

# Recommendation to Full Council 15 February 2022

From Councillor G Suttle following a “minded to” decision of Cabinet members at their informal meeting on 18 January 2022

## Budget strategy and medium-term financial plan (MTFP)

### For Decision

**Portfolio Holder:** Cllr G Suttle, Finance, Commercial & Capital Strategy

**Local Councillor(s):** All

**Executive Director:** [A Dunn, Executive Director, Corporate Development](#)

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**Report Status:** Public

**Recommendation:** To approve:

- (a) That the revenue budget summarised in appendix 1, be agreed
- (b) That the increase in general council tax of 1.998% and 0.996% in the social care precept, providing a band D council tax figure for Dorset Council of £1,832.67, an overall increase of 2.994%, be agreed.
- (c) That no change to the current scheme of Local Council Tax Support as set out in the report, be agreed.
- (d) That the capital strategy set out in Appendix 3 and the capital programme set out in Appendix 4, be agreed.
- (e) That the treasury management strategy as set out in Appendix 5, be agreed

- (f) That the assumptions used to develop the budget strategy and medium-term financial plan (MTFP) as set out throughout the report and summarised in Appendix 6, be agreed
- (g) That the recommended balances on earmarked reserves and on general funds, including the minimum level of the general fund, be agreed
- (h) That the addition of £4.4m from the settlement into the contingency budget, until there is clarity around further costs of implementing national reforms and as a hedge against emerging cost pressures, be agreed
- (i) That the responses to the recommendations and comments made as part of the budget scrutiny process, be agreed
- (j) That the concern around the cumulative overspend on the High Needs Block (HNB) and more importantly, the impact that an unmitigated transfer of this deficit to the council will have on its financial position when the statutory instrument falls away, as currently scheduled, on 1 April 2023, be noted.

#### **Reason for Recommendation:**

The Council is required to set a balanced revenue budget, and to approve a level of council tax as an integral part of this. A balanced budget is essentially one where all expenditure is funded by income without unsustainable use of one-off, or short-term sources of finance.

The Council is also required to approve a capital strategy, a capital programme and budget, and a treasury management strategy, each of which were included with the report to Cabinet.

The draft budget proposals have been considered by the Place and Resources Scrutiny Committee and by the People and Health Scrutiny Committee and their recommendations are set out in appendix 7 for Cabinet consideration.

#### **Appendices**

Appendix 1 - Report to Cabinet 18 January 2022 - Budget Strategy and medium-term financial plan (MTFP)

Appendices within the Cabinet report:  
(referred to in the recommendation(s) above)

1. High-level revenue budget summary
2. Council tax resolution **(for the Council report only)**
3. Capital strategy 2022-2027

4. Capital programme budget summary and financing
5. Treasury management strategy 2022/23
6. Summary of financial planning assumptions
7. Response to the issues raised by the Scrutiny committees

### **Background papers**

[Agenda for Cabinet on Tuesday, 18th January, 2022, 10.00 am - Dorset Council](#)

Quarterly financial management reports to Cabinet  
MTFP and budget report to Cabinet 5 October 2021