

Environment and Sustainable Transport Committee

12 February 2019

Medium Term Financial Strategy 2019-20 to 2022-23 and Detailed Budget and Council Tax 2019-20

Report by the Director, Corporate and Commercial

Call-in deadline: N/A

Purpose

To set out the proposed budget for 2019/20 to 2022/23 and the detailed information required to enable this Committee to make recommendations to inform the Finance and Contracts Committee's recommendations to Budget Council on 26 February 2019.

Recommendations of the Portfolio Holder for Finance

To **resolve** that -

1. The proposals in the budget report regarding the 2019/20 budget for Cycling, Environment, Air Quality, Waste, Parks and Open Spaces, Street Scene, Heritage and Arts, Nature Conservation and Open Spaces, Transport and Highways and Parking be **RECOMMENDED** to the Finance and Contracts Committee.

Benefits to the Community:

Setting a balanced budget assists in ensuring the Council is financially sustainable and able to deliver services to the community.

Key Points

- A. A separate document, entitled '**Budget Report 2019/20 to 2022/23**' has been published alongside this agenda **and has been dispatched as a separate document to all Members. Members are requested to bring this with them to the meeting.** The references in this report refer to that Budget Report pack. That document comprises the budget proposals for all service areas.
- B. This Committee is asked to consider the budget proposals relating to Cycling, Environment, Air Quality, Waste, Parks and Open Spaces, Street Scene, Heritage and Arts, Nature Conservation and Open Spaces, Transport and Highways and Parking, being the services within its remit. The outcome of these discussions will inform a recommendation to Finance and Contracts Committee who will cover the overall draft budget and make recommendations to Council, where the formal decisions on the budget and Council Tax level for 2019/20 will be taken.
- C. In relation to the remit of this committee, Members are asked to refer in particular to the following items:
 1. Budgetary growth has been provided for highways, transport and regulatory services as set out in **Annex 5 items 5 to 7**; and for air quality, green spaces and waste in **Annex 5 items 17 to 21**.
 2. Budget reductions are shown in **Annex 6** of the report. These include **items 20, 38, 39, 51 to 53, 60, 71 to 82, 87 to 93 and 96 to 100** which relate to parking, waste, green spaces and street cleansing contracts, **items 4, 14 and 37** which relate to highways, transport and regulatory services and

items 58 to 59, 61, 64 to 67 and 69 to 70 which relates to Heritage and Arts.

3. The Capital Strategy is set out in **Annex 11** including the General Fund Capital Programme in **Enclosure 1**. The programme includes new projects related to waste and environment **items 47 to 49** and additional funding for an existing environment project **item 46**. **Item 50** includes the latest TfL capital Highways funding, **items 53-58** include new or existing rolling programmes within Highways.

Consultations

1. No specific consultation has been carried out in relation to the budget as a whole but any necessary consultation will be carried out as part of the detailed implementation plan for specific proposals. Proposals subject to consultation prior to implementation are marked as such in the budget report pack.

Timescale

2. After consideration by the Strategic Committees, the Budget will be considered and recommended for approval by Council on 26 February 2019.

Resource Implications

3. All resource implications are contained within the Budget Report pack.

Legal Implications

4. The Local Government Act 2003 requires the Chief Finance Officer to report to Council as part of the budget process on the robustness of the estimates and the adequacy of the proposed financial reserves. The Council is required by the Local Government Finance Act 1992 to make specific estimates of gross revenue expenditure and anticipated income leading to the setting of the overall budget and council tax. The amount of council tax must be sufficient to meet the Council's legal and financial commitment, ensure the proper discharge of its statutory duties and lead to a balanced budget.
5. The Localism Act 2011 provides for a council tax referendum to be held if an authority increases its relevant basic amount of council tax in excess of principles determined by the Secretary of State. The Local Government Finance Settlement published in December 2018, announced that a referendum must be held if council tax for general spend is to be increased by 5% or more. Council tax for general spending requires a referendum if it rises by 3% or more alongside a maximum 2% social care precept. The setting of the social care precept must not exceed a rise of 6% over 3 years from 2017/18.
6. In considering the budget for 2019/20, members must consider the Public Sector Equality Duty under s149 Equality Act 2010. The council must, when exercising its functions, have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited by the Equality Act and to advance equality of opportunity and foster good relations between those who share a 'protected characteristic' under the Act and those who do not share a protected characteristic. A 'protected characteristic' is defined in the Act as age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Marriage and civil partnership are also protected characteristics for the purposes of the duty to eliminate discrimination. Members

must consider how the decision will contribute to meeting these duties in light of other relevant circumstances such as economic and practical considerations.

7. Some of the proposed savings will be subject to separate decision making processes (either by Officer, Strategic Committee or Council). Some of the proposed savings require a consultation process to be undertaken and the product of consultation (together with the equality analysis) must be conscientiously taken into account in finalising any decisions. The Budget Report makes it clear that if, as a result of the consultation process there are changes to proposed savings alternative arrangements will need to be made to deliver reductions in spend.

Risk Assessment

8. A financial risk assessment is contained within the Budget Report pack

Equalities Impact Assessment

9. An equalities impact assessment has been undertaken and is disclosed within the budget report pack.

Health Implications

10. There are no direct health implications arising from this report. Any health implications of specific proposals will be considered as part of the detailed implementation plan of those proposals.

Road Network Implications

11. There are no direct road network implications arising from this report. Any road network implications of specific proposals will be considered as part of the detailed implementation plan of those proposals.

Environmental & Air Quality Implications

12. There are no direct environmental or air quality implications arising from this report. Any environmental implications of specific proposals will be considered as part of the detailed implementation plan of those proposals.

Background papers - None other than those referred to in this report

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