



**Author/Lead Officer of Report:** Dave Phillips,  
Head of Strategic Finance

**Tel:** 0114 273 5872

**Report of:** *Eugene Walker*

**Report to:** *Co-operative Executive*

**Date of Decision:** *16<sup>th</sup> February 2022*

**Subject:** *Budget Report for 2022/23*

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input checked="" type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? <i>Finance and Resources</i>		
Which Scrutiny and Policy Development Committee does this relate to? <i>Overview and Scrutiny Management Committee</i>		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? <i>(Insert reference number)</i>		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		
<i>"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."</i>		

**Purpose of Report:**

The purpose of this Revenue report is to:

- approve the City Council's revenue budget for 2022/23, including the position on reserves and balances;
- approve a 2022/23 Council Tax for the City Council; and
- note the levies and precepts made on the City Council by other authorities.

The purpose of the Capital Strategy is to:

- Set out the Council's key priority areas for capital investment from 2022 to 2052;
- Provide an overview of specific projects included in the years 2022 to 2027;
- Set out the overall shape of the current Capital Programme for the 5 years to 2027 (at **Appendix C2**). Block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate approval as part of the monthly approval cycle;
- Set out our principles for how we invest in non-cash assets; and
- Provide background to our Corporate Investment Fund Policy at **Appendix C1**.

**Recommendations:**

1. As regards the Revenue Budget, Co-operative Executive is recommended to pass to Full Council:

- a) To approve a net Revenue Budget for 2022/23 amounting to £411.800m;
- b) To approve a Band D equivalent Council Tax of £1,753.21 for City Council services, i.e. an increase of 2.99% (1.99% City Council increase and 1% national arrangement for the social care precept);
- c) To note that the section 151 officer has reviewed the robustness of the estimates and the adequacy of the proposed financial reserves, in accordance with Section 25 of the Local Government Act 2003. Further details can be found in **Appendix 4** and within the Section 25 Statutory Statement on Sustainability of Budget and Level of Reserves from paragraph 2;
- d) To note that, if overspends against the agreed budgets emerge, then Executive Directors and Directors will be required to develop and implement plans to mitigate fully any overspend, within 2022/23, in consultation with elected Members;
- e) To note the Council will undertake a series of Strategic Reviews into key services, to identify changing methods of provision that support services to the public at lower cost, thus bringing the Council's budgets back into recurrent balance during 2022/23;
- f) To approve the savings as set out in **Appendix 2**;
- g) To approve the revenue budget allocations for each of the services, as set out in **Appendices 3a to 3d**;
- h) To note that, based on the estimated expenditure level set out in **Appendix 3** to this report, the amounts shown in part B of **Appendix 5**

would be calculated by the City Council for the year 2022/23, in accordance with sections 30 to 36 of the Local Government Finance Act 1992;

- i) To note the information on the precepts issued by the South Yorkshire Police & Crime Commissioner and of South Yorkshire Fire & Rescue Authority, together with the impact of these on the overall amount of Council Tax to be charged in the City Council's area;
- j) notes the precepts issued by local parish councils which add £654,794 to the calculation of the budget requirement in accordance with Sections 31 to 36 of the Local Government Finance Act 1992;
- k) To approve the Treasury Management and Annual Investment Strategies set out in **Appendix 6** and the recommendations contained therein;
- l) To approve the Minimum Revenue Provision (MRP) Policy set out in **Appendix 6**; which takes into account the revisions proposed for 2022/23 onwards;
- m) To agree that authority be delegated to the Executive Director of Resources to undertake Treasury Management activity, to create and amend appropriate Treasury Management Practice Statements and to report on the operation of Treasury Management activity on the terms set out in these documents;
- n) To approve a Pay Policy for 2022/23 as set out in **Appendix 7**; and
- o) To agree that (a) the Member's allowances scheme for 2017/18 and onwards, approved on 3 March 2017, and implemented for 2018/19, 2019/20, 2020/21 and 2021/21 and as amended in 2021/22 be also implemented for 2022/23 until the date of the annual meeting and (b) to note that, following a review by the Independent Remuneration Panel, a new Scheme will be agreed by Council to reflect the requirements of the new committee system to be implemented from the Annual Meeting on 18 May 2022.

Co-operative Executive is asked to:

- p) delegated authority for the administration and payment of the Energy Support Payments announced by Government on the 3rd Feb 2022 to the Director of Finance and Commercial Services.

2. As regards the Capital Strategy, Co-operative Executive is recommended to pass to Full Council:

- to approve the contents of the Capital Strategy and the specific projects included in the years 2022/23 to 2026/27; that block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate Member approval as part of the monthly monitoring procedures; and
- to approve the proposed Capital Programme for the 5 years to 2026/27 as per **Appendix C2** of the capital report.

**Background Papers:**

Lead Officer to complete:-			
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.		
	Finance: <i>Dave Phillips</i>		
	Legal: <i>David Hollis</i>		
	Equalities: No		
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>			
2	<b>EMT member who approved submission:</b> <i>Eugene Walker</i>		
3	<b>Cabinet Member consulted:</b> <i>Councillor Cate McDonald Cabinet member for Finance and Resources</i>		
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.		
	<table border="1"> <tr> <td><b>Lead Officer Name:</b> <i>Dave Phillips</i> </td> <td><b>Job Title:</b> <i>Head of Strategic Finance</i></td> </tr> </table>	<b>Lead Officer Name:</b> <i>Dave Phillips</i> 	<b>Job Title:</b> <i>Head of Strategic Finance</i>
<b>Lead Officer Name:</b> <i>Dave Phillips</i> 	<b>Job Title:</b> <i>Head of Strategic Finance</i>		
<b>Date:</b> 7 <sup>th</sup> February 2022			

## 1. PROPOSAL

- 1.1 The City Council on 2 March 2022 meets to consider the Revenue Budget for 2022/23 and to determine the Council Tax for that year.

The report provides information to enable the Council to set a budget and determine the Council Tax.

The proposals set out in this report provide for a balanced budget to be recommended to Council.

## 2. HOW DOES THIS DECISION CONTRIBUTE?

- 2.1 The purpose of this report is to:

- approve the City Council's revenue budget for 2022/23, including the position on reserves and balances;
- approve a 2022/23 Council Tax for the City Council; and
- note the levies and precepts made on the City Council by other authorities.

*Please refer to paragraph 238 of the main report for the recommendations. Note this will change in the final version of the report*

## 3. HAS THERE BEEN ANY CONSULTATION?

- 3.1 Yes .

## 4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

### 4.1 Equality of Opportunity Implications

- 4.1.1 Yes – See appendix 8

### 4.2 Financial and Commercial Implications

- 4.2.1 Yes – cleared by Dave Phillips

### 4.3 Legal Implications

- 4.3.1 Yes – see Legal section of the report (Paras 104-114)

### 4.4 Other Implications

4.4.1 No

## **5. ALTERNATIVE OPTIONS CONSIDERED**

5.1 *A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.*

## **6. REASONS FOR RECOMMENDATIONS**

6.1 *The City Council on 2 March 2022 meets to consider the Revenue Budget for 2022/23 and to determine the Council Tax for that year. The report provides information to enable the Council to set a budget and determine the Council Tax. The proposals set out in this report provide for a balanced budget to be recommended to Council.*