

Council

Minutes of the meeting held on Friday, 4 March 2022

Present:

The Right Worshipful, the Lord Mayor Councillor T Judge – in the Chair

Councillors:

Abdullatif, Akbar, Azra Ali, Ahmed Ali, Shaukat Ali, Andrews, Appleby, Baker-Smith, Bano, Battle, Bayunu, Benham, Bridges, Butt, Chambers, Chohan, Clay, Collins, Connolly, Cooley, Craig, Curley, M Dar, Y Dar, Doswell, Evans, Farrell, Flanagan, Foley, Good, Green, Grimshaw, Hassan, Hewitson, Hilal, Hitchen, Holt, Hughes, Hussain, Igbon, Ilyas, Jeavons, S Judge, Kamal, Karney, Kirkpatrick, Lanchbury, Leech, J Lovecy, Ludford, Lynch, McHale, Midgley, Moore, Newman, Nunney, B Priest, H Priest, Rahman, Raikes, Rawlins, Razaq, Reeves, Reid, Riasat, Richards, Robinson, Rowles, Russell, Sadler, M Sharif Mahamed, Sheikh, Shilton Godwin, Stanton, Stogia, Taylor, Wheeler, Whiston, White, Wills, Wilson and Wright

CC/20/13. The Lord Mayor's Special Business - Ukraine Invasion

The Lord Mayor gave a statement regarding the situation in Ukraine following the unprovoked and illegal invasion of the country by Russian military forces. Reference was made to the Ukrainian community within Manchester and the longstanding links that continue with the Ukraine. The Lord Mayor called upon the Government to ensure the UK does all it can, alongside the EU to welcome, help and support Ukrainian refugees who have escaped the war.

The Lord Mayor also gave recognition to the many Russian people who oppose the invasion of Ukraine and have shown bravery in protesting in their country.

The Lord Mayor stated that the anger felt by the invasion was towards the Russian government and not Russian people and especially not those Russian people living in Manchester.

The Lord Mayor informed the Council that he had written to the Chair of the External Relations Committee in the City of Saint Petersburg to state that in view of the actions of the Russian government, Manchester is compelled to suspend the friendship agreement with St Petersburg. Manchester Council believes that peaceful co-operation between cities can help build bridges of understanding, however while the Russian government continues to act in flagrant defiance of international law it is not possible to continue with the friendship agreement. The Friendship Agreement was signed in 1962 and it is hoped that when the conditions are right that one day it may be resumed.

CC/20/14. The Lord Mayor's Announcement - Extraordinary meetings of Council

The Lord Mayor reminded members of the Council that two extraordinary meetings of the Council would take place following the meeting. The first meeting would be to consider recommendations for appointments to Council committees and outside bodies. The second meeting would consider a proposal that the Council petitions the HS2 Phase 2b Western Leg (Crewe- Manchester) Hybrid Bill.

CC/20/15. The Lord Mayor's Special Business - Constitutional and Nomination Committee minutes 4 March 2022

The Lord Mayor agreed to the submission of the minutes of the Constitutional and Nomination Committee held on 4 March 2022.

CC/20/16. Minutes

Decision

The Minutes of the meeting held on 2 February 2022 were approved as a correct record and signed by the Lord Mayor.

CC/20/17. The Council's Revenue and Capital Budget 2022/23

The Council met to consider and set the 2022/23 budget, Council Tax resolution for 2022/23 and Collection Fund budget for 2022/23. In doing so, the proceedings of the Art Galleries Committee on 16 February 2022 which provided details of the Art Galleries budget for 2022/23 were submitted for approval. In addition, the part proceedings of the Executive on 16 February 2022 were submitted for approval, which contained details on the following:

- Revenue Monitoring to the end of December 2021;
- Capital Programme Monitoring 2021/22;
- Medium Term Financial Strategy 2022/23 to 2024/25;
- Revenue Budget 2022/23
- Children and Education Services Directorate Budget 2022/23
- Health and Social Care - Adult Social Care and Population Health Budget 2022/23;
- Neighbourhoods Directorate Budget 2022/23;
- Growth and Development Directorate Budget 2022/23;
- Corporate Core Budget 2022/23;
- Housing Revenue Account 2022/23 to 2024/25;
- Capital Strategy and Budget 2020/21 to 2024/25;
- Treasury Management Strategy Statement 2022/23, including Borrowing Limits and Annual Investment Strategy

The Council also considered the following reports:-

- Budget Consultation results 2022/23; and
- The Council Tax Resolution 2022/23.

In addition, the Council received the minutes of the Resources and Governance Scrutiny Committee on 28 February 2022, that had considered the Budget Report 2022-2023.

The Lord Mayor provided Council with an explanation of the process to be followed at the meeting to consider and vote on the amendments received and to then consider the documents submitted and in doing so set the Council's budget for 2022/23 by a named vote.

Councillor Craig moved the proceedings of the Art Galleries Committee and part proceedings of the Executive, both held on 16 February 2022, the Revenue and Capital Budgets and the recommendations as detailed in the above reports, which was seconded by Councillor Midgley (Executive Member for Adult Services). Councillor Craig, presented her budget statement for 2022/23 to Council.

Councillor Leech, Opposition Lead Member on Finance, responded to the Leader's budget statement for 2022/23.

The Council then considered three amendments to the Council Budget 2022/23. The first amendment was proposed by Councillor M Dar. The proposal was seconded by Councillor Battle.

Across Ancoats and Beswick residents raise the problem of commuter and visitor parking on a regular basis. In Beswick following Eastlands development, Labour Councillors secured first the Etihad Parking Scheme and now the wider Eastlands Parking scheme and we will continue to ensure this is extended effectively.

As Councillors we are proud of Ancoats and New Islington and the vibrant new communities that have been created, but too often residents are blighted by commuter parking. For example, I have spoken to many residents on roads such as Weybridge Road, Chippenham Road, Woodward Street and the surrounding area have raised regular problems.

The City Council should bring forward a local parking scheme in Ancoats that benefits residents and is funded from the proceeds of development in the area and complements the residents parking scheme in other parts of the ward and that work begins to bring forward a formal consultation with residents early in the new financial year.

For the amendment: (83)

Councillors:

Abdullatif, Akbar, Azra Ali, Ahmed Ali, Shaukat Ali, Andrews, Appleby, Baker-Smith, Bano, Battle, Bayunu, Benham, Bridges, Butt, Chambers, Chohan, Clay, Collins, Connolly, Cooley, Craig, Curley, M Dar, Y Dar, Doswell, Evans, Farrell, Flanagan, Foley, Good, Green, Grimshaw, Hassan, Hewitson, Hilal, Hitchen, Holt, Hughes, Hussain, Igbon, Ilyas, Jeavons, S Judge, Kamal, Karney, Kirkpatrick, Lanchbury, Leech, J Lovecy, Ludford, Lynch, McHale, Midgley, Moore, Newman, Nunney,

B Priest, H Priest, Rahman, Raikes, Rawlins, Razaq, Reeves, Reid, Riasat, Richards, Robinson, Rowles, Russell, Sadler, M Sharif Mahamed, Sheikh, Shilton Godwin, Stanton, Stogia, Taylor, Wheeler, Whiston, White, Wills, Wilson and Wright

Against the amendment: (0)
Abstentions (0)

The Lord Mayor declared the amendment to be carried.

The second amendment was proposed by Councillor Good. The proposal was seconded by Councillor Leech.

To allocate a budget of £1m to enable the Council to deliver additional local road safety and traffic calming schemes in areas of need; to be funded through a transfer from the Bus Lane Enforcement Reserve.

To allocate a budget of £960,000 to enable the Council to continue the Parks in Partnership funding of £30,000 to each of the 32 wards of the city, for a further year, to be funded out of the On-street Parking Reserve.

To allocate an additional £1m to the budget to improve basic services and street cleaning, to bring it in line with the Council's proposed budget for 2023/24 and 2024/25, to be funded from the increase to the business rates reserve.

All proposals in this amendment are one off spending commitments for 2022/2023.

For the amendment: (4)

Councillors:

Igbon, Leech, Nunney and Good

Against the amendment: (79)

Councillors:

Abdullatif, Akbar, Azra Ali, Ahmed Ali, Shaukat Ali, Andrews, Appleby, Baker-Smith, Bano, Battle, Bayunu, Benham, Bridges, Butt, Chambers, Chohan, Clay, Collins, Connolly, Cooley, Craig, Curley, M Dar, Y Dar, Doswell, Evans, Farrell, Flanagan, Foley, Good, Green, Grimshaw, Hassan, Hewitson, Hilal, Hitchen, Holt, Hughes, Hussain, Igbon, Ilyas, Jeavons, S Judge, Kamal, Karney, Kirkpatrick, Lanchbury, Leech, J Lovecy, Ludford, Lynch, McHale, Midgley, Moore, Newman, Nunney, B Priest, H Priest, Rahman, Raikes, Rawlins, Razaq, Reeves, Reid, Riasat, Richards, Robinson, Rowles, Russell, Sadler, M Sharif Mahamed, Sheikh, Shilton Godwin, Stanton, Stogia, Taylor, Wheeler, Whiston, White, Wills, Wilson and Wright

Abstentions (0)
Not voting (0)

The Lord Mayor declared the amendment to be lost.

The third amendment was proposed by Councillor S Judge. The proposal was seconded by Councillor Hilal.

To amend the wording in paragraph 2.12 of the Revenue Budget Report relating to the £700k allocated for improving basic services and street cleaning.

After -

has been made available to support a range of additional measures to ensure the city remains a clean and attractive place to live and work and reflect current gaps in provision.

Add –

From the £700k, the Council will allocate £100k to tackling fly tipping and taking rigorous enforcement action against fly tippers. In addition, local and district centres are at the heart of our communities and have a crucial role to play in Manchester's economic recovery, post covid and residents want to see them clean and improved. As part of our drive towards cleaner and greener neighbourhoods the City Council will use a further £300k to provide more regular cleaning and the addition of more bins; improvements that will make a big difference to local communities.

For the amendment: (82)

Councillors:

Abdullatif, Akbar, Azra Ali, Ahmed Ali, Shaukat Ali, Andrews, Appleby, Baker-Smith, Bano, Battle, Bayunu, Benham, Bridges, Butt, Chambers, Chohan, Clay, Collins, Connolly, Cooley, Craig, Curley, M Dar, Y Dar, Doswell, Evans, Farrell, Flanagan, Foley, Good, Green, Grimshaw, Hassan, Hewitson, Hilal, Hitchen, Holt, Hughes, Hussain, Igbon, Ilyas, Jeavons, S Judge, Kamal, Karney, Kirkpatrick, Lanchbury, Leech, J Lovecy, Ludford, Lynch, McHale, Midgley, Moore, Newman, Nunnery, B Priest, H Priest, Rahman, Raikes, Rawlins, Razaq, Reeves, Reid, Riasat, Richards, Robinson, Rowles, Russell, Sadler, M Sharif Mahamed, Sheikh, Shilton Godwin, Stanton, Stogia, Taylor, Wheeler, Whiston, White, Wills, Wilson and Wright

Against the amendment: (0)

Abstentions (0)

The Lord Mayor declared the amendment to be carried.

The Lord Mayor then invited Council to vote on the budget motion as the substantive budget resolution, and in doing so, sought Council:-

1. To approve the minutes of the Art Galleries Committee on 16 February 2022, to agree the Art Galleries budget for 2022/23.
2. To adopt the part proceedings of the Executive on 16 February 2022, as included in the Council summons and in particular, the Council is recommended to approve as elements of the budget for 2022/23:

- an increase in the basic amount of Council Tax (i.e., the Council's element of Council Tax) by 1.99% and Adult Social Care precept increase of 1%;
 - the contingency sum of £1.060m;
 - corporate budget requirements to cover levies/charges of £67.853m, capital financing costs of £39.507m, additional allowances and other pension costs of £7.316m and insurance costs of £2.004m;
 - the inflationary pressures and budgets to be allocated in the sum of £23.661m; and delegate the final allocations to the Deputy Chief Executive and City Treasurer in consultation with the Executive Leader;
 - the estimated utilisation of £9.183m in 2022/23 of the surplus from the on-street parking and bus lane enforcement reserves, after determining that any surplus from these reserves is not required to provide additional off-street parking within the District; and
 - the planned use of, and movement in, reserves.
3. To note the minutes of the Resources and Governance Scrutiny Committee held on 28 February 2022, regarding the consideration of the overall budget proposals and in doing so to note the consideration of the budget by the five scrutiny committees.
 4. To note the 2022/23 Budget Consultation Results report.
 5. To note the Capital Programme Monitoring 2021/22 report.
 6. That in considering the Capital Strategy and Budget for 2020/21 to 2024/25 report to:
 - (1) Approve the budget changes for the capital programme as follows:
 - **Highways – Investment Plan additional year.** It is recommended that the investment plan is extended by a further year prior to the completion for the full business case for what will be required to support the council's road network for the next 3-5 years. This includes funding for road and footwork improvements (£14.129m), drainage repairs (£2m), to develop preliminary designs for funding bids for infrastructure development funding, eg active travel, (£1.5m). A capital budget increase of £17.629m is requested in 2022/23. This will be funded from estimated government grant of £4m and borrowing of £13.629m. Once the final government grant is known the budget will be adjusted accordingly.
 - **Growth – Asset Management Plan additional year.** To fund an additional year of funding for the asset management programme to enable capital replacement and improvement works across the Council's operational and heritage assets and buildings where the Council has landlord responsibilities. A budget increase of £9.4m is requested funded from capital receipts.
 - **Growth – Strategic Acquisitions additional year.** To enable the Council to make acquisitions of land and property which are of

strategic importance, a budget increase of £3.0m in 2022/23 is requested, funded from the Capital Fund reserve.

• **Public Sector Housing: Sprinkler Systems – Tower Blocks PFIs.**

The scheme will commence the programme of works to tower blocks within the Miles Platting and Brunswick PFI areas. The work will cover 11 tower blocks and the adjoining extra care scheme. A capital budget increase of £0.786m in 2021/22, £1.754m in 2022/23 and £1.474m in 2023/24 is requested, funded by HRA Reserves, also £0.147m in 2022/23 funded by Capital Receipts.

(2) Note the capital programme as presented in Appendix 3 (£329.0m in 2021/22, £533.1m in 2022/23, £255.1m in 2023/24 and £65.9m in 2024/25) which will require prudential borrowing of £708.2m to fund non-HRA schemes over the four-year period for which provision has been made in the revenue budget for the associated financing costs (within limits previously agreed).

(3) Note that the profile of spend is provisional, and a further update will be provided in the outturn report for 2021/22.

(4) Delegate authority to:

a) The Deputy Chief Executive and City Treasurer in consultation with the Executive Member for Finance and Human Resources to approve capital expenditure on schemes which have budget approval.

b) The Chief Executive and Director of Highways in consultation with the Executive Member for Environment for the approval of the list of schemes to be undertaken under the Highways capital programme.

c) The Chief Executive and Director of Highways to implement the Highways schemes in accordance with the Capital Approval process and after consultation with the Executive Member for Environment on the final details and estimated costs.

d) The Deputy Chief Executive and City Treasurer in consultation with the Executive Member for Finance and Human Resources to add qualifying spend to save projects to the capital budget accordingly up to a maximum of £5m in 2022/23 and then £5m per year thereafter.

e) The Deputy Chief Executive and City Treasurer, in consultation with the Executive Member for Finance and Human Resources to accelerate spend from later years when necessary, within the programme subject to resource availability.

f) The Deputy Chief Executive and City Treasurer in consultation with the Executive Member for Finance and Human Resources to agree and approve where appropriate the programme of schemes for the delivery of the corporate asset management programme.

7. That in considering the Treasury Management Strategy Statement 2022/23, including Borrowing Limits and Annual Investment Strategy report, to:
 - (1) Approve the proposed Treasury Management Strategy Statement, the:
 - Borrowing Requirement listed in Section 7 of the report submitted;
 - Borrowing Strategy outlined in Section 10 of the report;
 - Annual Investment Strategy detailed in Section 11 of the report;
 - Prudential and Treasury Indicators listed in Appendix A of the report;
 - Minimum Revenue Provision Strategy outlined in Appendix B of the report;
 - Treasury Management Policy Statement at Appendix C of the report; and
 - Treasury Management Scheme of Delegation at Appendix D of the report.
 - (2) Delegate to the Deputy Chief Executive and City Treasurer, in consultation with the Member of Executive with responsibility for Finance and Human Resources, the power to pursue any restructuring, rescheduling or redemption opportunities available, including amendments to the Treasury Management Strategy, if the changes require it. Any changes required to the Strategy will be reported to members at the earliest opportunity.
8. That in considering the **Council Tax Resolution 2022/23** report, the Council was asked to:
 1. Adopt the part proceedings of the Executive on 16 February 2022, which contain details of the following:
 - Medium Term Financial Strategy
 - Revenue Budget 2022/23
 - Capital Strategy and Budget 2022/23 to 2024/25
 - Children and Education Services Budget 2022/23
 - Adult Social Care and Population Health Budget 2022/23
 - Neighbourhoods Budget 2022/23
 - Growth and Development Budget 2022/23
 - Corporate Core Budget 2022/23
 - Housing Revenue Account – 2022/23 to 2024/25.
 - Treasury Management Strategy Statement 2022/23, including Borrowing Limits and Annual Investment Strategy
 2. Note the position on reserves as detailed in Appendix 2 of the report.
 3. Note that the Council tax determination included at Appendix 3 reflects the budget position.
 4. Note the information on the referenda as detailed in Section 3 of the report.
 5. Approve the Council Tax determination attached as Appendix 3 of the report. The Council Tax determination:
 - Calculates the Council tax requirement in accordance with Section 31A of the Local Government Finance Act 1992 as amended by the Localism Act 2011.
 - Calculates a basic amount of Council Tax and an amount of tax for each valuation band (the Council element) in accordance with Sections 31B and 36

of the Local Government Finance Act, 1992, as amended.

- Sets an amount of Council Tax for each category of dwellings in each valuation band in accordance with Section 30 of the Local Government Finance Act, 1992.

6. Approve the Treasury Management Strategy including Borrowing requirement and strategy, Annual Investment Strategy, Prudential and Treasury Indicators, Minimum Revenue Provision strategy included at Appendix 4.

7. Approve the Collection Fund Budget for 2022/23 as set out in Appendix 5 to the report.

For the Motion: (81)

Abdullatif, Akbar, Azra Ali, Ahmed Ali, Shaukat Ali, Andrews, Appleby, Baker-Smith, Bano, Battle, Bayunu, Benham, Bridges, Butt, Chambers, Chohan, Clay, Collins, Connolly, Cooley, Craig, Curley, M Dar, Y Dar, Doswell, Evans, Farrell, Flanagan, Foley, Good, Green, Grimshaw, Hassan, Hewitson, Hilal, Hitchen, Holt, Hughes, Hussain, Igbon, Ilyas, Jeavons, S Judge, Kamal, Karney, Kirkpatrick, Lanchbury, Leech, J Lovecy, Ludford, Lynch, McHale, Midgley, Moore, Newman, Nunnery, B Priest, H Priest, Rahman, Raikes, Rawlins, Razaq, Reeves, Reid, Riasat, Richards, Robinson, Rowles, Russell, Sadler, M Sharif Mahamed, Sheikh, Shilton Godwin, Stanton, Stogia, Taylor, Wheeler, Whiston, White, Wills, Wilson and Wright

Against the Motion (0) Abstentions (0)

Decisions

1. To approve the minutes of the Art Galleries Committee on 16 February 2022, to agree the Art Galleries budget for 2022/23.
2. To adopt the part proceedings of the Executive on 16 February 2022, as included in the Council summons and in particular to approve as elements of the budget for 2022/23:
 - an increase in the basic amount of Council Tax (i.e., the Council's element of Council Tax) by 1.99% and Adult Social Care precept increase of 1%;
 - the contingency sum of £1.060m;
 - corporate budget requirements to cover levies/charges of £67.853m, capital financing costs of £39.507m, additional allowances and other pension costs of £7.316m and insurance costs of £2.004m;
 - the inflationary pressures and budgets to be allocated in the sum of £23.661m; and delegate the final allocations to the Deputy Chief Executive and City Treasurer in consultation with the Executive Leader;
 - the estimated utilisation of £9.183m in 2022/23 of the surplus from the on-street parking and bus lane enforcement reserves, after determining

that any surplus from these reserves is not required to provide additional off-street parking within the District; and

- the planned use of, and movement in, reserves after any changes are required to account for final levies etc.

3. To note the minutes of the Resources and Governance Scrutiny Committee held on 28 February 2022, regarding the consideration of the overall budget proposals and in doing so to note the consideration of the budget by each scrutiny committee.
4. To note the 2022/23 Budget Consultation Results.
5. To note the Capital Programme Monitoring 2021/22 report.
6. That in considering the Capital Strategy and Budget for 2020/21 to 224/25 to:
 - (1) Approve the budget changes for the capital programme as follows:
 - **Highways – Investment Plan additional year.** It is recommended that the investment plan is extended by a further year prior to the completion for the full business case for what will be required to support the council's road network for the next 3-5 years. This includes funding for road and footwork improvements (£14.129m), drainage repairs (£2m), to develop preliminary designs for funding bids for infrastructure development funding, eg active travel, (£1.5m). A capital budget increase of £17.629m is requested in 2022/23. This will be funded from estimated government grant of £4m and borrowing of £13.629m. Once the final government grant is known the budget will be adjusted accordingly.
 - **Growth – Asset Management Plan additional year.** To fund an additional year of funding for the asset management programme to enable capital replacement and improvement works across the Council's operational and heritage assets and buildings where the Council has landlord responsibilities. A budget increase of £9.4m is requested funded from capital receipts.
 - **Growth – Strategic Acquisitions additional year.** To enable the Council to make acquisitions of land and property which are of strategic importance, a budget increase of £3.0m in 2022/23 is requested, funded from the Capital Fund reserve.
 - **Public Sector Housing: Sprinkler Systems – Tower Blocks PFIs.** The scheme will commence the programme of works to tower blocks within the Miles Platting and Brunswick PFI areas. The work will cover 11 tower blocks and the adjoining extra care scheme. A capital budget increase of £0.786m in 2021/22, £1.754m in 2022/23 and £1.474m in 2023/24 is requested, funded by HRA Reserves, also £0.147m in 2022/23 funded by Capital Receipts.
 - (2) Note the capital programme as presented in Appendix 3 of the report: (£329.0m in 2021/22, £533.1m in 2022/23, £255.1m in 2023/24 and £65.9m in 2024/25) which will require prudential borrowing of £708.2m to fund non-

HRA schemes over the four-year period for which provision has been made in the revenue budget for the associated financing costs (within limits previously agreed).

(3) Note that the profile of spend is provisional, and a further update will be provided in the outturn report for 2021/22.

(4) Delegate authority to:

a) The Deputy Chief Executive and City Treasurer in consultation with the Executive Member for Finance and Human Resources to approve capital expenditure on schemes which have budget approval.

b) The Chief Executive and Director of Highways in consultation with the Executive Member for Environment for the approval of the list of schemes to be undertaken under the Highways capital programme.

c) The Chief Executive and Director of Highways to implement the Highways schemes in accordance with the Capital Approval process and after consultation with the Executive Member for Environment on the final details and estimated costs.

d) The Deputy Chief Executive and City Treasurer in consultation with the Executive Member for Finance and Human Resources to add qualifying spend to save projects to the capital budget accordingly up to a maximum of £5m in 2022/23 and then £5m per year thereafter.

e) The Deputy Chief Executive and City Treasurer, in consultation with the Executive Member for Finance and Human Resources to accelerate spend from later years when necessary, within the programme subject to resource availability.

f) The Deputy Chief Executive and City Treasurer in consultation with the Executive Member for Finance and Human Resources to agree and approve where appropriate the programme of schemes for the delivery of the corporate asset management programme.

7. That in considering the Treasury Management Strategy Statement 2022/23, including Borrowing Limits and Annual Investment Strategy, to:

(1) Approve the proposed Treasury Management Strategy Statement, the:

- Borrowing Requirement listed in Section 7 of the report submitted;
- Borrowing Strategy outlined in Section 10 of the report;
- Annual Investment Strategy detailed in Section 11 of the report;
- Prudential and Treasury Indicators listed in Appendix A of the report;
- Minimum Revenue Provision Strategy as outlined in Appendix B of the report;
- Treasury Management Policy Statement at Appendix C of the report; and
- Treasury Management Scheme of Delegation at Appendix D of the report.

(2) Delegate to the Deputy Chief Executive and City Treasurer, in consultation with the Member of Executive with responsibility for Finance and Human Resources, the power to pursue any restructuring, rescheduling or redemption opportunities available, including amendments to the Treasury Management Strategy, if the changes require it. Any changes required to the Strategy will be reported to members at the earliest opportunity.

8. That in considering the **Council Tax Resolution** 2022/23 report, to:

1. Note the position on reserves, as detailed in Appendix 2 of the report.
2. Note that the Council tax determination included at Appendix 3 reflects the budget position.
3. Note the information on the referenda, as detailed in Section 3 of the report.
4. Approve the Council Tax determination as detailed in Appendix 3 of the report (see below). The Council Tax determination:

- Calculates the Council tax requirement in accordance with Section 31A of the Local Government Finance Act 1992 as amended by the Localism Act 2011.
- Calculates a basic amount of Council Tax and an amount of tax for each valuation band (the Council element) in accordance with Sections 31B and 36 of the Local Government Finance Act, 1992, as amended.
- Sets an amount of Council Tax for each category of dwellings in each valuation band in accordance with Section 30 of the Local Government Finance Act, 1992.

5. Approve the Treasury Management Strategy including Borrowing requirement and strategy, Annual Investment Strategy, Prudential and Treasury Indicators, Minimum Revenue Provision strategy as detailed in Appendix 4 of the report (see below).

6. Approve the Collection Fund Budget for 2022/23 as set out in Appendix 5 of the report (see below).

APPENDIX 3

COUNCIL TAX

SETTING THE AMOUNT OF COUNCIL TAX FOR THE COUNCIL'S AREA RESOLVED

1. That the estimates prepared by the Executive at its meeting on 16 February 2022 be approved.
2. That it be noted that the Deputy Chief Executive and City Treasurer acting under delegated powers has determined the amount of 127,620.0 as the

Council Tax base for Manchester for the year 2022/23 in accordance with Section 31A (3) of the Local Government Finance Act 1992 and regulations 3 to 5 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

3. That the following amounts can be now calculated by the Council for the year 2022/23 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992:

- (a) £1,601,641,953 being the aggregate of the amounts which the Council estimates for the items set out in the Section 31A (2) (a) to (f) of the Act.
- (b) £1,404,936,333 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act.
- (c) £196,705,620 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Sections 31A(4) of the Act, as its council tax requirement for the year.
- (d) £1,541.34 being the amount at 3(c) above divided by the amount at 2 above, calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year.
- (e) Valuation Bands being the amount given multiplying the amount at 3(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands. The band bill is shown in the table below.

A	B	C	D	E	F	G	H
£1,027.5 6	£1,198.8 2	£1,370.0 8	£1,541.3 4	£1,883.8 5	£2,226.3 7	£2,568.8 9	£3,082.6 7

4. That it be noted that for the year 2022/23 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Precepting Valuation bands

Greater Manchester Mayoral Police and Crime Commissioner Precept:

A	B	C	D	E	F	G	H
£152.20	£177.56	£202.93	£228.30	£279.03	£329.76	£380.50	£456.60

Greater Manchester Mayoral General Precept (including Fire Services):

A	B	C	D	E	F	G	H
£68.63	£80.07	£91.51	£102.95	£125.82	£148.70	£171.58	£205.90

5. That, having calculated the aggregate in each case of the amounts at 3(e) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2022/23 for each of the categories of dwellings shown below.

A	B	C	D	E	F	G	H
£1,248.3 9	£1,456.4 5	£1,664.5 2	£1,872.5 9	£2,288.7 0	£2,704.8 3	£3,120.9 7	£3,745.1 7

1. CALCULATING THE COUNCIL TAX REQUIREMENT

Section 31A Calculations

- 1.1 Section 31A of the Local Government Finance 1992 requires the Council to make three calculations:
- (i) an estimate of the Council's required gross revenue expenditure - Section 31A(2)
 - (ii) an estimate of its anticipated income (excluding that from council tax) and of reserves to be used to aid the revenue account - Section 31A(3)
 - (iii) a calculation of the difference between (i) and (ii) above, (i.e. the Council Tax requirement) - Section 31A(4)
- 1.2 In its Section 31A(2) calculation the Council is required to allow for the following:
- Section 31A(2)(a)** - the estimated revenue account expenditure it will incur during the year in performing its functions.
- Section 31A(2)(b)** - an appropriate allowance for contingencies for the year, e.g. for unforeseen occurrences such as disasters, storm damage, higher than expected inflation etc.
- Section 31A(2)(c)** - any raising of financial reserves for future expenditure - examples of this include payments into a redemption fund, internal insurance etc.

Section 31A(2)(d) - any revenue account deficit for a previous financial year which has not yet been provided for.

Section 31A(2)(da) – any amount estimated to be transferred from the general fund to the collection fund in accordance with regulations by reference to sums received by the authority in respect of business rates.

Section 31A(2)(e) - any amount estimated to be transferred from the General Fund to the Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund deficit.

Section 31A(2)(f) - any amounts estimated to be transferred from the General Fund to the Collection Fund by direction of the Secretary of State under Section 98(5) of the Local Government Finance Act 1988 - including an estimate of the shortfall in the collection of Non-domestic Rates in excess of the allowance.

- 1.3. In its Section 31A(3) calculation the Council must calculate the aggregate of sums to be put against gross expenditure, namely:

Section 31A(3)(a) - estimated income from fees, charges, and government grants (including RSG) plus other sums payable into the general fund (but excluding council tax)

Section 31A(3)(aa) – Any amount estimated to be transferred from the collection fund to the general fund in accordance with regulations by reference to sums received by the authority in respect of business rates.

Section 31A(3)(b) - any amount estimated to be transferred from the Collection Fund to the General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund surplus;

Section 31A(3)(c) - sums to be transferred from the Collection Fund to the General Fund pursuant to a direction of the Secretary of State under Section 98(4) of the Local Government Finance Act 1988 - including allowances for costs of collection of business rates;

Section 31A(3)(d) - the amount of financial reserves/balances which the authority intends to use towards meeting its revenue expenditure

- 1.4 On the basis of current estimates, the calculations would be as follows:

	HRA £	Other £	Total £
<u>Expenditure</u>			
Section 31A (2)(a)	99,617,000	1,325,501,620	1,425,118,620
Section 31A (2)(b)	0	1,060,000	1,060,000

Section 31A (2)(c)	1,702,000	60,633,000	62,335,000
Section 31A (2)(d)	0	9,079,333	9,079,333
Section 31A (2)(da)	0	0	0
Section 31A (2)(e)	0	104,049,000	104,049,000
Section 31A (2)(f)	0	0	0
Total Expenditure	101,319,000	1,500,322,953	1,601,641,953
<u>Income</u>			
Section 31A (3)(a)	(85,629,000)	(768,953,478)	(854,582,478)
Section 31A (3)(aa)	0	(294,713,000)	(294,713,000)
Section 31A (3)(b)	0	(24,042,000)	(24,042,000)
Section 31A (3)(c)	0	(1,116,855)	(1,116,855)
Section 31A (3)(d)	(15,690,000)	(214,792,000)	(230,482,000)
		.	
Total Income	(101,319,000)	(1,303,617,333)	(1,404,936,333)

- 1.5 **Council Tax Requirement under Section 31A(4)** being the amount by which the aggregate under Section 31A(2) exceeds the aggregate under Section 31A(3) is £196,705,620.

2. **CALCULATING THE BASIC AMOUNT OF COUNCIL TAX**

- 2.1. Section 31B of the Local Government Finance Act 1992 requires the Council to calculate the basic amount of its Council Tax - this is in effect the Council element of the Band D Council tax.

- 2.2 This calculated by applying the following formula: $R \div T$
Where:

R: is the Council Tax requirement, and
T: is the approved Council Tax base

- 2.3 Calculating the Basic Amount of Council Tax

Council Tax Requirement	£196,705,620
Divided by:	
Council Tax Base	127,620.0
Band D Basic Amount of Council Tax is:	£1,541.34

APPENDIX 4

Prudential and Treasury Indicators 2022/23 to 2024/25

Note - last year's approved figures are shown in brackets.

Treasury Indicators	Management	2022-23		2023-24		2024-25
		%		%		%
Estimated Financing Costs to Net Revenue Stream¹		5.8%		6.2%		6.1%
		£m		£m		£m
Authorised Limit - external debt						
Borrowing		1,816.1	(1,737.3)	1,816.1	(1,737.3)	1,816.1
Other long-term liabilities		190.0	(190.0)	190.0	(190.0)	190.0
TOTAL		2,006.1	(1,927.3)	2,006.1	(1,927.3)	2,006.1
Operational Boundary - external debt						
Borrowing		1,580.2	(1,591.5)	1,698.5	(1,626.3)	1,724.0
Other long-term liabilities		190.0	(190.0)	190.0	(190.0)	190.0
TOTAL		1,770.2	(1,781.5)	1,888.5	(1,816.3)	1,914.0
Estimated external debt		1,414.3	(1,454.3)	1,572.0	(1,501.8)	1,606.0
Upper limit for total principal sums invested for over 364 days		0	(0)	0	(0)	0
Estimated Expenditure	Capital					
Non - HRA		498.2	(286.3)	223.2	(131.9)	51.3
HRA		39.4	(45.5)	31.9	(3.2)	14.6
TOTAL		533.1	(331.8)	255.1	(135.1)	65.9
Estimated Capital Financing Requirement (as at 31 March)						
Non – HRA		1,794.5	(1,792.1)	1,895.8	(1,849.6)	1,898.6
HRA		321.0	(301.0)	321.8	(301.8)	322.6
TOTAL		2,115.5	(2,093.1)	2,220.6	(2,151.4)	2,221.2

¹ Note that for 2021-22 onward these are based on estimated net revenue budgets.

Maturity structure of borrowing during 2021-22	Upper Limit		Lower limit	
	under 12 months	70%	(80%)	0%
12 months and within 24 months	70%	(80%)	0%	(0%)
24 months and within 5 years	60%	(70%)	0%	(0%)
5 years and within 10 years	60%	(70%)	0%	(0%)
10 years and above	90%	(90%)	30%	(20%)
Has the Authority adopted the CIPFA Treasury Management Code?				Yes

The status of the indicators will be included in Treasury Management reporting during 2022/23. They will also be included in the Council's Capital Budget monitoring reports during 2022/23.

Definitions and Purpose of the Treasury Management Indicators noted above (Indicators are as recommended by the CIPFA Prudential Code last revised in 2017)

Estimated Financing Costs to Net Revenue Stream

The authority will set for the forthcoming year and the following financial years an estimate of financing costs to net revenue stream. The indicator recognises that ultimately all debts of a local authority fall on the taxpayer, and that therefore when considering affordability, it is important to review the scale of financing costs to net revenue.

Estimated Capital Expenditure

The authority sets a capital budget for each financial year, which includes an estimate of the capital expenditure which might be incurred. The figures here also include changes to other long-term liabilities.

Estimates Capital Financing Requirement

The capital financing requirement reflects the authority's underlying need to finance capital expenditure and is based on all capital expenditure including that incurred in previous years.

Authorised Limit - external debt

The local authority will set for the forthcoming financial year and the following two financial years an authorised limit for its total external debt, excluding investments, separately identifying borrowing from other long-term liabilities. Other long-term liabilities include PFI's, service concessions and finance leases. Due to the introduction of IFRS16 (Leasing) on the 1st of April 2022, more of the Council's lessee leases will be classed as finance leases and will become other long-term liabilities, therefore the value will increase from previous years. Work is underway to determine the value of this change in accounting standards, but £20.0m has been added to the indicator at this stage and will be reviewed once this work is complete. This prudential indicator is referred to as the Authorised Limit.

Operational Boundary - external debt

The local authority will also set for the forthcoming financial year and the following two financial years an operational boundary for its total external debt, excluding investments, separately identifying borrowing from other long-term liabilities. This prudential indicator is referred to as the Operational Boundary.

Both the Authorised Limit and the Operational Boundary need to be consistent with the authority's plans for capital expenditure and financing; and with its treasury management policy statement and practices. The Operational Boundary should be based on the authority's estimate of most likely, i.e. prudent, but not worst-case scenario. Risk analysis and risk management strategies should be considered.

The Operational Boundary should equate to the maximum level of external debt projected by this estimate. Thus, the Operational Boundary links directly to the Authority's plans for capital expenditure; its estimates of capital financing requirement; and its estimate of cash flow requirements for the year for all purposes. The Operational Boundary is a key management tool for in-year monitoring.

It will probably not be significant if the Operational Boundary is breached temporarily on occasions due to variations in cash flow. However, a sustained or regular trend above the Operational Boundary would be significant and should lead to further investigation and action as appropriate. Thus, both the Operational Boundary and the Authorised Limit will be based on the authority's plans. The authority will need to assure itself that these plans are affordable and prudent. The Authorised Limit will in addition need to provide headroom over and above the Operational Boundary enough for example for unusual cash movements.

Estimated external debt

After the year end, the closing balance for actual gross borrowing plus (separately), other long-term liabilities are obtained directly from the local authority's Balance Sheet.

The prudential indicator for Estimated External Debt considers a single point in time and hence is only directly comparable to the Authorised Limit and Operational Boundary at that point in time. Actual external debt during the year can be compared.

Upper limit for total principal sums invested for over 364 days

The authority will set an upper limit for each forward financial year period for the maturing of investments made for a period longer than 364 days. This indicator is referred to as the prudential limit for Principal Sums Invested for periods longer than 364 days.

The purpose of this indicator is so the authority can contain its exposure to the possibility of loss that might arise as a result of it having to seek early repayment or redemption of principal sums invested.

Maturity structure of new borrowing

The authority will set for the forthcoming financial year both upper and lower limits with respect to the maturity structure of its borrowing. These indicators are referred to as the Upper and Lower limits respectively for the Maturity Structure of Borrowing.

Local Prudential Indicators

The Council has not yet introduced Local Prudential Indicators to reflect local circumstances but will review on a regular basis the need for these in the future.

APPENDIX 5

COLLECTION FUND BUDGET 2022/23	2022/23 Budget Estimate £'000
<u>EXPENDITURE</u>	
<u>COUNCIL TAX</u> (Surplus) / Deficit Brought forward	(14,791)
Precepts:	
• Mayoral General (including Fire Services)	13,138
• Mayoral Police & Crime Commissioner	29,136
• City of Manchester	196,706
Total Precepts	238,980
Council Tax Total Expenditure	224,189
<u>BUSINESS RATES</u> (Surplus) / Deficit Brought forward	102,369
Payments/Transfers:	
• Mayoral General (including Fire Services)	2,977
• City of Manchester	294,713
Total Payments/transfers	297,690
Business Rates Total Expenditure	400,059
Collection Fund Total Expenditure	624,248
<u>INCOME</u>	
<u>COUNCIL TAX</u> Council Tax Income Write Off of uncollectable amounts Allowance for Impairment	250,241 (980) (10,281)
Council tax receivable	238,980
Contribution of Council Tax (surplus) / deficit:	
• Mayoral General (including Fire Services)	(745)
• Mayoral Police & Crime Commissioner	(1,788)
• City of Manchester	(12,258)
<i>(Includes one third of 2020/21 in year deficit)</i>	
Total Contribution to Council Tax (surplus) / deficit	(14,791)
Council Tax Total Income	224,189
<u>BUSINESS RATES</u> Non-Domestic Business Rates Income	334,997

COLLECTION FUND BUDGET 2022/23	2022/23 Budget Estimate £'000
Enterprise Zone growth above baseline	(475)
Cost of Collection Allowance	(1,117)
Losses in Collection	(16,750)
Increase in Provision for Appeals	(18,965)
Business rates receivable	297,690
<u>Contribution of Business Rates (surplus) / deficit:</u>	
• Mayoral General (including Fire Services)	1,024
• City of Manchester	101,345
<i>(Includes one third of 2020/21 in year deficit)</i>	
Total Contribution to Business Rates (surplus) / deficit	102,369
Business Rates Total Income	400,059
Collection Fund Total Income	624,248
MOVEMENT ON FUND BALANCE	
Council Tax (Surplus) / Deficit Carried forward	0
Business Rates (Surplus) / Deficit Carried forward	0
Collection Fund (Surplus) / Deficit	0