



**HAMPSHIRE  
FIRE AND  
RESCUE  
AUTHORITY**

Purpose: Approval

Date **19 February 2020**

Title **Budget and Precept Requirement 2020/21**

Report of Treasurer

### EXECUTIVE SUMMARY

1. This report presents the 2019/20 revised budget and the 2020/21 forward budget to Hampshire Fire and Rescue Authority (HFRA) for approval. Changes agreed in the December 2019 Budget Update report have been included with the detail, along with assumptions agreed within the Medium Term Financial Plan (MTFP) presented to the HFRA in September 2018, where still applicable.
2. Due to the uncertainty around the levels of government grant and precept, it was agreed that no MTFP would be produced in September 2019, but an interim update would be included within this report. A summary up to 2021/22 is included at **Appendix B** and is explained in more detail later in this report.
3. An updated Reserves Strategy is also presented for approval in this report **Appendix D**, which includes details of the current level of reserves, the reason for holding each reserve and plans for future usage.
4. This report sets out details of the precept increase, showing the level of precept and increase for each council tax band. As part of the provisional settlement figures, the Government have announced that the referendum limit will be set at 2%, as had been assumed within the MTFP. It is recommended that due to the uncertainties surrounding local government finance and the need to close budget gaps in future years, the council tax is increased by the maximum level of 1.99% for 2020/21.
5. The year 2020/21 is the first year following a four year settlement agreement, which had provided some financial certainty to the Authority, albeit that grant reductions required savings to be made. Information for future years has been limited, therefore figures included in the MTFP for 2020/21 onwards were estimates and vary from the final settlement figures and other assumptions in many areas.

6. The capital programme for 2020/21 onwards and the funding of this is set out in this report and are recommended for approval.

## BACKGROUND

7. The September 2018 MTFP had forecast a deficit of £1.8m, of which £700,000 was found as part of the 2019/20 budget. This left an expected shortfall for 2020/21 of £1.1m. As 2020/21 was the first year following the four year funding settlement, a number of assumptions and estimates were included within the MTFP for grant funding and precept.
8. Those assumptions were based on the latest information at that time, however there have been significant changes at governmental level which have resulted in a more generous settlement than had been expected. Along with other changes to costs within the Service, it has been possible to balance the budget, as well as increasing contributions to reserves to ensure funding for the capital programme as well as operational equipment and IT systems into the future.
9. Whilst the one year settlement for 2020/21 is favourable compared to what had been forecast, the absence of any figures beyond that date makes financial planning very difficult. This report therefore sets out an interim financial plan for the next two years (to 2021/22), whilst we await the outcome of the Government's next Comprehensive Spending Review during this year, which will hopefully provide a multi-year settlement for the local government sector, at which point a major update of the MTFP can be undertaken.
10. Plans for a new Combined Fire Authority (CFA) are progressing, with a planned implementation date of 1<sup>st</sup> April 2021, and any future financial decisions will also need to be made in this context.

## 2019/20 BUDGET MONITORING – QUARTER 3

11. The forecast position for 2019/20 is showing a surplus of £0.796m, which is higher than that reported to the Authority in December 2019.
12. The table below shows the budget monitoring for 2019/20 as at 31<sup>st</sup> December 2019.

	<b>2019/20 Current Budget</b>	<b>2019/20 Forecast as at end Quarter 3</b>	<b>Variance Underspend / (Overspend)</b>
Employee Costs	54,134	54,122	-12
Premises	5,883	6,036	153
Transport	1,545	1,794	249
Supplies & Services	9,453	9,382	-71
Third Party Payments	3,050	3,305	255

<b>Expenditure</b>	<b>74,065</b>	<b>74,639</b>	<b>574</b>
Income	-4,146	-5,075	-929
<b>Net Current Expenditure</b>	<b>69,919</b>	<b>69,564</b>	<b>-355</b>
Non-Current Expenditure	788	839	52
<b>Net Cost of Service</b>	<b>70,707</b>	<b>70,403</b>	<b>-303</b>
Funded By:	-70,707	-71,200	-493
<b>(Surplus) / Deficit</b>	<b>0</b>	<b>-796</b>	<b>-796</b>

13. The overall position is an underspend of £0.796m. This is split between an underspend of £0.303m on the main HFRS budget and £0.493m of previously unbudgeted grant to cover increased firefighters pension costs.
14. The main factors in the underspend of £0.303m in the main HFRS budget in this are as follows:
- Premises costs – overspend of £153,000. This is mainly due to increased business rates for Basingstoke Fire Station following an in year revaluation, as well as increased cleaning costs.
  - Transport costs – overspend of £249,000. This relates to increased travel claims for firefighters and the legislative changes leading to the replacement of tyres on fire appliances.
  - Third party payments – overspend of £255,000 mainly relating to additional delivering differently in partnership (DDiP) activity, which is offset by additional income.
  - Income – overachievement of £929,000. The additional income relates to additional DDiP income, higher than budgeted income from investments and a one-off credit from the shared services partnership relating to changes in HR provision.

## 2020/21 BUDGET AND PRECEPT

### Council Tax

15. The Sept 2018 MTFP included an estimated increase to the Council Tax Base of 1.0%. The Districts and Boroughs have now confirmed their bases for 2020/21, which now gives an overall increase of 1.28%, generating additional funding of £124,000.
16. The referendum limit had been assumed at 2% in the MTFP and this has now been confirmed by the Government.

17. Given the current uncertain position in terms of both future government grant and referendum limits, it is recommended that the council tax be increased by the maximum level of 1.99% for 2020/21, equating to an increase of £1.35 for a Band D property. All figures in this report assume that this level of increase is applied.

18. The figures below show the council tax rates for the year beginning 1st April 2020 for the properties in each band, based on a 1.99% increase:

Band A:	£46.04	Band E:	£84.41
Band B:	£53.71	Band F:	£99.75
Band C:	£61.39	Band G:	£115.10
Band D:	£69.06	Band H:	£138.12

19. Combining the council tax base increase and the precept increase, the table below shows the precept funding due from each precepting authority for the year 2020/21.

Basingstoke and Deane Borough Council	£4,602,663
East Hampshire District Council	£3,527,792
Eastleigh Borough Council	£3,248,205
Fareham Borough Council	£3,008,205
Gosport Borough Council	£1,867,320
Hart District Council	£2,838,735
Havant Borough Council	£2,849,208
New Forest District Council	£4,937,300
Portsmouth City Council	£3,987,193
Rushmoor Borough Council	£2,210,972
Southampton City Council	£4,521,220
Test Valley Borough Council	£3,442,986
Winchester City Council	£3,450,257
<b>Total</b>	<b>£44,492,056</b>

20. The Council Tax Collection Fund surplus has now been confirmed at £195,144, which is a decrease of £179,00 on the figure included within the MTFP.

#### Business Rates

21. The Authority receives a top up grant in respect of business rates from the Government, together with a proportion of retained business rates collected by District and Unitary Councils in the County. In addition to this, following reliefs

and business rate caps introduced by the Government, Section 31 grant is paid to the authority for lost business rate income it would otherwise have earned.

22. With no settlement agreement in advance, the top up grant was assumed as flat cash based on the final 4 year settlement figure of £7.464m in future years. This has now been confirmed at £7.585m, which is £121,000 higher than forecast.
23. Within the MTFP, the 2020/21 locally retained business rate figure was assumed to be the 2019/20 figure inflated by 1.00%. This would have given the authority a £7.127m share of business rates. Billing authorities have now confirmed the authority's share of business rates will be £7.158m. This is an increase of £31,000 against forecast, resulting in a slightly higher level of long term funding going forward.
24. Section 31 grant amounting to £304,017 will be provided in compensation for the 2% cap, and £889,837 will be provided for other business rates relief schemes, which is significantly higher than had originally been forecast.
25. The billing authorities have now confirmed that there is a small surplus on their business rates collection fund and the authority's share will be £5,859 in 2020/21. This will be one-off funding to the Authority in 2020/21, in the same way that the council tax collection fund operates.

#### Government Grant

26. 2020/21 is the first year following a four-year funding settlement agreement and as such, no information was available on the level of government grant. It was therefore assumed that further reductions would be made to the grant of 10% in 2020/21, then 5% per year thereafter. This would have provided grant funding of £6.495m in 2020/21.
27. The one year Spending Round announced by the Government last September provided greater levels of public sector funding compared to the trends of the last 10 years, albeit that no guarantees were provided around the longer term position in advance of the next comprehensive spending review (CSR).
28. For Fire, there was a real terms increase in Revenue Support Grant, giving HFRA a grant figure of £7.333m which has now been confirmed by the Government, which is an increase of £838,000 on the original forecast in the MTFP.

#### Budget Pressures

29. As part of the annual budget setting process, a number of pressures have been identified. Further analysis of these is undertaken to consider whether they represent the unavoidable increased cost of previous policy decisions or whether or not they are in effect growth bids over which there is some element of choice.

30. Those in the first category have either been added as base changes to the Service budgets or have been able to be contained within existing budgets following the base budget review that is undertaken each year.
31. Two of the requests were considered to be growth bids and require additional funding and the Authority are requested to review these and approve them to be included in the 2020/21 base budget. These are:
- Smoke Alarms (Prevention) - £146,000  
Increase budget for smoke alarms and other Safe & Well visit items, following comment from Her Majesty's Inspectorate (HMI) that Hampshire are lower than other Services in this area. This is effectively a financial consequence of an action put in place following the last inspection. This item could be rejected but could adversely impact on the results of the next inspection.
  - Information Technician (Organisational Performance) - £38,500  
To permanently establish a temporary post which is in place to manage data across the Service and improve data quality. Given the constant demands on this area of the organisation, it is recommended that the existing temporary resource is built into the base budget.
32. It is recommended that these are approved for inclusion within the 2020/21 budget and the figures in this report assume this position.

### Efficiencies

33. Service Delivery Redesign has now been implemented and the final phase of revenue savings totalling just over £400,000 are included in the 2020/21 budget.
34. As part of the budget setting process, a zero based budget exercise was undertaken. This has resulted in the requirement for inflation being reduced and further budget reductions being achieved without the need for changes to service level. These savings have been used to assist with achieving a balanced budget for 2020/21, against the original forecast of a £1.1m deficit.

### Overall 2020/21 Budget Position

35. **Appendix A** outlines the base budget for 2020/21 by both cost type and function. It shows that a balanced budget has been achieved, whilst taking into account all the factors above. Some of the key changes which have helped balance the budget are shown in the table below:

	<b>£'000</b>
Increased Revenue Support Grant	838
Increased Fire Pension Grant	493
Increased Council Tax Base	124
Reduced Pay Inflation	192
<b>Total</b>	<b><u>1,647</u></b>

36. The changes highlighted above have resulted in a surplus being available within the budget of just over £1m. This will be transferred as a one-off contribution into the Transformation Reserve in line with existing policy.

### Capital Programme

37. The proposed capital programme for 2019/20 to 2024/25, including spend to date and the proposed financing, is set out at **Appendix C** of this report.
38. The Vehicle Replacement Programme (VRP) has been updated to reflect changing needs following the Service Delivery Redesign (SDR) programme. Although purchases are now being made for most vehicles, the hold on purchasing during the period of change has resulted in a significant underspend over the past few years. This funding has been carried forward and will be used to fund the purchase of the SDR vehicle requirements over the coming years. This has been reflected in the capital programme.
39. The main build on Basingstoke Fire Station was completed some time ago and has been in use for two years. However, there have been several build issues, particularly around drainage, which the contractor will be rectifying in 2020/21. In addition, other design flaws have come to light which can be resolved whilst the contractor is on site, so a cost of £80,000 has been negotiated to cover these works. The Authority is requested to approve that this additional cost be funded from the Capital Payments Reserve.
40. Phase 2 of the Strategic Headquarters build has been completed and the final payments are expected to be made by the end of this financial year. An overspend is expected on this project due to issues during the build. The majority of this cost has been covered through adjustments to the plans to reduce costs in other areas to offset this.
41. The additional overspend of £77,000 (1.7% of budget) is the maximum expected overspend, as negotiations are still in progress, and the final figures will be confirmed at a later date. It is requested that the overspend be approved to be funded from the Capital Payments Reserve.

### Reserves

42. The Authority holds specific reserves to provide for future spending as part of its medium term financial planning.
43. An updated Reserves Strategy which outlines the purpose of the reserves that we hold is provided in **Appendix D**. Details of the expected balance on each of the specific reserves and the general balance over the period 2019/20 to 2023/24 are set out within the appendix.

### INTERIM FINANCIAL PLAN

44. In the absence of a multi year grant settlement and building on the information contained within the Spending Round for 2020/21, it was agreed that an interim

financial plan would be presented to the Authority as part of the budget setting process for 2020/21. This takes the 2020/21 budget presented in this report and then adds on a further year to the end of 2021/22 based on a range of assumptions outlined later in this section of the report.

45. Given the uncertainty at a national level with future funding, alongside the new Combined Fire Authority expected in April 2021, there are risks associated with the strategy, but these can largely be mitigated through the strong financial position both in terms of reserves and contributions built into the base budget.
46. The MTFP summary is included at **Appendix B**. It shows that for the 2021/22 financial year we expect there to be a small deficit of £116,000. The main assumptions that should be noted in relation to this forecast are:
  - The continuation of £3.443m pension grant in 2021/22.
  - A 5% reduction in Revenue Support Grant (RSG).
  - The removal of £1.035m of planned prudential borrowing costs in respect of the Station Investment Programme which would be delayed until future years (based on the current delivery timeframes for the programme).
  - A contingency of £500,000 reflecting the degree of uncertainty in the 2021/22 financial forecasts.
  - Continuation of Section 31 grant at 2020/21 levels (£1.086m).
  - 2.5% increase for pay awards each year.
  - General inflation at 1.5%, with specific rates where known.
  - 1.99% increase on council tax.
  - 1.0% increase in council tax base.
47. The aim would be to balance the budget in 2021/22 through the use of reserves (or reduced contributions to reserves) as we have in previous years. The advantage of this position is that the Authority is able to maintain a stable financial outlook during this period whilst it awaits the outcome of the CSR later this year, which will set out more clearly the future prospects for funding and how we might be impacted by the implementation of the Fair Funding Review and Business Rate Retention.
48. The disadvantages of this approach are twofold:
  - Our forecasts may prove wrong for 2021/22 (for example the pension grant could be withdrawn) leaving the Authority with a significant deficit to address in the year.
  - We lose the potential to stay 'ahead of the curve' in respect of future savings programmes, which has been a key feature of our financial planning during the period of austerity.
49. In respect of the first risk, we may be required to meet a substantial deficit in setting the 2021/22 budget. It is difficult to assess what a worst-case scenario

may look like, but if we assumed the full loss of the pension grant and a further 10% loss in RSG, that would give a deficit in the order of £4m. Against this position, we have the following mitigations:

- The base revenue budget for that year will include contributions to reserves totalling over £6.1m, which could be stopped if required albeit that this would impact on the future financial position going forward.
  - The Authority has already agreed to use the net saving on the Local Government Pension Scheme (LGPS) deficit contributions to create a Grant Equalisation Reserve which would stand at £1.25m by this point.
  - The Capital Payments Reserve would be around £10m which could be used if necessary and replacement funds provided in future years (either through revenue contributions or prudential borrowing).
  - Ultimately, we have a General Fund Reserve of £2.5m to act as a 'last resort' buffer for the budget albeit that this would need to be replaced in future years if it were utilised.
50. In some respects, the second risk is of greater concern as our capacity to be able to deal with a one-off problem in 2021/22 is significant, but our ability to respond to the potential need for significant recurring savings beyond this point relies on early planning and sensible timescales for any required consultation and delivery.
51. To help mitigate this risk, the Service will continue to build on the changes implemented as part of the Service Delivery Redesign and look at further options for efficiency savings across all Directorates as part of its drive for continuous improvement, which would be expected irrespective of the need to meet budget deficits in future years.
52. Proposals and options can be developed for consideration later in this calendar year, with a view to starting implementation during the 2021/22 financial year where possible and appropriate. Once the results of the CSR are known later this year the longer term financial prospects for the Authority can be assessed and if a major programme of savings is required at this point, further options can be developed for consideration.
53. The approach outlined in the interim financial plan seeks to strike a balance between maintaining financial stability and ensuring that the Authority is well placed to respond to the potential future financial challenges that may arise from the CSR.

#### AVAILABILITY AND COMPETENCY MANAGEMENT SYSTEM

54. The current software systems used for Availability and Competency Management are FireWatch within Hampshire Fire and Rescue Service (HFRS) and PDRpro, and Rappel within Isle of Wight Fire and Rescue Service (IWFRS). The contract for FireWatch will end in December 2020, but with an option to extend for one further year. Given the value of the contract, a full tendering

process is required and therefore a full review of the systems being used is being undertaken.

55. The ambition is that the Combined Fire Authority (CFA) will operate using common software across Hampshire and the Isle of Wight for Availability and Competency Management when it is formed in April 2021, although there may be some challenges in achieving that in the timescales.
56. The Availability and Competency Management project has conducted a comprehensive process to ascertain the user requirements for the system for both HFRS and IWFRS. These are being assessed against the range of software solutions available on the market so that a decision can be made on which solution(s) most closely matches the Service needs.
57. This report seeks approval for funding of up to £800,000 from the Capital Payments Reserve for the costs anticipated for the implementation of an Availability and Competency Management System. This is based on the best information available at this time prior to the procurement process starting, mainly to ensure that there are no further delays in progressing the final system solution once chosen.
58. Should all of this funding not be required then it will obviously not be drawn down; but should the final system solution mean that further costs are necessary for implementation above those estimated, a further report will be brought back to the Authority for approval.

#### FACILITIES MANAGEMENT DELIVERY MODEL

59. A strategic review of the facilities management provision was conducted by an independent property consultant and included extensive work with HCC colleagues. This review made a recommendation, for a number of reasons including improved performance, control and public value, to the HFRS Executive Group to change the delivery model which is currently delivered via a hybrid of in-house and outsourced resource. The review recommended bringing the provision fully in-house.
60. To implement this, a new department re-structure is necessary which will result in new permanent establishment posts as outlined below:

<b>New Post</b>	<b>Grade</b>	<b>FTE</b>	<b>Budget Cost (mid point)</b>
Building Maintenance Technician	E	5.0	£28,571
Building Maintenance Supervisor	F	1.0	£31,667
<b>Totals</b>		<b>6.0</b>	<b>£174,522</b>

61. The cost associated with this department restructure is cost-neutral and will be managed within existing department budgets.
62. Authority is sought from HFRA for the approval of these new posts into the permanent establishment and for the associated budget virement.

## TREASURY MANAGEMENT STRATEGY AND INVESTMENT STRATEGY

63. The Treasury Management Strategy and Investment Strategy are attached at **Appendix E** and require approval on an annual basis. This document includes the Prudential Indicators and statement on Minimum Revenue Provision.
64. The Treasury Management Strategy and Investment Strategy for 2020/21 take into account the changes required in the 2017 Prudential and Treasury Management Codes.
65. The report recommends that the following be approved:
  - (a) That the Treasury Management Strategy (TMS), including the Annual Investment Strategy for 2020/21, (and the remainder of 2019/20) is approved; and
  - (b) That authority is delegated to the Chief Finance Officer to manage the Fire and Rescue Authority's investments and borrowing according to the Treasury Management Strategy Statement as appropriate.
66. Members may recall that following changes to the grouping mechanism within the Hampshire Pension Fund, the option to allow pre-payment of 3 years' worth of contributions was provided, and delegated authority given to the Treasurer to agree to this if it was financially advantageous.
67. It is anticipated that savings in the order of £50,000 per annum will be realised through the pre-payment of contributions, albeit there is a small risk of a loss if there were a significant drop in investment returns early in 2020/21. On balance, this was considered to be a very small risk and the option to pre-pay was agreed. The impact on the Authority's TMS has been reflected in Appendix E.

## CAPITAL AND INVESTMENT STRATEGY

68. A new reporting requirement was introduced for the 2019/20 budget in respect of a Capital and Investment Strategy. This has been updated for 2020/21 and is included as **Appendix F** of this report. The appendix provides information about the Authority's strategy regarding use of assets and how they help to support the overall financial position. Some of these elements were previously included within the Treasury Management Strategy and have been split out into this separate document to ensure that we comply with the code.

## SECTION 25 REPORT

69. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer to give an independent view on the robustness of the estimates and adequacy of reserves to the Authority at the time it is setting its budget and council tax. In previous years this has been covered within the body of the budget report but given the enhanced focus on financial management within the public sector, it has been included separately as **Appendix G** of this budget report.

70. The Authority is required to take this report into account in setting the budget and council tax for 2020/21.

### INSURANCE STRATEGY

71. The Fire Authority became a member of a mutual, the Fire and Rescue Indemnity Company (FRIC), on 1 November 2015. FRIC is made up of a group of eleven Fire and Rescue Authorities. FRIC was set up to provide indemnity for its Members against risks normally fully covered by a traditional insurance company. Below is a summary of the current status of our insurance arrangements.
72. There has been an increase in our 2019/20 contribution of 5%. It was expected that FRIC's Liability and Property costs would rise quite significantly due to claims experience, emerging risks and other external factors. FRIC's operating structure does however provide a level of protection against external factors, such as standard insurance market increase in premiums.
73. Additional covers consisting of Business Travel, Personal Accident, Engineering Insurance and Engineering Inspection are still obtained through Zurich Municipal and to date, we have not made any claims under these additional policies. Increases are due to assets numbers on the engineering aspect and increase in payroll for the additional covers.
74. The charges to date are shown in the table below:

<b>Contribution/Premium</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>
FRIC Contribution <i>*Non-FRIC Covers – includes separate cover for terrorism and recovery of uninsured losses</i>	£522,066	£500,667	£516,402 (£14,089 Non-FRIC Covers)	£541,826 (£12,558 Non-FRIC Covers)
Additional Covers	£92,867	£96,088	£76,035	£80,473

### SUPPORTING OUR SERVICE PLAN AND PRIORITIES

75. This report sets out how the available funding will be directed to the priority areas within HFRS and supports a continuing strong financial position.

### CONSULTATION

76. The Authority undertook a major consultation process during 2019 that sought residents and stakeholders' views about the Integrated Risk Management Plan and the deployment of resources within HFRS. Previous consultations have revealed that the majority of respondents are happy to see a rise in council tax in order to protect services provided by the Authority.
77. The proposals in this report have been the subject of consultation with the representative bodies and the business community and no issues of concern

were raised. Any further comments or issues will be reported back verbally to the Authority.

### RESOURCE IMPLICATIONS

78. The report covers the overall financial position for 2020/21, on Revenue, Capital and Reserves. It also requests one-off funding for the Availability and Training Project, which is required due to Procurement regulations at the cessation of the current contract. There are not expected to be any long term increases to cost as a result of this.

### LEGAL IMPLICATIONS

79. The proposals in this report meet the Authority's legal requirement to set a balanced budget and council tax for the next financial year prior to 1 March.

### PEOPLE IMPACT ASSESSMENT

80. The proposals within this report are considered compatible with the provisions of the equality and human rights legislation and do not change any policies.

### OPTIONS

81. There are no options for consideration within the report, although budget setting and forecasting by its very nature mean that assumptions are made around a number of variables that can change over time.

### RISK ANALYSIS

82. The Authority has an established process for planning ahead to meet financial targets. This has helped considerably in managing the reductions in government grant which have affected the available funding over the past 10 years.
83. The absence of any settlement information beyond 2020/21 represents a significant risk to the Authority but the proposed interim financial plan outlines a suggested way forward for mitigating those risks as far as possible.

### CONCLUSION

84. It is recommended that the Authority approve the proposals made within this report, including a 1.99% increase in the precept for 2020/21.

## RECOMMENDATION

That the Hampshire Fire and Rescue Authority approve:

85. The Revenue Budget, as set out in Appendix A.
86. The interim financial plan as set out in paras 44 to 53.
87. The Capital Programme and funding as set out in Appendix C.
88. The additional works at a cost of £80,000 on Basingstoke Fire Station be funded from the Capital Payments Reserve.
89. That the forecast overspend of £77,000 on the Strategic Headquarters capital programme be funded from the Capital Payments Reserve.
90. That funding of £800,000 be approved from the Capital Payments Reserve for implementation of the Availability and Competency Management System.
91. That approval be given for the virement to create new posts within the FM function to bring the service fully in-house.
92. That a total of £1,035,000 is budgeted to be transferred to the Transformation Reserve in 2020/21.
93. The Reserves Strategy as set out in Appendix D.
94. The Treasury Management Strategy as set out in Appendix E, including the Annual Investment Strategy for 2020/21, (and the remainder of 2019/20).
95. That authority is delegated to the Chief Finance Officer to manage the Fire and Rescue Authority's investments and borrowing according to the Treasury Management Strategy Statement as appropriate.
96. The Capital and Investment Strategy as set out in Appendix F for 2020/21, (and the remainder of 2019/20).
97. The Section 25 Report as set out in Appendix G.
98. The council tax requirement for the Authority for the year beginning 1<sup>st</sup> April 2020 of £44,492,056.
99. That the Authority's tax be increased by 1.99% for the year beginning 1<sup>st</sup> April 2020 and for the properties in each band, as set out in para 18 of this report:

Band A:	£46.04	Band E:	£84.41
Band B:	£53.71	Band F:	£99.75

Band C:	£61.39	Band G:	£115.10
Band D:	£69.06	Band H:	£138.12

100. That the precepts set out in para 19 of this report, totalling £44,492,056 are issued on the billing authorities in Hampshire, requiring the payment in such instalments and on such dates set by them and previously notified to the Authority, in proportion to the tax base of each billing authority's area as determined by them.

#### APPENDICES ATTACHED

- 101. Appendix A – 2020/21 proposed budget in subjective and objective format
- 102. Appendix B – Interim Medium Term Financial Plan
- 103. Appendix C – Proposed Capital programme and funding
- 104. Appendix D – Reserves Strategy
- 105. Appendix E – Treasury Management Strategy & Investment Strategy 2019/20 – 2020/21
- 106. Appendix F – Capital and Investment Strategy 2019/20 - 2021/22
- 107. Appendix G – Section 25 Report

Contact:

Rob Carr, *Chief Finance Officer*, [Rob.Carr@hants.gov.uk](mailto:Rob.Carr@hants.gov.uk) 01962 847508