

**HUNTINGDONSHIRE DISTRICT COUNCIL**

**Title/Subject Matter:** Alternative Proposals For The Council Budget 2019/20

**Meeting/Date:** Overview and Scrutiny Panel (Performance and Growth) –  
8th January 2019

Overview and Scrutiny Panel (Performance and Growth) –  
5th February 2019

Cabinet – 14th February 2019

Council – 27th February 2019

**Executive Portfolio:** Councillor Jonathan Gray, Executive Councillor for  
Resources

**Report by:** Councillor Tom Sanderson, Independent Group Leader

**Wards affected:** All Wards

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**Executive Summary:**

The Council is required to set an annual Budget for the forthcoming year, in order to set the Council Tax for the area and approve its Medium Term Financial Strategy (MTFS) covering the following four years.

This report is to provide Members with details for some alternative ideas for the draft Budget for 2019/20.

**Recommendation:**

The Overview and Scrutiny Panel (Performance and Growth) is

**RECOMMENDED**

**to comment on the proposed alternative budget and council tax proposals and to recommend to Cabinet that the proposals are adopted.**

## **1. PURPOSE OF THE REPORT**

- 1.1 To provide the Overview and Scrutiny Panel (Performance and Growth) with the detail of the some alternative ideas for the draft Budget for 2019/20 from the Independent Group for the panel to consider when making its recommendations to Cabinet. All suggested savings, new investment and changes to the Band D Council Tax charge has been fully costed by the council's finance team.

## **2. PROPOSED ALTERNATIVES**

- 2.1 The current (2018/19) budget for Active Lifestyles is £205,000. We propose moving £100,000 from this budget line to the Community Chest with new governance arrangements in place to allow for greater transparency and a cross party input to allocating funding for good causes in Huntingdonshire. Clearly there would be no impact on the level of the Band D Council Tax charge.

- 2.2 The total budget for grounds maintenance is currently £425,000. We propose moving all the grounds maintenance and planting to the relevant town/parish council to manage as soon as practicable and take 20% out of the grounds maintenance budget. The remaining 80% of the budget should be put into commuted sums to allow parish/town councils to meet the costs of this new arrangement. This budget currently includes both fleet costs, an element of support costs and the provision of a commuted sum. This obviously is a straight saving to the General Fund of £85,000. The impact on a Band D Council Tax charge would be a reduction of £1.38 per annum.

- 2.3 The budget for leisure and play facilities for young people is currently 2018/19 £25,000 with forward provision for the period 2019/20 to 2022/23 of £25,000, £53,000, £30,000, and £30,000 respectively. If the method of funding any additional cost were to be via prudential borrowing there would then be an impact on the General Fund. As an example, for every extra £5,000 spent on these facilities funded by borrowing the added pressure on the General Fund would be £715 (Minimum Revenue Provision) with £0.43 added to a Band D Council Tax per annum.

- 2.4 We propose introducing a small budget for the Local Highway Improvements Scheme For Huntingdonshire (LHI) that the County Council runs. They pay the bulk of the costs for minor highway and environmental enhancements if a specific project is approved and part funding is available elsewhere.

- 2.5 Any contribution to this scheme would be a capital cost. If borrowing is chosen as the method of funding such a cost then there would be an added pressure on the General Fund. As an example, if £100,000 were to be spent on LHI contributions by this Council the cost would be a Minimum Revenue Provision of £5,000 per annum. The impact on the Band D council tax would be an increase of £0.08 per annum.

- 2.6 Council Tax

The 2018/19 level of Band D Council Tax is £138.56. We propose a 3% increase to be applied and the following charges would be levied for the period of the new budget and MTFs.

2019/20	£142.72
2020/21	£147.00
2021/22	£151.41
2022/23	£155.95
2023/24	£160.63

If the 3% increase is applied this would generate £257,000 more income in 2019/20 and £4.3m more income across the budget and MTFS period (up to 2023/24).

### **3. COMMENTS OF OVERVIEW & SCRUTINY**

- 3.1 Comments will be added here following the Overview and Scrutiny Panel meeting on 8th January 2019.

### **4. LIST OF APPENDICES INCLUDED**

Appendix 1 – Summary of alternative budget proposals

### **CONTACT MEMBER/OFFICER**

Paul Loveday, Interim Finance Manager  
Tel No: 01480 388605  
Email: [Paul.Loveday@huntingdonshire.gov.uk](mailto:Paul.Loveday@huntingdonshire.gov.uk)

Cllr Tom Sanderson, Independent Group Leader  
Tel No: 01480 436822  
Email: [Tom.Sanderson@huntingdonshiredc.org.uk](mailto:Tom.Sanderson@huntingdonshiredc.org.uk)