

**Council Meeting - 25 February 2019****Draft Resolution of the Strategy and Resources Committee held on 11 February 2019****42. Commissioning & Financial Planning 2019-20 to 2022-23**

The Strategic Director - Resources and Assistant Director - Customers, Commissioning and Governance introduced the report.

Members discussed the following: the impact of Brexit on the HRA (in terms of impact on the cost of materials for the maintenance of property), the impact of the four year Local Government Finance Settlement coming to an end, the Settlement Funding Assessment (SFA) and why Sutton's reduction was higher than both national and London averages.

Officers explained: that work was being done to look at the risk outcomes of Brexit, that there was uncertainty about the future structure of local government finance (for example with the retention of business rates and potential redistribution of income from that), it was expected that the revenue support grant from government would continue to reduce, Sutton was seen as higher than average in terms of ability to raise council tax and deprivation levels were not as high as other areas of London - these factors were part of the SFA and the Core Spending Power calculations. It was uncertain what affect the Fair Funding review would have for Sutton at this point in time.

In response to further questions from Members, Officers advised: that the impact of controlled parking zones had not been factored into the budget at this time, as the parking strategy was out for consultation and final outcomes are not yet known; that the replacement of projectors at the Sutton Life Centre was part of equipment replacement, which was essential for delivering school tours which achieve income; there were no changes to the base budget for water charges, but there is a prudent provision for potential backdated claims against the previous methodology subject to legal proceeding; and that prevention of fly tipping involved a range of different interventions, such as signage, fencing etc.

**RESOLVED:-**

That the following recommendations to Full Council be agreed for consideration on 25 February 2019:

**Commissioning intentions**

1. Agree the Outcomes Based Commissioning Plan at Appendix A;  
**Revenue Budget 2018/19**
1. Agree the proposed General Fund Net Budget Requirement of £144.178m summarised at Appendix B
1. Agree the base budget changes set out in section 12 and summarised in Appendix C;
1. Approve the Council's pay policy statement for 2019/20 Appendix D
1. Agree growth items proposed in Appendix E;
1. Agree the 2019/20 savings proposed in Appendix F;

**HRA**

1. Note the rent reduction of 1% as mandated by Government and agree the Housing Revenue Account (HRA) budget 2019/20 including the proposed savings (Appendices G1-G3);

**Other**

1. Approve the Members' Allowance Scheme for 2019/20 (Appendix H)

**Capital Programme**

1. Approve the new Capital Strategy (Appendix I1) including the detailed capital Programme (Appendix I2) for 2019/20 to 2022/23 with a total spend of £163.362m, including the proposed funding arrangements and policies;
1. Authorise expenditure to be incurred of £7.944m for the 2019/20 planned works to Council properties (Appendix I3) and £0.759m for expenditure on Corporate Operational Buildings (Appendix I4);

**Reserves**

1. Agree the policy on reserves as set out in section 12;

**Treasury Management**

1. Approve the Treasury Management Strategy 2019/20 including the Annual Investment Strategy, prudential indicators, Minimum Revenue Provision (MRP) policy and borrowing limits as set out in Appendix J;

### **Council Tax**

1. Agree the Sutton element of the 2019/20 Council Tax £1,373.81 for a Band D property, an increase of £26.17 (2.00%) for the Adult Social Care Precept and £39.12 (2.99%) for the general increase;
1. Approve the formal resolution at appendix H, including the Council Tax Requirement of £100.626m;
1. Note the proposed GLA precept of £320.51, increased from £294.23 in 2018/19 (an increase of 51p a week);

**(Note:** in accordance with procedure rule 15.4 Councillors Crowley, Drummond, Garratt, Hicks, Ramsey and Foster requested that their abstention on the vote be recorded)

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