report.
- d. Funding for one off revenue priorities linked to the development of capital investment totalling £3.9m as set out in paragraphs 92 to 105 of the Cabinet report.
- e. Funding of £830,000 in 2020/21 to deal with the impact of ash die back as set out in paragraphs 106 to 110 of the Cabinet report.
- f. The additions to the Capital Programme totalling £9.6m as set out in paragraphs 111 to 128 of the Cabinet report.
- g. The allocation of £2.5m from the Policy and Resources Other Reserve to top up the Investing in Hampshire Fund.
- h. That the **council tax requirement** for the County Council for the year beginning 1 April 2020, be £670,214,882.
- i. That the County Council's band D council tax for the year beginning 1 April 2020 be £1,286.28, an increase of 3.99%, of which 2% is specifically for adults' social care.
- j. The County Council's council tax for the year beginning 1 April 2020 for properties in each tax band be:

	£
Band A	857.52
Band B	1,000.44
Band C	1,143.36
Band D	1,286.28
Band E	1,572.12
Band F	1,857.96
Band G	2,143.80
Band H	2,572.56

- k. Precepts be issued totalling £670,214,882 on the billing authorities in Hampshire, requiring the payment in such instalments and on such date set by them previously notified to the County Council, in proportion to the tax base of each billing authority's area as determined by them and as set out overleaf:

Basingstoke and Deane	66,647.30
East Hampshire	51,083.00
Eastleigh	47,034.53
Fareham	43,559.30
Gosport	27,039.10
Hart	41,105.34
Havant	41,257.00
New Forest	71,492.90
Rushmoor	32,015.23
Test Valley	49,855.00
Winchester	49,960.28

- l. The Capital & Investment Strategy for 2020/21 (and the remainder of 2019/20) as set out in Appendix 8 of the Cabinet report.
- m. The Treasury Management Strategy for 2020/21 (and the remainder of 2019/20) as set out in Appendix 9 of the Cabinet report.
- n. The delegation of authority to the Deputy Chief Executive and Director of Corporate Resources to manage the County Council's investments and borrowing according to the Treasury Management Strategy Statement as appropriate.

B. Capital Programme 2020/21 to 2022/23

That the County Council approve:

- o. The capital programme for 2020/21 and the provisional programmes for 2021/22 and 2022/23 as set out in Appendix 1 of the Cabinet report.

Revenue Budget 2020/21

	Original Budget 2019/20 £'000	Adjustment £'000	Proposed Budget 2020/21 £'000
<u>Departmental Expenditure</u>			
Adults' Health and Care	385,455	35,881	421,336
Children's – Schools	828,086	73,891	901,977
Children's – Non Schools	158,761	49,852	208,613
Economy, Transport and Environment	102,856	6,697	109,553
Policy and Resources	88,163	9,551	97,714
	1,563,321	175,872	1,739,193
<u>Capital Financing Costs</u>			
Committee Capital Charges	141,035		141,035
Capital Charge Reversal	(143,314)		(143,314)
Interest on Balances	(10,436)	(3,000)	(13,436)
Capital Financing Costs	42,101		42,101
	29,386	(3,000)	26,386
<u>RCCO</u>			
Main Contribution	8,404	(1,565)	6,839
RCCO From Reserves	0	1,045	1,045
	8,404	(520)	7,884
<u>Other Revenue Costs</u>			
Contingency	93,391	(22,042)	71,349
Dedicated Schools Grant	(764,228)	(49,140)	(813,368)
Specific Grants	(192,899)	(42,718)	(235,617)
Pensions – Non-Distributed Costs	22,063	(22,063)	0
Levies	2,311	117	2,428
Coroners	1,821	177	1,998
Business Units (Net Trading Position)	454	(318)	136
	(837,087)	(135,987)	(973,074)
Net Revenue Budget	764,024	36,365	800,389
<u>Contributions to / (from) Earmarked Reserves</u>			
Transfer to / (from) Earmarked Reserves	(5,555)	748	(4,807)
Trading Units Transfer to / (from) Reserves	(313)	318	5
RCCO From Reserves	0	(1,045)	(1,045)
	(5,868)	21	(5,847)
Contribution to / (from) General Balances	900	0	900
NET BUDGET REQUIREMENT	759,056	36,386	795,442

	Original Budget 2019/20 £'000	Adjustment £'000	Proposed Budget 2020/21 £'000
NET BUDGET REQUIREMENT	759,056	36,386	795,442
Funded by			
Business Rates and Government Grant	(119,511)	(2,536)	(122,047)
Business Rates Collection Fund Deficit / (Surplus)	52	52	104
Council Tax Collection Fund Deficit / (Surplus)	(3,768)	484	(3,284)
COUNCIL TAX REQUIREMENT	635,829	34,386	670,215