

REPORT TO:	Council
REPORT NO:	HF/06/19
DATE:	20 February 2019
LEAD MEMBER:	Councillor Mark Pritchard (Organisation – Finance, Performance, Health & Safety and Governance)
CONTACT OFFICER:	Mark Owen (Tel: 292704)
SUBJECT:	Revenue Budget and Council Tax Setting 2019/20
WARD:	N/A

1. PURPOSE OF THE REPORT

To enable members to agree the 2019/20 revenue budget in accordance with the recommendations of the Executive Board and to set the council tax for the financial year beginning 1 April 2019.

2. EXECUTIVE SUMMARY

- 2.1 On 8 January 2019 members of the Executive Board agreed a net budget of £236,853,291 for recommendation to Council.
- 2.2 The attached report by the Head of Finance, which will form part of the budget book, refers to:
- the planning framework and the process followed in compiling the budget
 - the outworking of the budget monitoring and control exercise during the current financial year
 - the 2019/20 financial settlement from the Welsh Government
 - the proposed expenditure for 2019/20 and the position on balances
 - the resulting council tax proposals

Appendix 1 to the report contains a financial summary of the budget proposals.

- 2.3 The highlights of the proposed budget are:-

- it has a strong link to the Council Plan and it continues to prioritise the vulnerable
- includes an increase to Schools budget of 3%
- it delivers cuts of £5.806m
- it highlights the risks associated with the proposed budget and the need for close management of them during the year.

2.4 In respect of the medium term (see Appendix 4); a shortfall of £9.8m is projected for the two year period from 2020/21 to 2021/22. This is based on the assumption that Welsh Government grant funding will remain cash flat and that council tax will increase by 5.5% in both years.

3. RECOMMENDATIONS

- 3.1 a) **the budget totalling £ 236,853,291 be approved.**
- b) **that the Authority's council tax for 2019/20 for Band D is set at £1,150.90 in respect of its general expenses and in respect of the special expenses for footway lighting a charge of £4.98 on the town centre community areas of Acton, Caia Park, Offa and Rhosddu, £16.46 on the community of Llangollen Rural, £12.75 on the community of Glyntraian and £10.81 on the community of Chirk.**
- c) **that the Medium Term Financial Plan including the Council's Reserve Strategy outlined in Appendix 4 be approved.**
- d) **that the Capital Strategy, Treasury Management Strategy Statement and Investment Strategy outlined in Appendix 5 and Appendix 5A be approved.**
- 3.2 **That the recommended council tax resolution for 2019/20 contained in Annex 1 be approved**

REASONS FOR RECOMMENDATIONS

To enable the Council to determine its revenue budget for 2018/19 and set the council tax for that year.

4. BACKGROUND INFORMATION

- 4.1 The Council's financial plan has been developed during the current financial year and considered by members through a series of all member budget workshops and scrutiny committee meetings. The Council's Medium Term Financial Plan is outlined in Appendix 4.
- 4.2 The Local Government final settlement was published on 19 December 2018 which indicated a decrease in the Council's grant support of 0.1% compared to the Wales average increase of 0.2%. On 8 January 2018 the Executive Board agreed a net budget of £236,853,291 for recommendation to Council.

Capital / Treasury Management Strategy

- 4.3 In accordance with the CIPFA Prudential and Treasury Management Codes of Practice the Council is required to approve the 2019/20 Capital Strategy, Treasury Management Strategy Statement and Investment Strategy prior to the beginning of the financial year. The strategies for 2019/20 are outlined in Appendix 5 and Appendix 5A respectively.

5. IMPLICATIONS

- 5.1 **Policy Framework** – The budget plan has been formulated with close regard to the Council Plan. In determining the savings needed to be made for 2019-20, officers and members considered a range of savings proposals and focused on making savings that minimise the negative impact on the most vulnerable.
- 5.2 **Budget** – The Council's net revenue budget for 2018/19 is £232,871,963 as agreed on 21 February 2018 (HF/19/18).
- 5.3 **Legal** – There is a legal requirement to set the Council's 2019/20 Budget and consequent council tax levels.
- 5.4 **Staffing** – Any staffing implications are contained in the body of the report.
- 5.5 **Equality/Human Rights** – An overall Equality Impact Assessment has been completed (FIN/EIA/00148/2018). Members of the public can request a copy of the full Equality Impact Assessment from the Contact Officer named in the header box of this report.
- 5.6 **Risks** – The key risk areas in the budget and how these will be managed are outlined in the Head of Finance report attached (Appendix 2).

6. CONSULTATION

- 6.1 From 24 October to 28 November 2018 the package of draft budget proposals for the 2019/20 financial year went out for public consultation. The proposals were summarised and presented in a booklet called 'Difficult Decisions'. The survey and detailed information booklet was made available online on the Council's website.
- 6.2 The consultation findings were presented to Members at an all Member Workshop on the 10 December 2018 and considered by members of the Executive Board on 8 January 2019 (HF/01/19).
- 6.3 There were a total number of 3,350 responses to the consultation including 3,325 responses to the survey, 7 participants at a market stall event and 18 letters/e-mails.
- 6.4 The Schools' Budget Forum, employee trade unions and non-domestic ratepayer representative bodies were consulted on the budget for 2019/20 following the Executive Board meeting on 23 October 2018. The responses were included as Appendix 7 to the report considered by the Executive Board on 8 January 2019.
- 6.5 Following consideration of the results of the "Difficult Decisions" consultation, the Executive Board decided:

- not to implement a £30 charge for green bin
- not to initiate a review of Faith Transport
- to undertake a review of Libraries

7. SCRUTINY COMMITTEE COMMENTS

7.1 Scrutiny Committees have had the opportunity to review budget proposals throughout the process.

BACKGROUND PAPERS	LOCATION	WEBSITE INFO.
<p>Wrexham County Borough Council Budget 2018/19</p> <p>Provisional & Final Local Government Revenue and Capital Settlements 2019/20</p>	<p>Head of Finance</p>	<p>http://www.wrexham.gov.uk/top_navigation/search/index.htm?q=2018%2F19%20Budget</p> <p>http://gov.wales/topics/localgovernment/finandfunding/settlement/lg-settlement-2019-20/?lang=en</p>