

CYNGOR SIR POWYS COUNTY COUNCIL.

Date: 28th February 2020

**REPORT AUTHOR: County Councillor Aled Davies
Portfolio Holder for Finance**

**SUBJECT: Addendum to Budget 2020-21, Medium-Term Financial
Strategy 2020-2025 and 2020-21 Capital Programme for
2020-2030**

REPORT FOR: Decision

1. Purpose

1.1 This report makes a minor amendment to the budget proposed to Council on the 28th February 2020.

2. Proposal

2.1 That £152,000 additional Council Tax is included in the revenue budget for 2020-21 to account for an increased level of collection in Council Tax premiums for 2nd homes and empty properties.

2.2 That the Council Tax increase in 2020-21 will be 4.8%, which will generate £152,000 less income than the previously proposed 5% increase. Recommendation 2 of the original budget proposal is amended accordingly

3. Resource Implications and Section 151 Officer Opinion

3.1 The projected outturn for 2019-20 includes a considerable surplus on the level of Council Tax collected, adjustments have been made to the 2020-21 Council Tax base to include more properties which attract a premium in the calculation. Performance this year cannot be guaranteed for future years, as the classification of properties can change at anytime, however, the level of adjustment proposed does not significantly change the level of risk in this regard.

3.2 The level of change proposed by the amendment does not change the Section 151 Officers opinion to that expressed in the original report, in that the estimates used in the budget proposal for 2020-21 are adequately robust but significant risk remains. Based on the assessment of reserves the overall level is adequate but remains at the lower end of acceptability given the scale of savings required over the medium term.

4. Legal Implications

4.1 The Solicitor to the Council (Monitoring Officer) notes the amendments to the budget proposal.

5. Members' Interests

5.1 The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest they should declare it at the start of the meeting and complete the relevant notification form.

Recommendation:	Reason for Recommendation:
1. That the MTFS for 2020-2025 as set out in Appendix A to the report be agreed in principle.	To aid business planning and development of the budget over a three-year period
2. That the Revenue Budget for 2020-2021 with the inclusion of a 4.8% increase in Council Tax shown in the Financial Resource Model in Appendix B is approved.	Statutory Requirement
3. That the Fees and Charges proposed within the Fees and Charges Register are approved (Appendices D and E)	To comply with Powys County Council Income Policy
4. The proposed Capital Strategy and Capital Programme for 2020-30 shown in Appendix F is approved.	Statutory Requirement
5. The Minimum Revenue Provision Statement as set out on Appendix F is approved.	Statutory Requirement
6. The Treasury Management Strategy and the Annual Investment Strategy in Appendix F is approved.	Statutory Requirement
7. The Authorised borrowing limit for 2020-21 as required under section 3(1) of the Local Government Act 2003 be approved at £434 million as set out in section 3.60 of this report.	Statutory Requirement
8. The Prudential Indicators for 2020-21 are approved as set out in section 3.56 to 3.58 of the report and Appendix F.	Statutory Requirement

Relevant Policy (ies):			
Within Policy:	Y	Within Budget:	Y

Relevant Local Member(s):	
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Person(s) To Implement Decision:	Chief Executive
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Date by When Decision to Be Implemented:	1st April 2020

Contact Officer Name:	Tel:	Email:
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