

Cabinet	Ref No: CAB12 (19/20)
January 2020	Key Decision:
Revenue Budget 2020/21, Capital Strategy 2020/21 to 2024/25 and Treasury Management Strategy Statement 2020/21	Part I
Report by Director of Finance and Support Services	Electoral Division(s):
<p>Summary</p> <p>The attached report sets out the Revenue Budget for 2020/21, the Capital Strategy for 2020/21 to 2024/25 and the Treasury Management Strategy Statement for 2020/21. An update of the projected budget gap is included in the revenue budget report. The revenue budget report sets out the current national context for funding of local authorities, how the balanced budget for 2020/21 supports the delivery of the key priorities within The West Sussex Plan, and reviews the robustness of estimates and the adequacy of reserves.</p> <p>The capital strategy sets out the long-term capital investment policy objectives of the council linking the strategy to The West Sussex Plan and includes the detail of the planned investment over the next five years and the associated funding implications of this investment. The Treasury Management Strategy Statement 2020/21 is also included as part of the papers which provides further information regarding the strategy to manage the Council investments and borrowing requirements.</p>	
<p>West Sussex Plan: Policy Impact and Context</p> <p>Both the revenue budget and the capital strategy support the agreed priorities of the County Council and full details are set out in Section 3 of both reports.</p>	
<p>Financial Impact</p> <p>The report sets out the financial impact of the both the revenue budget and the capital strategy.</p>	
<p>Recommendations</p> <p>Cabinet is asked to endorse the County Council Budget for 2020/21, as set out in Appendix A and Annex 1, the Capital Strategy set out in Annex 2(a) and the Treasury Management Statement set out in Annex 2(b), for approval by County Council on 14 February 2020.</p>	

1. Background and Context

- 1.1 Cabinet is asked to endorse the revenue budget for 2020/21. The information in this report reflects Cabinet's priorities and strategic direction within the West Sussex Plan. The final budget will be taken to County Council for approval on 14 February 2020.

2. Revenue Budget 2020/21 to 2023/24

- 2.1 The Medium Term Financial Strategy for 2020/21 to 2023/24, including the revenue budget 2020/21, Capital Strategy 2020/21 to 2024/25, the Treasury Management Strategy Statement 2020/21 and supporting appendices are attached.
- 2.2 As Cabinet Members will be aware, some of the Government decisions are still to be confirmed (such as the final settlement). In addition, confirmation is awaited on the final figures from district and borough councils on the Council Tax Base, Business Rates forecast and the Collection Fund so at this stage, an overall estimate of £2.0m has been assumed in the budget. Final figures will be included in the report to be taken to County Council on 14 February 2020. Any further changes would then be managed through the Budget Management Reserve.

3. Consultation

- 3.1 The budget has been considered at Performance and Finance Scrutiny Committee on 22 January 2020 and discussions held at other Scrutiny Committees on savings.

4. Financial (revenue and capital) and Resource Implications

- 4.1 The financial and resource implications are set out in Appendix A.

5. Legal Implications

- 5.1 The legal implications are set out in Appendix A.

6. Risk Assessment Implications and Mitigations

- 6.1 The risk assessment implications and mitigations are set out in section nine of Appendix A.

7. Equality and Human Rights Assessment

- 7.1 Equality Act considerations are included in the report under section nine of Appendix A.
- 7.2 In taking its budget decisions the authority must have regard to the public sector equality duty. Within the savings schedule included at Annex 1 Appendix 3 of the Budget Report it is highlighted how the equality duty would

be fulfilled in respect of each saving. This is consistent with the approach taken for the 2019/20 budget.

8. Social Value and Sustainability Assessment

8.1 The social value and sustainability implications of any key areas of the budget will be subject to individual consideration.

9. Crime and Disorder Reduction Assessment

9.1 None

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Appendix and Annexes

Appendix A – Revenue Budget 2020/21

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 Budgets

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

Annex 4 – Comments and recommendations from Performance and Finance Scrutiny Committee

Background papers

None