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## **Performance and Finance Scrutiny Committee**

**22 January 2020**

### **Revenue Budget 2020/21, Capital Strategy 2020/21 to 2024/25 and Treasury Management Strategy Statement 2020/21**

**Report by Director of Law and Assurance**

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#### **Summary**

The draft budget for 2020/21 is presented to the Committee for preview and endorsement ahead of the agreement and approval of the Budget at Cabinet on 28 January 2020 and County Council on 14 February 2020. The attached report is presented by the Director of Finance and Support Services. Any issues or concerns raised by the Committee will be considered by the Cabinet ahead of approval at County Council.

#### **Focus for scrutiny**

The Committee should consider the detail included within the attached report and appendices presented by the Director of Finance and Support Services in order to agree any comments or issues it wishes the Cabinet to take into account when it considers the draft Revenue Budget 2020/21, draft Capital Strategy 2020/21 to 2024/25 and draft Treasury Management Strategy Statement for 2020/21.

Key areas for scrutiny include:-

- Ensuring that the budget presented, including the additional investment to meet demand and other pressures and the proposed savings, is realistic and enables the achievement of the priorities and objectives agreed in the West Sussex Plan
- That the increase in Council Tax is justified and appropriate to meet the needs of the residents of West Sussex
- That the Capital Programme and Strategy meet the future needs of the County Council
- That the Treasury Management Strategy ensures financial risks are minimised, security of capital is ensured and that the borrowing needs of the capital programme are met within the authorised borrowing limit and the efficient management of funds.

The Chairman will summarise the output of the debate for consideration by the Committee.

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#### **Details**

The draft Revenue Budget for 2020/21, the draft Capital Strategy 2020/21 to 2024/25 and the draft Treasury Management Strategy Statement 2020/21 are set

out in Appendix A to this report. The Committee is asked to review the reports, provide any comments for consideration at the Cabinet meeting to be held on 28 January 2020 and endorse the budget being presented. The Committee should focus on ensuring that the budget presented is realistic and enables the achievement of the priorities and objectives agreed in the West Sussex Plan.

The County Council continues to be committed to focusing on the areas which will make the biggest difference to the lives of the residents and the future prosperity of the county. However, to have a realistic chance of achieving its ambitious objectives in the context of the continuing squeeze on public finances, a council tax rise of 3.99% is proposed for 2020/21, representing 2% for the Adult Social Care precept and 1.99% for all other services.

The background and context to this item for scrutiny are set out in the attached reports (listed below), including resource and risk implications, Equality, Human Rights, Social Value, Sustainability and Crime and Disorder Reduction Assessments.

Comments from the Member Day session held on the budget are also presented for the committee to consider, Appendix B.

### **Tony Kershaw**

Director of Law and Assurance

**Contact Officer:** Susanne Sanger, Senior Adviser (Democratic Services), 0330 22 22550

### **Appendices**

- Appendix A– Revenue Budget 2020/21, Capital Strategy 2020/21 to 2024/25 and Treasury Management Strategy Statement 2020/
  - Annex 1 - Budget Pack:
    - Appendix 1 – Summary of Revenue Budget and Precept 2020/21
    - Appendix 2 – Analysis of Changes
    - Appendix 3 – Balancing the Budget
    - Appendix 4 – Grants Towards Specific Services
    - Appendix 5 – Reserves
    - Appendix 6 – Detailed Portfolio Pages
  - Annex 2(a) – Capital Strategy 2020/21 to 2024/25
    - Appendix A – Capital Programme Portfolio Pages
    - Appendix B – MRP Statement 2020/21
    - Appendix C – Illustrative External Debt
    - Appendix D – Graphical illustration
    - Appendix E – Projects to be funded from flexible use of capital receipts
  - Annex 2(b) - Treasury Management Strategy Statement 2020/21
    - Appendix A – West Sussex County Council – Treasury Portfolio (30/11/2019)

- Appendix B – Economic and Interest Rate Forecast (Link Asset Services)
  - Annex 2(c) – Prudential Indicators 2020/21 to 2024/25
  - Annex 3 – Equality Impact Assessment
- Appendix B – summary of comments from the Member Day held on 16 January 2020 for the committee to consider (to follow)

**Background papers**

None