

COUNTY COUNCIL MEETING – THURSDAY 25th FEBRUARY 2021

ASHFIELD INDEPENDENT GROUP AMENDMENT

ANNUAL BUDGET 2021/22

That the following amendment to the Capital Programme be approved.

1. An additional £3m be added to Highway Maintenance, £1 million each for highways improvements, above the current allocation, to be spent within the district boundaries of Ashfield District, Broxtowe Borough and Mansfield District Councils. The detailed scheme allocation of this funding will be determined by the appropriate Committee.

The increased capital programme will be funded by utilisation of the uncommitted contingency allocation in 2021/22 of £2.3m and acceleration of £0.7m of the 2022/23 contingency.

The amendment will result in updated capital information in the report as set out below.

Para 57) A number of capital bids described above are proposed to be funded from uncommitted contingency. The levels of contingency funding remaining in the capital programme are as follows:-

2021/22	£0m
2022/23	£2.1m
2023/24	£2.8m
2024/25	£2.9m

Table 11 – Summary Capital Programme

	Revised 2020/21	2021/22	2022/23	2023/24	2024/25	TOTAL
	£m	£m	£m	£m	£m	£m
Committee:						
Children & Young People*	29.553	24.335	16.377	11.301	11.301	92.867
Adult Social Care & Public Health	1.266	0.241	0.000	0.000	0.000	1.507
Communities & Place	67.033	47.135	23.249	20.893	20.390	178.700
Policy	26.109	37.332	15.794	5.016	4.430	88.681
Finance & MCM	0.180	0.180	0.180	0.180	0.180	0.900
Personnel	0.354	0.000	0.000	0.000	0.000	0.354
Contingency	0.000	0.000	2.100	2.800	2.854	7.754
Capital Expenditure	124.495	109.223	57.700	40.190	39.155	370.763
Financed By:						
Borrowing	42.924	63.174	25.609	12.016	11.432	155.155
Capital Grants	78.465	45.286	30.714	27.223	27.223	208.911

Revenue / Reserves	3.106	0.763	1.377	0.951	0.500	6.697
Total Funding	124.495	109.223	57.700	40.190	39.155	370.763

RECOMMENDATION

The Recommendations moved by the Chairman of the Finance and Major Contracts Management Committee as shown on pages 19 and 20 of the report be deleted and replaced by the following:

Recommendations

It is recommended that:

Reference

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| 1) The Annual Revenue Budget for Nottinghamshire County Council is set at £530.317 million for 2021/22. | Para. 14 |
| 2) The principles underlying the Medium-Term Financial Strategy are approved. | Table 9 |
| 3) The Finance and Major Contracts Management Committee be authorised to make allocations from the General Contingency for 2021/22. | Para. 16 |
| 4) That the 1.00% Adult Social Care Precept is levied in 2021/22 to part fund increasing adult social care costs. | Para. 25 |
| 5) The County Council element of the Council Tax is increased by 1.99% in 2021/22. That the overall Band D tax rate is set at £1,580.85 with the various other bands of property as set out in the report. | Para. 27 |
| 6) The County Precept for the year ending 31 March 2022 shall be £402,934,099 and shall be applicable to the whole of the District Council areas as General Expenses. | Para. 29 |
| 7) The County Precept for 2021/22 shall be collected from the District and Borough councils in the proportions set out in Table 7 with the payment of equal instalments on the dates set out in Table 8. | Table 7
Table 8 |

- 8) The Capital Programme for 2021/22 to 2024/25 be approved at the total amounts below and be financed as set out in the report. **The additional capital funding of £3m for Highway Maintenance to be allocated as £1million each for highways improvements, above the current allocation, to be spent within the district boundaries for Ashfield District, Broxtowe Borough and Mansfield District Councils. Detailed scheme allocation to be determined by the appropriate Committee.** Table 11

Year	Capital Programme
2021/22	£109.223m
2022/23	£57.700m
2023/24	£40.190m
2024/25	£39.155m

- 9) The variations to the Capital Programme be approved. Para. 48-57
- 10) The Minimum Revenue Provision policy for 2021/22 be approved. Appx. C
- 11) The Capital Strategy including the 2021/22 Prudential Indicators and Treasury Management Strategy be approved. Appx. D
- 12) The Service Director – Finance, Infrastructure and Improvement be authorised to raise loans in 2021/22 within the limits of total external borrowings. Para. 63
- 13) The Treasury Management Policy for 2021/22 be approved. Appx. E
- 14) The Council delegates responsibility for the setting of Treasury Management Policies and Practices relating to Pension Fund cash to the Pension Fund Committee. Para. 62
- 15) The report be approved and adopted.

Cllr Jason Zadrozny
Leader, Ashfield Independent Group

Cllr Tom Hollis
Ashfield Independent Group

FINANCIAL AND CONSTITUTIONAL IMPLICATIONS OF THE ASHFIELD INDEPENDENT GROUP'S AMENDMENT - COMMENTS OF THE SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND IMPROVEMENT AND THE SERVICE DIRECTOR – CUSTOMERS, GOVERNANCE AND EMPLOYEES

1 Purpose

- 1.1 The purpose of this report is to set out the financial and constitutional implications of the Ashfield Independent Group's Budget Amendment and provide an opinion on whether it meets the funding requirements contained in the Local Government Finance Act 1992, the Local Government Act 2003, the CIPFA Prudential Code for Capital Finance, and is in accordance with the legal requirements and the Council's constitution.

2 Financial Implications

- 2.1 The impact of the Amendment is to increase the Communities and Place Committee Capital Programme by £3m to fund additional Highway Maintenance, £1million each for highways improvements, above the current allocation within the district boundaries of Ashfield District, Broxtowe Borough and Mansfield District Councils.
- 2.2 It is proposed that this increase will be funded from a reduction in the uncommitted contingency in 2021/22 of £2.3m and acceleration of uncommitted contingency of £0.7m from 2022/23.

3 Commentary on the Proposals

- 3.1 A small contingency has historically been retained within the overall capital programme each year to allow for funding of unavoidable increased scheme costs or emergencies as they arise. This proposal utilises some of this contingency and increases the risk that the Capital Programme may be overcommitted if such a situation arises.
- 3.2 Recent years have seen slippage in the Capital Programme which would enable potential additional costs to be offset, but clearly this cannot be guaranteed.
- 3.3 If an overspend or additional requirement arose, and there was insufficient underspends or slippage to offset this, then an in-year review of the capital programme would be required. This would need to identify savings or slippage, which may include the additional allocation referred to in the amendment.

- 3.4 The proposal does not impact the overall Capital Programme across the MTFS and hence the corresponding overall prudential indicators set out in Appendix C would not change. If approved, there would be small amendments within years and revised yearly indicators would be brought to a future Finance & Major Contracts Management Committee for approval.

4 Conclusion

- 4.1 In the opinion of the Service Director – Finance, Infrastructure and Improvement, this Amendment meets the requirements of the Local Government Finance Act 1992, the Local Government Act 2003 and the CIPFA Prudential Code.
- 4.2 In the opinion of the Service Director – Customers, Governance and Employees, the proposals contained in the Ashfield Independent Group's Amendment are in accordance with the law and the County Council's Constitution.

NIGEL STEVENSON

**SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND
IMPROVEMENT**

MARJORIE TOWARD

**SERVICE DIRECTOR – CUSTOMERS, GOVERNANCE AND
EMPLOYEES**