

COUNCIL
9 February 2022
CABINET RECOMMENDATIONS

Recommendations to Council made at the Cabinet meeting held on 27 January 2022

(a) The 2022/23 Budget and the Medium Term Financial Strategy to 2025/26

The Cabinet Member for Finance reported details of the proposed 2022/23 revenue and capital budgets and revised MTFS, following the Government's positive provisional financial settlement. Despite the impact from Covid-19, the Council is well placed to meet current challenges.

In 2022/23, there will be £1m investment in climate change, £0.2m supporting the economic recovery in the district, protecting voluntary grants, setting an ambitious £10m capital programme providing infrastructure and facilities for residents, whilst laying the groundwork for investment options in key venues such as the Capitol Theatre and Southwater County Park in the future.

The Council is budgeting for a moderate surplus in 2022/23. The net budget requirement for 2022/23 is £1m higher than in 2020/21, reflecting the continued impact of Covid-19 as well as ongoing annual inflationary and salary cost pressures. The appendices to the report include details of the 2022/23 revenue budget and capital expenditure programme.

With regards to the MTFS, the outlook remains extremely uncertain, with limited details on the Government's proposed changes to Business Rates and the Fair Funding Review, and no certainty regarding funding for food waste collections. The current projection anticipates budget deficits in the latter part of the MTFS, as detailed in the report.

RECOMMENDED TO COUNCIL

- i) That the level of Council Tax for 2022/23 increases from £157.52 by £4.57 (2.9%) to £162.09 at Band D.
- (ii) That the net revenue budget set out in Appendix A for 2022/23 of £12.188m is approved.
- (iii) That Special Expenses of £323,330 set out in Appendix C and a Band D charge of £26.83 are agreed in respect of the unparished area for 2022/23.
- (iv) That the capital programme for 2022/23 set out in Appendix D be approved and that the indicative capital budgets in the programme for future years be noted.
- (v) That the projected future budgets on the revenue account in 2023/24 to 2025/26 are noted and the Medium-Term Financial Strategy continues to be reviewed and refined to ensure that decisions are taken to set balanced budgets in these three years.

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- (vi) That the Minimum Revenue Provision Statement set out in Appendix E is approved.
- (vii) That the Capital Strategy, Treasury Strategy, Investment Strategy and prudential indicators and limits for 2021/22 to 2024/25 set out in Appendix F are approved.
- (viii) To note the statement on the robustness of the level of reserves in Appendix H.
- (ix) That the increases to fees and charges set out in Appendix I and I(i) and I(ii) are approved.
- (x) Delegate to the Director of Community Services in consultation with the relevant Cabinet lead temporary changes to fees and charges in the form of offers and incentives during the year, as well as the setting of charges for sports development activities as all offerings are being revised and will take account of variable costs such as facility hire and coaching rates.

REASON

To meet the Council's statutory requirement to approve the budget and the prudential indicators before the start of a new financial year.

(b) 2022/23 Council Tax Reduction (CTR) Scheme

Horsham's current CTR scheme provides financial support for those on low incomes to help them afford their Council Tax payments. Each year the Council reviews the policy and sets a new policy for the following financial year. It is proposed that the scheme remains unchanged for 2022/23.

RECOMMENDED TO COUNCIL

To agree to no changes in the Council Tax Reduction scheme for 2022/23.

REASON

Council Tax Reduction schemes are annual schemes and therefore require an annual review and approval, even when no changes to the scheme are being proposed. Review work on the scheme showed the scheme remains affordable for Horsham District Council and provides a good level of support to our less well-off residents.

(c) 2022/23 Discretionary Rate Relief scheme

Horsham District Council provides discretionary rate relief to charities and not-for-profit organisations under s47 of Local Government Finance Act 1988. This scheme should be reviewed and authorised annually by both Cabinet and Council, even when no changes are proposed.

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Cabinet recommends an amendment to the existing Discretionary Rate Relief scheme for charities and not for profit organisations by extending the charitable relief by up to 100% for eligible organisations.

RECOMMENDED TO COUNCIL

To approve the Discretionary Rate Relief scheme for 2022/23 as detailed in the appendix to the Cabinet report

REASON

- (i) Discretionary rate relief is an annual scheme and therefore require an annual review and approval.
- (ii) The increase in the level of rate relief to 100% will provide additional support for charitable and not for profit organisations.

(d) Modern Slavery and Human Trafficking Statement

The Cabinet Member for Community Matters presented HDC's proposed Modern Slavery and Human Trafficking Statement, which details the Council's commitment to tackling this issue within the district's business activity and supply chain. The statement was drafted with the help of Community Services who work with partner organisations to tackle this issue.

Section 54 of the Modern Slavery Act states that every commercial organisation in the UK with a total annual turnover of £36m or more must produce a Modern Slavery and Human Trafficking Transparency Statement annually. Many local authorities are producing a statement on a voluntary basis.

RECOMMENDED TO COUNCIL

- (i) Approve the publication of the Modern Slavery and Human Trafficking Transparency Statement as attached at Appendix A to the Cabinet report.
- (ii) Delegate authority to the Leader of the Council in consultation with the Director of Corporate Resources and the Head of Legal & Democratic Services to approve minor amendments and subsequent annual statements for publication.

REASON

- (i) The adoption and publication of a Modern Slavery and Human Trafficking statement is considered best practice and is likely to become a statutory requirement within the next 12 months.
- (ii) The approval of the statement shows the commitment of Horsham District Council to tackle modern day slavery in the community and its supply chains, it also supports the principles set out in the Sustainable Procurement Charter which is used within our procurement processes.