

**Minutes of the Meeting of the FINANCIAL POLICY PANEL held on 1 February
2022**

PRESENT -

Councillor Colin Keane (Chair); Councillors John Beckett, Kate Chinn, Alex Coley, Nigel Collin, Neil Dallen, Jan Mason and Clive Woodbridge

In Attendance:

Absent:

Officers present: Lee Duffy (Chief Finance Officer), Brendan Bradley (Head of Finance) and Sue Emmons (Chief Accountant)

9 DECLARATIONS OF INTEREST

No declarations of interest were made by councillors regarding items on the agenda for the meeting.

10 MINUTES

The minutes of the Financial Policy Panel meeting held on 07 September 2021 were agreed as a true record to be signed by the Chair.

11 2022/23 BUDGET AND COUNCIL TAX REPORT

The Panel received the report on the 2022/23 Budget and Council Tax proposals.

The following matters were debated by Councillors:

- The Council's New Homes Bonus allocation and how this funding source is expected to further diminish in future years.
- The calculation of the Council's share of retained business rates. It was noted that the Chief Finance Officer would circulate an explanatory email to Members of the Panel.
- The deliverability of savings proposals contained in the Efficiency Plan at Appendix 3. It was noted that Officers would circulate the January 2021 Strategy and Resources Committee Budget Report to Members of the Panel.

- That without mitigating action, the General Fund reserve would be depleted by 2025/26, as shown in the Financial Forecast at Appendix 2.
- The potential impact of central government's Fair Funding Review on the Council's budget and projected reserve levels.
- The extent to which income from Council services, particularly car parks and commercial property tenants, has been impacted by Covid-19.
- Inflationary pressures and that the Council's 2022/23 budget does contain a contingency for inflation in excess of 2%.

Following consideration of the above matters and the report's contents, the Panel moved to consider the report recommendations. The Panel agreed items (1)-(4) and item (6) below unanimously. The Panel agreed item (5) below by majority vote.

- (1) Provide the Chief Finance Officer with any further guidance needed to finalise the 2022/23 Budget and Council Tax report;**
- (2) Note the provisional Government financial settlement for 2022/23;**
- (3) Support that the budget gap for 2022/23 should be funded from the Corporate Projects Reserve and Property Income Equalisation Reserve, as set-out in Section 8;**
- (4) Support that the deficit on 2021/22 business rates income and the shortfall in projected business rates income for 2022/23 will be funded from the Business Rates Equalisation Reserve, as set-out in Section 10;**
- (5) Support a recommendation to Council of a council tax increase of £4.95;**
- (6) Note the updated four-year Financial Plan and Efficiency Plan.**

The meeting began at 6.00 pm and ended at 6.47 pm

COUNCILLOR COLIN KEANE (CHAIR)