

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET – WEDNESDAY, 31 JANUARY 2024



Title of Report	ROBUSTNESS OF BUDGET ESTIMATES AND ADEQUACY OF RESERVES	
Presented by	Councillor Nicholas Rushton Corporate Portfolio Holder PH Briefed Yes	
Background Papers	Final Capital Strategy, Treasury Management Strategy and Prudential Indicators 2024/25 Report (Cabinet 31 January 2024)	Public Report: Yes
	Final General Fund Budget and Council Tax 2024/25 Report (Cabinet 31 January 2024) Final Housing Revenue Account Budget and Rents 2024/25 Report (Cabinet 31 January 2024)	Key Decision: Yes
Financial Implications	In accordance with statutory requirements the report provides the Section 151 Officer's advice on the robustness of budget estimates and the adequacy of reserves in the draft budget.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	The Council's Section 151 Officer is required to prepare this report under Section 25(1) Local Government Act 2003.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	None.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To advise Cabinet on the robustness of the estimates in the budget and the adequacy of the proposed financial reserves.	
Reason for Decision	To ensure the Council meets its statutory requirements when considering its budget.	
Recommendations	THAT CABINET NOTES THE S151 OFFICER'S ADVICE SET OUT IN SECTION 7 OF THE APPENDIX, AND CAREFULLY CONSIDERS THE CONTENT OF THIS REPORT AS PART OF PROPOSING TO COUNCIL THE	

	GENERAL FUND BUDGET REPORT 2024/25, HOUSING REVENUE ACCOUNT BUDGET 2024/25 REPORT AND THE CAPITAL STRATEGY AND TREASURY MANAGEMENT STRATEGY 2024/25
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1.0 BACKGROUND

- 1.1 Section 25(1) of the Local Government Act 2003 (the “2003 Act”) requires that the Chief Financial Officer (Section 151 Officer under the Local Government Act 1972) reports to the Council when setting its Council Tax on:
- the robustness of the estimates in the budget.
 - the adequacy of the proposed financial reserves.
- 1.2 Section 25(2) of the 2003 Act requires the Council to have regard to this report in approving the budget and Council Tax.
- 1.3 The Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Management Code reinforces this requirement stating that the statement in relation to the proposed financial reserves should consider whether the level of general reserves is appropriate for the risks (both internal and external) to which the Council is exposed and give reassurance that the authority’s financial management processes and procedures are able to manage those risks.
- 1.4 While the statutory local authority budget setting process continues to be on an annual basis, a longer-term perspective is essential if local authorities are to demonstrate their financial sustainability.
- 1.5 The Report from the Director of Resources (Section 151 Officer) to Council is set out in Appendix A.

Policies and other considerations, as appropriate	
Council Priorities:	The report encompasses the Council’s budget, therefore, is relevant to all Council Priorities: <ul style="list-style-type: none"> - Planning and regeneration - Clean, green and Zero Carbon - Communities and Housing - A well-run council
Policy Considerations:	None.
Safeguarding:	None.
Equalities/Diversity:	There has been equality impact assessments conducted by services on relevant proposals during the budget setting period.
Customer Impact:	Customers are likely to be impacted by the changes to fees and charges, Council Tax increase and special expenses precepts set out in this report. Equalities Impact Assessments will be undertaken where necessary.
Economic and Social Impact:	The General Fund capital programme allocates £7.9 million to investing in Coalville Regeneration

	<p>Projects over five years.</p> <p>£3.7 million is being invested in Council owned land to support regeneration and bring employment to the district. The Council has been awarded £1.3 million in government grants to undertake regeneration projects in the district. This includes refurbishment of Moira furnace and provision of office spaces.</p>
Environment, Climate Change and Zero Carbon:	The budget sees investment of £1.5m in the replacement of council vehicles and reducing our carbon emissions. There's £0.8m investment in bins and recycling containers to increase recycling from households. The Council also has a permanent Climate Change Programme Manager post.
Consultation/Community/Tenant Engagement:	The draft budget was considered by Corporate Scrutiny and has been the subject of consultation with the public. In addition, the Housing Revenue Account draft budget has been subject to engagement with the Tenants Forum.
Risks:	This report provides the Section 151 Officers view on the robustness of budget estimates and adequacy of reserves. The report identifies the key risks, provides an assessment of these and proposed mitigating actions to manage those risks.
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