

Report of the Director of Finance to the meeting of Executive to be held on 1st December 2020

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Subject:

Proposed Financial Plan and Budget proposals for 2021/22

Summary statement:

This report sets out the update on budget decisions and Council Tax including new proposals for consultation with the public, interested parties, staff and Trade Unions for 2021-22

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Portfolio:

Leader of Council and Corporate

Overview & Scrutiny Area:

Corporate

1. SUMMARY

- 1.1 This Financial plan updates the Medium Term Financial Strategy (MTFS) adopted in September 2020. It sets out the update on budget decisions and Council Tax including new proposals for consultation with the public, interested parties, staff and Trade Unions for 2021-22. The proposals have been developed against a backdrop of considerable national uncertainty but invest in priorities, and there will be no new redundancies as a result of these proposals.

2. MAIN MESSAGES

- 2.1 The financial plan sets out a series of proposals that will prepare Bradford District for recovery from the social and economic impacts of COVID. It supports people who are struggling to acquire new skills and get jobs, helps children catch up on what they have missed through schools being closed, promotes social and economic participation and provides investment to sustain vital Council services in the face of increasing demand.
- 2.2 Alongside progress against the investments made in this year's budget to build a sustainable, green and inclusive future and a capital programme designed to secure the transformation of our city and town centres, the plan will help to position the District as a place of opportunity for investment with a diverse and growing economy in which culture plays a central role.
- 2.3 The proposals have been developed against a backdrop of unprecedented levels of uncertainty about the ongoing impact of Covid-19; Brexit, the future of local government finance, the future of Social Care, and increasing demand for services. This level of uncertainty makes financial planning difficult and challenging, and for this reason a revenue budget will be proposed covering just one financial year.
- 2.4 It is proposed that Council Tax is increased by 1.99% in 2021-22 resulting in an extra £28.41 per Band D property. If the Government also allows for the Social Care precept to be increased, it is also proposed that this will be charged at the maximum increase allowable. Indicatively, a 2% Social Care precept would result in an extra £28.46 a year per Band D property per year. Overall Council Tax would still remain low compared to other West Yorkshire Councils and Metropolitan Councils.
- 2.5 As Bradford's Band D Council Tax is around 8% lower than the average for Metropolitan Authorities, and some 80% of properties are below Band D, the amount that the Council can raise from Council Tax and the Social Care precept is lower than for many comparable authorities, and is insufficient to keep pace with increasing demand and rising costs. Indicatively a 1.99% increase in Council Tax raises an additional c£4.0m, where inflationary costs and demographic growth cost an additional c£16m extra per year.
- 2.6 The financial plan proposes a number of investments that are aligned to the priority outcomes set out in the Council Plan 2021-25. These investments are in addition to a total of c£2.4m of funding to meet demographic pressures in adults and children's social care, and waste services.
- 2.7 **Headline new proposed investments include:**
- £1.0m to help improve skills and employability in response to increased unemployment. This represents a first phase of funding to support skills

development through Bradford's Skills House.

- £2.4m to sustain and raise educational attainment, by providing additional support over the academic year (which goes over two financial years) to help children to catch up in the wake of the COVID-19 pandemic.
- £258K investment in culture.
- £250K to sustain work to support and strengthen communities, promote social mobility and improve opportunities if Government funding ends or is reduced.
- A total package supporting services to the District's most vulnerable children of £6.5m to help manage increased social care caseloads, and improve services
- £0.5m to improve commissioning of services for vulnerable adults.
- £1.0m package to address structural budget pressures in Waste Services caused by increased demand and market price volatility.
- £1.25m for Workforce Development to ensure that the workforce has sufficient capacity and skills to sustain services, build local leadership and reduce inequality.

2.8 Strong, disciplined and responsible financial management over recent years means that the Council is able to make budget proposals for 2021-22 that avoid the need for cuts to services and jobs. Savings of £0.8m are proposed from areas where efficiencies have already been delivered, or savings can be made for example, through deleting vacant posts. New savings proposals are detailed in section 15.

2.9 There will therefore be no new redundancies as a result of the proposals in this plan.

2.10 Further, some deferral of existing agreed savings are also proposed including

- £0.5m deferral of savings in Youth Services
- £0.35m deferral of savings in Welfare advice and Customer services.

These and others are detailed in section 16.

2.11 Overall, a remaining gap for 2021-22 of £28m is closed by the use of reserves. As a result of prudent financial management the Council has relatively robust levels of reserves, and some of these can be deployed in the short term to help get through these extraordinary times.

2.12 The Council's capital programme offers scope for new infrastructure investments including providing laptops to Children (£2.2m spread over the academic year – 2 financial years), expanding Special Educational Needs and Disability (SEND) school places (£6m over 3 year), and providing equipment to enable people to support daily living (£3.3m over 4 years) amongst others. Capital plans are detailed in section 21.

2.13 A number of transformation projects are also being worked on to ensure that the Council remains sustainable in the medium term. The financial impact of these are being assessed and the results will feature in future medium term financial strategy updates and budgets.

2.14 While the Council has demonstrated a strong grip on its financial management, its financial position will be unsustainable without on-going Government support to meet the additional costs and loss of income arising from COVID-19, and stability and certainty in local government funding over the longer term. At the time of publication, the Council is awaiting the Government's spending review at the end of November 2020. This may include announcements that enable a reduction in the proposed use

of reserves by the time the Council has to set its budget in February 2021.

3 Local Context

3.1 Since 2011 national spending cuts, increasing demand and rising costs have meant the Council has needed to find over £300m in reductions, savings and extra income to balance the books by 2021-22. This has been challenging and required some tough decisions to be taken.

3.2 But through good financial management, hard work and responsible leadership, a balanced budget was set in February 2020 for 2020-21 that required minimal additional cuts and invested in our priorities.

3.3 This included: £25m climate emergency investment

£24m for transformational capital plans, including

- LED smart streetlights
- district heat network
- electric vehicles and infrastructure
- renewable energy
- hydrogen.

£1m to support community projects, including a tree for every primary school child (55,000 trees); upgrading the fleet; extending 20mph zones; ward-level climate initiatives; upgrading the council estate; flood alleviation works; increasing recycling rates.

3.4 Further information: <https://www.bradford.gov.uk/environment/climate-change/climate-emergencyand-green-economy>

3.5 One-off investments for 2020-21 included: Major regeneration schemes (One City Park, Darley Street Market, Bradford Live, Transforming Cities), Keighley & Shipley Stronger Towns (£324k), Child Friendly District (£100k/year for 5 years), Libraries (£200k for new facilities plus £700k ongoing Public Health funding), Extended Council Tax support for care leavers (50% discount for age 22-25), Education Covenant and summer education support (£228k), Cleaner Streets (£350k), Real Living Wage (£150k), Parks & green spaces (£500k), Housing First for one year (£360k), Postponed Youth Services cut (£513k), Welfare Advice (£700k from Public Health), and a £3 increase in green waste collections fee.

3.6 While budget pressures, particularly around adult and children's social care remained, as well as uncertainty around local government finance, we entered the current financial year in a relatively stable position.

4. Impact of COVID-19

4.1 COVID-19 has had a significant impact on Council finances including:

- Additional costs – for example in procuring PPE, securing food supplies, communications, supporting the care sector, community engagement, outbreak

- management, infection control and additional waste costs amongst others.
 - Loss of income in fees and charges e.g. sport and leisure, theatres, parking and museums amongst others.
 - Reduced collection rates for council tax and business rates.
- 4.2 The social and economic impact is generating increased demand for services and support and placing budgets under pressure:
- The numbers of children in care has reached record highs and the number of children ceasing care continues to decrease due to lack of court availability.
 - Missing school through the need to self-isolate represents additional risks to vulnerable children.
 - The viability of the residential care market is under threat as a result of under-occupancy.
 - Our specialist domestic abuse service has experienced up to 76% more referrals.
 - Unemployment has risen sharply; Youth unemployment has nearly doubled.
- 4.3 The significant impact of Covid on the 2020-21 budget has been largely mitigated through central government Emergency Covid Support Grant and other government support. The Council has also committed its own resources in key areas – skills, care homes, domestic violence, education and business support amongst others.
- 4.4 However, Covid-19 is expected to continue to impact in the next financial year and beyond. To date, no government funding has been proposed to offset costs and loss of income next year, although we can anticipate that some additional government support is likely. We await with interest the announcements from the government's Spending Review statement due at the end of November 2020.
- 4.5 The Qtr 2 Finance Position Statement for 2020-21 outlined expected additional costs and losses associated with Covid of c£75m (c£82m including Council Tax and Business Rates) in 2020-21, and although the Council has relatively healthy levels of reserves, the Council (along with all other alike Local Authorities) does not have the financial depth or resilience to sustain those additional Covid related costs and losses into the medium term without a continuation of Government support.
- 4.6 The Government has said that it will stand shoulder to shoulder with Local Authorities, and so far it has provided the welcome additional funds required to support the Council. We expect and require this to continue into 2021-22 and for as long as Covid continues to impact.
- 4.7 The financial plan includes measures that, taken together with investments made in the 2020-21 budget will support recovery from the impact of COVID.

5 Financial Uncertainty & Forecasts

- 5.1 COVID-19 has compounded the existing uncertainty around our financial planning:
- Future potential Covid-19 support from Government is uncertain.
 - The period of Covid-19 related impact on service budgets is not known.
 - The Local Government Settlement has not yet been agreed or announced.
 - Fair Funding Review and business rates reform has been delayed again.
 - The impact of Brexit is unknown.
 - The governments Social Care reforms have been delayed.

- 5.2 These factors are outside the direct control of the Council and it is unlikely that any certainty on future allocations for local government will be known until late 2020, which makes planning for 2021-22 and beyond extremely difficult. As a result of the uncertainty a one-year budget is proposed which refreshes the 2020-21 position.
- 5.3 The Medium Term Financial Strategy (MTFS) in September reported a budget gap of c£48m for 2021-22. Since then, Government commitments to funding for PPE, revisions of assumptions about Council Tax and Business Rates, halving of the growth requirement for capital funding, and revisions to assumptions about Covid related income losses have reduced the gap.
- A number of new recurring and one off investments totalling c£14.6m in 2021-22 are proposed as outlined in sections 8 to 14 below.
 - Savings have also been proposed totalling c£0.8m as detailed in section 15.
- 5.4 Taking into account the revisions to the MTFS and the proposals for new investments and savings the outstanding budget gap for 2020-21 is now c£28m.
- 5.5 A number of other factors could improve the budget position by the time the Councils budget for 2021-22 is set in February 2021:
- Inflation is currently running lower than provided for in 2020-21, and may be lower than the 2% increase assumed in this report. A 1% reduction in inflation would equate to c£4m.
 - Additional Social Care grants may be provided - £1bn nationally has been provided in past years which would equate to c£10m for Bradford.
 - Capitalisation of COVID-19 related losses has been recommended to Government as a means of spreading the cost of COVID-19 over a longer period.
 - A Council Tax and Business Rates compensation scheme to help Councils cover deficits on collection funds has also been mooted.
 - Public Health Grant may see growth
 - Social Care Precept may be allowed (at 2% this would equate to c£4m)
- 5.6 As outlined, there is significant uncertainty, but these factors taken together could conceivably reduce the gap by c£10m - £20m leaving an outstanding gap of c£10-£20m. Any gap would need to be filled by using reserves to balance the budget.
- 5.7 Reserves are not a sustainable means of balancing budgets. However, these are extraordinary times, and good financial management over the years has ensured that there is scope for using reserves to balance the budget in 2021-22, ensuring that attention can continue to be wholly focused on service provision, and responding to Covid.
- 5.8 It should also be noted, that since the MTFS update in September 2020 the Government has announced c£22m of additional funding for Bradford Council services in additional emergency grants in 2020-21.
- 5.9 This additional funding will help reduce the risk of the Council overspending in 2020-21 as a result of Covid, and will also help substitute funding for some initiatives that the Executive had previously agreed to fund from Council reserves in the event that additional Government money wasn't received. The overall impact of this is that the

Council will enter the 2021-22 financial year with higher level of reserves, and in better financial health than it otherwise would have done.

- 5.10 Having relatively high levels of reserves has been a real advantage to the Council through the pandemic period as they have afforded capacity to agree to much needed initiatives to support our vulnerable, communities, businesses and young people in the knowledge that they can be committed to, without severely jeopardising the Council's financial health. Without these reserves, the Council may have been forced to not invest in initiatives or worse, needed to look at budget cuts at the worst possible time to implement them.
- 5.11 Reserves can only be spent once however. Using them to balance the budget in 2021-22 will mean that they are not available to balance future year's budget, unless they are built up again.

6. Revenue Budget Strategy 2021-22

Council Tax

- 6.1 It is proposed that Council Tax will increase by 1.99%, the maximum level possible under capping restrictions. This is needed to build up the base budget, increase financial resilience, maintain priority investments and avoid significant cuts.
- 6.2 A Social Care precept will also be proposed if we are notified that the Government intends this. It is unknown as yet whether Government will legislate for this, but all our neighbouring Councils are anticipating this. The amount of Council Tax per Band D property will remain low when compared to other West Yorkshire Councils and other Metropolitan Councils.
- 6.3 As Bradford has a relatively low level of Band D Council tax and some 80% of households fall below Band D, the Council is unable to raise as much money through the Council Tax and the Social Care precept as many comparable authorities and the precept is insufficient to cover fully the costs of increasing demand.

Business Rates

- 6.4 The Council has no control over the business rates system or the setting of business rates. It collects rates from local businesses, then retains 49% and passes the remainder back to Government who then redistribute back to Councils based on an assessment of needs.
- 6.5 The Council operated a business rates pooling arrangement with other West and North Yorkshire Councils in 2020-21, and it is likely that it will operate in a pool with other West Yorkshire Councils in 2021-22.

New Investment

- 7.1 New investments are proposed that align to the priority outcomes set out in the proposed Council Plan 2021-25 and detailed in sections 8-14 below. These investments include measures that will prepare the District for recovery from the impact of COVID-19 on our children and young people and our economy, to support communities, care

for vulnerable adults and build workforce capacity.

8 Better skills, more good jobs and a growing economy

- 8.1 **Skills House (£1.019m growth in 2021-22)** The proposal is to continue to pay for the staffing resource for the Skills House service approved in the Qtr 1 Finance Position Statement 2020-21, into 2021-22 and beyond. The investment will help respond to the expected significant increase in the unemployment rate caused by Covid. The investment will enable Skills House to rapidly upscale its service and build the capacity of partners to align their services. This will help mitigate the impact of large scale unemployment on individuals and the wider district. It is the intention to implement the proposal in a phased approach.

We have a successful track record as a partnership of supporting jobseekers into sustained work, and businesses to recruit locally. The proposal will enable Skills House to upscale this through interventions that address the immediate job losses of the Covid-19 recession and underlying local need: skills gaps, low pay, low productivity and social inequalities; it will also build the capacity of deprived communities and residents to access training to secure sustainable employment and careers. Upscaling Skills House is vital if the system is to have the capacity to support jobseekers and employers to ensure that when economy recovers it does so in a way that is inclusive and sustainable.

- 8.2 **Culture Investment (£0.258m growth in 2021-22)** The next 3 years are critical in positioning Bradford as a cultural powerhouse in the UK. Great efforts have been made to bring extra resources through the Business rates pool & strategic investment from reserves but the reality is we need stability within the budget and to have a dynamic, resourceful team with the right investment programmed. There is far more scope for the department to work together and pool resources and look at external funding opportunities but this needs time resources and capacity.
- 8.3 **Financial Inclusion (£0.05m growth in 2021-22).** The credit union has worked tirelessly to improve the financial capabilities of Bradford's residents. This investment will allow them to continue this work and help residents manage their finances, especially during these difficult times.

9 Great Start, Good Schools

- 9.1 **Strategy for Raising Attainment – Building on the Post Covid Recovery Phase – (£2.4m for the 2021-22 Academic Year)** Following Covid19 there will be need to focus on ensuring the children who have experienced a gap in attending school are not disadvantaged as a result of the pandemic.

The strategy takes into account the investment to date from the Opportunity Area and the next steps for a Council-led approach, in collaboration and partnership with Schools, for improving educational outcomes for both Primary and Secondary children and Young People.

The Strategy will look to raise attainment by investing in seven areas of focus for the duration of the strategy:

- “Language for Learning” – Early Years language acquisition as the foundations to access the school-aged curriculum (£500k per year)

- Focus on Phonics, Literacy & Numeracy targeting groups of children at risk of underachieving in Primary Schools (KS1& KS2) (£500k per year)
- Maths and English core skills focus targeting young people at risk of underachieving in Secondary Schools (KS3 & KS4) (£600k per year)
- A relentless focus on Reducing Persistent Absence, including specialist support for children & young people with SEND (£500k per year)
- Continue to invest in Therapeutic Approaches to engaging with Learning (£317k per year)
- Continue to invest capital funding in Digital Inclusion for Disadvantaged Children & Young People, including investing in an infrastructure to support the above programme delivery across the District (£2.2m of capital spend – see section 21).

The ambition is for the work to continue for 5 years, however due to uncertainties and funding constraints, the proposal is to fund the scheme for one academic year initially. The revenue and capital funding will be incurred in the academic year (starts in September), and will consequently be split over two financial years (starts in April).

- 9.2 **SEND Transport Demographic Growth (£0.5m growth in 2021-22)** due to the increase in children with SEND, the demand on home to school transport has also increased and the service requires £0.5m on-going investment from 2021-22 to address this.

10 Better Health, Better Lives

- 10.1 A package totalling £10.4m will ensure that services to the District's most vulnerable children and adults are able to keep pace with demand, improve performance, decision making, commissioning and ICT and legal support and ensure fit for purpose arrangements for safeguarding.
- 10.2 **Children's services demographic growth - £0.625m** – to keep pace with increasing demand as a result of a growing population.
- 10.3 **Children's Services demand pressures & improvement plan (£6.5m growth in 2021-22)** Bradford Children's Social Care service was subject to an Ofsted inspection in September 2018. The service was judged inadequate and has since been on an improvement journey. The caseloads and number of children in care have increased over the past 3 years significantly in Bradford compared to neighbouring authorities.

The current full year financial forecast highlights a potential £6.6m (excluding COVID19 cost) full year overspend.

A number of pressures have been identified including rising demands for services; increased placement costs; employee arrangements; funding for growth in Kinship, Fostering and Special Guardianship Order payments; Fostering / Youth Offending Social Workers staffing and carer fee payments.

Since 2016, caseloads have increased by c59% and the numbers of Children Looked After have increased by c50%.

An officer group is currently assessing the overall Children's Services budget to seek to confirm any additional budgetary ask and mitigate additional resource requirements where appropriate and possible.

The service currently has a high number of agency workers and activity is in place to recruit more permanent social workers reducing the need for high cost agency placements.

This additional resource will provide capacity to implement and sustain required improvements as part of our Ofsted improvement journey at a good pace; enable us to reduce staff turnover; ensure we have sufficient placement capacity to cope with the rising numbers of children in care; and support healthier and safer working cultures and environments to improve our quality of practice with more manageable workloads.

- 10.4 **IT requirements to support Children's Services (£0.843m growth in 2021-22)**
Budget provision is required to enable effective changes to Children's Services IT infrastructure. The allocation will fund essential upgrades to core Children's Services systems such as Liquid Logic and Controcc; enable a review of all databases and data repositories; provide for effective integration of systems and enable amendment to processes to ensure data is accurate, complete and enables provision of effective management information. The changes are expected to optimise the use of data systems to enhance the provision of timely and complete management information enabling effective decision making. The ongoing budget requirement in 2022-23 will reduce to £0.174m.
- 10.5 **Legal Support – Children's (£0.442m growth in 2021-22)** The investment will enable the provision of necessary additional staff for the legal social care team to provide essential legal advice, representation and support in the specialist and critical area of child protection and welfare. The need arises from a substantial and continuing rise in referrals from Children's Social Care since the Ofsted inspection in September 2018. The number of children in care proceedings has increased by 118%, and the number of pre-proceeding has increased by c150%. The legal capacity problems have now been exacerbated by the impact of Covid 19 on the court process and increases in discharge of care order referrals.
- 10.6 **Adult Social Care demographic growth – £1.6m** – to meet demand pressures arising from population growth.
- 10.7 **Adults Commissioning Team (£0.5m growth in 2021-22)** – At present, the adults team commissions care valued at £137m from 500+ care providers. There are 6.7 full-time equivalent commissioning staff overseeing the value for money of these contracts and meeting Care Act requirements to design and retender them to meet people's needs and expectations.

The team is inadequately resourced to undertake all of the commissioning activity required to deliver the large transformation programme and contribute to demand management savings (£8.5m in 2021-22 rising to £13.9m by 2022-23). Sustained investment is required in order for the Council to meet its statutory duties and create modern Social Care options for people.

- 10.8 **Safeguarding Pressure (£0.128m growth in 2021-22).** Current funding is insufficient to meet the demands and workloads of the service to support the Adults and Children's Safeguarding Boards in delivering their statutory functions. Additional budget is required to cover a high and increasing workload including the resourcing of statutory reviews, extra support from the independent chairs and to support training and other additional costs that are necessary to maintain the effectiveness of the unit.

Discussions are ongoing with partners and alternate funding is being investigated which may reduce the pressure by the time the budget is set in February 2021.

11 Decent homes

- 11.1 **Housing First (£0.36m growth in 2021-22)** Housing first is internationally recognised as a successful approach to supporting and sustaining some of the most entrenched and most chaotic individuals. The Bradford programme has demonstrated that this housing model is highly successful locally for this cohort. This investment would enable the continuation of the Housing First scheme into 2021-22 and beyond.

12 Sustainable District

- 12.1 **Waste services – demographic growth - £125K** – to keep pace with demand arising from population growth.

- 12.2 **Waste Services demand & lower recycling income (£1m growth in 2021-22).** Domestic waste & recycling tonnages continue to increase annually along with the applicable processing and disposal costs. Market prices for recyclable waste are also extremely volatile and the price per tonne received has reduced in recent years.

The service has been doing its utmost to increase recycling tonnages, and also has good long term contracts in place for waste disposal. Despite this, the service has a structural budget shortfall of c£1m. This investment will address that overspend which is largely unavoidable based on the current operating model.

Investigations are being undertaken to look at different operating models to assess the extent to which costs can be lowered in the future by potentially in-housing more recycling processing by investing capital resources into a more capable materials recovery facility. This may help mitigate pressures in future budgets, and work on the business case has commenced.

13 Safe, Strong and Active Communities

- 13.1 **Stronger Communities Team (£0.25m growth in 2021-22)** external funding for the service is currently due to discontinue post March 2021. Current staffing levels are 12 posts of which 11 may be lost due to the temporary nature of their funding, leaving in position one base funded post to oversee the entire service. The Stronger Communities service provides an essential role in the district and is a lead for partner agencies and the VCS through building partnerships, coordination of services, facilitation of resources to meet community needs and by commissioning work to meet the Stronger Communities Together Strategy which aims to increase social mobility and equality of opportunity, economic activity, community safety and community cohesion.

The team oversees several grants to the VCS sector in the district and building resilience and vital support across the VCS sector and communities will be supported by this investment.

This proposal will guarantee the continuation of the services, however it is possible/likely that Stronger Communities funding from the Government will be extended, and if it is, then that would be used/ part used to substitute for Council

funding. We are awaiting an announcement.

14 Enabling Council

- 14.1 Learning & Development and equalities (£1.25m growth in 2021-22).** The Council puts equalities and social justice at the heart of everything it does, internally and externally, to successfully deliver on our equalities objectives.

This investment will enable us to invest in additional courses, programmes, qualifications and development for our staff, with some resource to broker, manage, sustain and provide rigorous challenge and support to deliver the outcomes. Also, to extend our reach across the District in terms of how we deliver services. Other Councils typically invest more in these areas. Bradford's ratio is 1:121 for HR to employees, industry research recommends 1:100; and a number of Councils have staff tasked with driving forward social justice and equalities.

In practice, this investment will support the delivery of

- Improved formal training and development opportunities for all staff to support an inclusive working environment, increase performance and drive culture change.
- Improved recruitment practices with new methods to attract diverse talent.
- Design and delivery of an inclusive strategic talent management programme and expand the talent development offer through secondment, graduate and leadership programmes and the development of career pathways through the Council.
- A stronger internal focus to create more opportunities for employee groups that are underrepresented within the Council.
- Enhanced engagement with equalities groups including low income groups.
- New models of service delivery.

These objectives around staff development and talent management must be matched by equal rigour in our service delivery. This means embedding equalities and inclusion in the delivery of services to ensure equal access for citizens and tackling inequality of outcomes in the district.

- 14.2 Continued funding for administering Community Asset Transfers (£0.120m growth in 2021-22).** Funding for the Estates Management and Legal Services support required to assess and enable community asset transfers is due to run out in 2020-21. Budget growth would enable the continuation of this resource.
- 14.3 Microsoft Licences (£0 growth in 2020-21, but commitment will lead to a £0.7m increase in budget requirement for 2021-22).** The Council's Microsoft licencing needed renewing as it was out of date and unsupported. Non-renewal was not an option. The commitment will lead to £0.7m of additional costs in 2021-22 that will be funded from an IT reserve, however budget growth will be required in 2022-23.
- 14.4 Craft working review (£0.210m growth in 2021-22).** A craft worker review is currently being undertaken into historical pay issues. The outcome of this review will result in additional costs that need to be incorporated into the budget.

Table 1 - Proposed Recurring Investments for 2021-22 for Consultation		2021-22	2022-23
		£'000	£'000
CHR8.1	Children's Services demand pressures & improvement	6,500	6,500
CHR8.3	Skills House - Investment	1,019	1,019
PR8.1	Waste Services demand & lower recycling income	1,000	1,000
CR8.1	Learning & Development and equalities	1,250	1,250
CR8.2	IT requirements to support Children's Services	843	174
CR8.3	SEND Transport Demographic Growth	500	500
HWR8.1	Adults Commissioning Team expansion	500	1,000
PR8.2	Stronger Communities Team	250	500
CRR8.4	Legal Services, to support children service demands	442	577
PR8.3	Culture investment	258	461
CRR8.5	Craft working review	210	210
PR8.4	Housing First	360	360
CXR8.1	Safeguarding Pressure	128	128
CRR8.6	Continuing support for Community Asset Transfers	120	120
HWR8.1	Financial Inclusion	50	50
CRR8.7	Microsoft licences	0	700
	Total	13,430	14,549

Table 2 - Proposed Non Recurring (Time limited) Investments for 2021-22 for Consultation		2021-22	2022-23
		£'000	£'000
CHNR8.1	Raising Attainment in schools	1,210	1,210

15. Savings & cost reductions

15.1 No new material cuts to services are proposed for 2021-22. Any proposed budget reductions are linked to good housekeeping, existing agreed strategies, deletion of vacant posts, or efficiencies that are already in train. There are therefore no new redundancies as a result of these proposals.

Table 3 - New budget proposals for consultation		2021-22	2022-23
		£'000	£'000
8CR1	Reduce added years pensions budget as saving already delivered	-500	-500
8CR2	Saving in Cash handling and transit as saving already delivered	-160	-160
8P1	Delete Vacant post - Programmes Delivery Officer 0.6 FTE	-25	-25
8P2	Fund contract manager post from European Structural Investment Programme 0.6FTE	-35	-35
8P3	Vacant post - delete vacant Housing Technician post	-27	-27
8P4	Fund post from HMO Licensing reserve and remove base budget	-50	-50
	Total	-797	-797

15.2 **Reduce added years' pension budget** – In the past, some people that were made redundant by the Council received additional year's pension contributions as part of their redundancy settlement. As the numbers of these individuals reduces over time, the amount of money required to pay for the added years also reduces. The proposed budget saving reflects this, and no individuals would be adversely impacted.

15.3 **Savings in Cash handling and transit** have already been delivered by the Revenues and Benefits service. This budget saving reflects the efficiencies work that has already taken place.

16 Proposed Amendments to previously agreed savings

16.1 There are also a number of savings that have previously been agreed by Council that are proposed to either be deleted or deferred as they are no longer deliverable.

Table 4 - Amended prior year budget savings for Consultation		2021-22	2022-23
		£'000	£'000
4L1	Legal and Democratic Services – to reflect the reduced size and scope of the Council, reductions to Civic, Legal and Committee Services, including Overview and Scrutiny are proposed – Delete the saving as the work of the service has not reduced as expected	50	50
4R14	Asset Management Saving - "Seek to invest in non-operational property to generate surplus income" - Defer the saving as the investment market is impacted by the current economical position created by Covid.	500	500
4E8	Events and Festivals Saving - review to develop a more sustainable and balanced events programme – Delete saving as part of investment in City of Culture bid	120	120
5X1	5X1 - Reduce total cost of top management - the scope is the senior management (Strategic and Assistant Directors) and their PA structure – Delete saving as original proposal not valid	75	75
6X1	Welfare Advice & Customer Service - Fundamental change to the way the Council and its partners deliver customer facing Services, focussed on customers getting the 'right support at the right time'. - Delay the full implementation of the £844k approved saving to 2022-23 as these services are critical to the on-going response to Covid and continue to review their approach to delivery	350	0
5E2	Youth Services Saving – delay the £513k saving to 2022/23 at a cost of £513k as response to Covid has been critical	513	0
Cost of deleting or delaying the implementation of previously agreed savings		1,608	745

17 Savings agreed in prior years that have a continued impact in future years

17.1 The budget is also based on the continued delivery of some savings proposals that the Council approved in prior years.

Table 5 Schedule of agreed savings previously consulted on (for reference only)		2021-22	2022-23
		£'000	£'000
4A1	Adults - Overall Demand Management Strategy - moving from a dependency model to one that promotes independence and resilience (e.g. reducing numbers coming in to care, care system culture change, speeding up integration, redesign enablement, reviewing financial needs, and continued personalisation).	-8,379	-13,868
T1-T6	Remaining Travel Assistance Saving	-250	-250
5E2	Youth Service – The Youth service saving will be delayed by one year to 2022-23 as outlined in Table 4	-513	-513
	Total	- 9,142	- 14,631

18. Reserves

18.1 At 30th September 2020 reserves stand at £258.9m (Council £226.5m, HRA £0.5m and Schools £31.9m). Unallocated reserves stand at £10.3m. Included in the reserves are £33.7m of receipted Emergency grant that will be drawn down in 2020-21.

	Closing Balance 2018-19 £m	Closing Balance 2019-20 £m	Opening Balance 2020-21 £m	Net Movement	Balance as at 30 th September 2020 £m
Council reserves	181.6	207.0	207.0	19.5	226.5
HRA Reserve	0	0	0	0.5	0.5
Schools Delegated budget	27.2	31.9	31.9	0.0	31.9
Total	208.8	238.9	238.9	20.0	258.9

18.2 While reserves can only be used once, if Government support is not forthcoming at sufficient levels to maintain services and invest in priorities in 2021-22, in order to avoid a collapse in resilience and build a platform for recovery, it is proposed that the Council will deploy reserves to balance the budget.

18.3 The £54m Financing reserve was created through a technical accounting exercise enabling Councils to pay back borrowing over a longer period of time than originally scheduled. In future years this money will need to be paid back.

18.4 The draw on the reserve could potentially be £28m, however this could be reduced dependent on announcements from Government between now and the date that the Councils budget is set in February 2021.

18.5 The Council's strategy for reserves is to use them for:

- Time limited investment in a Council priority;
- Smooth the transition to a lower cost base; and/or
- Complete a delayed project connected to a Council priority.

In these extraordinary time, reserves will also be used to provide capacity to respond to the crisis.

- 18.6 The Council will continue to have General Fund reserves of £15m, unallocated reserves of £10.3m and the remaining element of the MRP reserve (c£26m) that will be available to be deployed should Covid costs and losses continue, and the Government doesn't provide additional resource.
- 18.7 Other earmarked reserves are also being reviewed to assess the extent to which they could be repurposed if required.
- 19.0 **Maintaining Grip....Reset... Transform**
- 19.1 To ensure that the Council is sustainable across the medium term a programme of effective financial 'housekeeping' and transformation will also occur.
- **Maintaining Grip**, given COVID and the changes to our working practices we need to ensure we have a management grip on key components e.g. reduce agency spend, remove long standing vacancies, review procurement spend, review previous investments
 - **Reset**, looking at resetting the budget aligned to changing circumstances e.g. fit for purpose structures, service integration where appropriate, review long standing contracts.
 - **Transform**, progressing transformation activity, where the business case exists e.g. Early help & prevention, commissioning and procurement, business support review, demand management.
- 19.2 The above are being developed to ensure that the Council remains sustainable in the medium term. The financial impact of these are being assessed and the results will feature in future medium term financial strategy updates and budgets.

20 **Doing the right things for the District**

- 20.1 Overall, the strategy for the revenue budget avoids cuts, increases grip and provides challenge to the way we do things. It invests in priorities and in preparing the district for recovery from the impact of COVID.
- 20.2 The Council awaits the outcome of the Government's Spending Review and its deliberations over the future of local government finance and the Council's financial settlement for the financial year 2020-21. If sufficient resource is not forthcoming to support the priorities set out in this financial plan, reserves will be deployed in order to protect local services, support social and economic resilience and recovery and to build a better future.
- 20.3 The use of reserves if necessary, is the right thing to do in the long-term interests of Bradford District however this cannot be sustained beyond the short-term. In order to place Council finances and services on a sustainable footing and to attract new investment to the District our services will need to continue to transform, greater certainty and stability is required in government funding and opportunity and infrastructure must be improved. We continue to lobby and position the District's interests with regional and national stakeholders and Government in order to secure the resources and investment we need.

21 CAPITAL INVESTMENT PLAN

21.1 The Capital Investment Plan (CIP) shows budget spend on infrastructure items, such as housing, roads, Council land and buildings, sports centres and vehicles. Technically, the definition for inclusion in the CIP is that the spend delivers a service benefit lasting more than one year: for example, a new-build sports centre.

21.2 The CIP differs from the other (revenue) budget items listed in this report, which relate to day to day spend. An example of day to day spend are the salaries of employees who run sports centres. Being periodic, these costs fit easily into an annual budget cycle.

21.3 In contrast, individual projects in the CIP tend to be one-off and sometimes the build phase cuts across annual budget cycles: so are planned over multi-year periods, updated incrementally at each annual budget for any changes. The current CIP position (prior to any update for the 2021-22 budget cycle), was reported in the Qtr 2 Finance Position Statement for 2020-21 and is shown below:

Table A – Capital Investment Plan Quarter 2 2020-21

Directorate	2020-21	2021-22	2022-23	2023-24 onwards	Total
	£m	£m	£m	£m	£m
Health and Wellbeing	1.8	4.2	1.5	0	7.5
Children's Services	24.1	9.8	2.3	0	36.2
Place - Economy & Development Services	14.6	27.7	10.9	8.2	61.4
Place - Planning, Transport & Highways	28.3	63.1	112.0	16.5	219.9
Place - Other	20.4	11.1	13.9	10.5	55.9
Corp Service – Estates & Property Services	12.4	4.8	0.1	0	17.3
TOTAL - Services	101.6	120.7	140.7	35.2	398.2
Reserve Schemes & Contingencies	31.9	127.1	119.5	57.3	335.8
TOTAL	133.5	247.8	260.2	92.5	734.0

21.4 The CIP is funded from a number of different sources, with the remainder leaving a borrowing requirement, as set out below:

Table B – Capital Investment Plan Quarter 2 2020-21 Funding

	Grants	Capital Receipts	Revenue	Borrowing	Total
	£m	£m	£m	£m	£m
Total	375.3	11.8	2.9	344.0	734.0

21.5 Some funding sources, such as specific capital grants and capital receipts, directly fund the expenditure in the CIP; this avoids borrowing and has no implication for the revenue budget. However, a small element of the CIP is funded directly from Revenue budget, which does have direct cost implication for the revenue budget.

21.6 A larger funding element is provided from borrowing which generates Capital

Financing costs. It is here that there are additional costs within the revenue budget - allocated to Non service, in other lines of this report.

21.7 Capital Financing costs include the allocation of the borrowing amount across revenue budget years: the borrowing amount is usually apportioned over future revenue budgets in equal amounts, for as long as the building or vehicle is expected to be in use - this is known generally as depreciation but is called the Minimum Revenue Provision (MRP) within Local Government.

21.8 Capital Financing costs also include interest on the borrowing amount. These costs are time specific and charged to revenue as they fall.

21.9 Incremental changes to the CIP for the 2021-22 budget cycle will include the continuation of on-going capital programmes. The changes also include new proposals relating to priority outcomes in the Council Plan. Infrastructure investment through the capital programme plays a key role in supporting our efforts to achieve a net zero carbon District and city region.

21.10 Proposals for inclusion in the Council’s revised Capital Programme comprises:-

The rolling programme- this includes the on-going investment that is needed to continue existing services and commitments. The following amounts have been included in the 2024-25 programme:

- Replacement of Vehicles - £3m. This is a nominal figure that is allocated each year
- Property Programme - £2m
- General contingency for unforeseen capital expenditure - £1m

21.11 A number of proposals for further capital investment. It is proposed these be identified as ‘reserve’ schemes, pending the presentation of full project appraisals to the Project Appraisal Group for review before seeking Executive approval. A brief description of these proposals and their benefits is given in the Table below.

Proposed Scheme	Total Budget £000	Description / Benefit
Health & Wellbeing		
PCS1 BACES	3,300 Additional 300k 2021-22 and 750k per year for 4 years, 2022-23 onwards	Additional Investment in Bradford & Airedale Community Equipment Service (BACES) is required beyond the currently approved funding period. The capital budget is an essential part of the BACES requirement for small and minor adaptations to people’s homes that are not Disabled Facilities Grant eligible or for larger items of equipment such as Stair lifts and Hoists. It is intended that there will be a future requirement of £350k for Learning Disability service users and £400k for more general BACES capital items.
PCS2 Great Places to Grow	2,400	The Scheme is already in the CIP for the construction of a new 50 bed short stay residential

Old – Saltaire Residential Care Home		home on the site of Neville Grange in Saltaire.
Place – Sport & Culture		
PCS3 Marley Playing Field	500	Works to riverbank next to the playing field.
Corporate Resources		
PCS4 Core IT Infrastructure	1,220 2021-22	This is for SAP developments and the Digital Strategy capital innovation fund. It will be funded by £0.4m already in the 20-21 Programme, £0.2m revenue contribution and the remainder corporate borrowing.
Children’s Services		
PCS5 SEND Expansion	6,000 2,000 per year for 3 years	This is the estimate of the additional budget need above current Basic Needs Grant. It would be funded by corporate borrowing and be used to complete SEND expansion in mainstream schools and SEN schools.
PCS6 IT Processes and Systems – End to End Review	330	A planned programme of work to systems and processes. The improvements to the systems are designed to promote better practice including facilitating improvements in the quality of analysis and the extent to which the child’s lived experience is captured. This in turn will contribute to enhanced planning and review, helping us to ensure that progress towards clear targets is monitored.
PCS7 Laptops for Children	2,200 split over two financial years (one academic year)	Investment programme for raising attainment across the District. It includes continuing to invest capital funding in Digital Inclusion for Disadvantaged Children & Young People by investing in an infrastructure to support the programme.
TOTAL	15,930	

22. BUDGET ENGAGEMENT AND CONSULTATION, AND EQUALITY IMPACT

- 22.1 The intention of this consultation is to provide the people of the district with opportunities to provide their views on the budget proposals, to help shape and inform final decisions. The budget consultation will seek comments on proposals for the financial year 2021/2022. Given the uncertain nature of the Councils settlement figure, it is anticipated that this will be a dynamic consultation and as information becomes available changes to the budget may be made.
- 22.2 The consultation will be open from 1 December 2020 to 15 January 2021. The consultation will comprise of a survey enabling individuals and organisations to comment on the proposals of their choosing. Responses can be provided online or by writing to the Council using a freepost address. Social media (Twitter and Facebook) and the Council’s app will also be used to promote the consultation.
- 22.3 Consultees will be encouraged to comment on the investment and savings proposals

and also any impacts they feel might be felt by particular groups of people (in line with the Public Sector Equality Duty). For transparency, the Council's consideration of these impacts will be shared through accompanying equality impact assessments

- 22.4 Should the proposed investments be accepted, equality assessments will be undertaken as part of identifying and delivering those investments. Where amends are being proposed to previously agreed savings or where agreed savings are looking to be deferred, equality assessments will continue to be updated and published as projects develop. This will be done independently of the current 2021/2022 budget process.
- 22.5 The outcome of the consultation will be presented to the Council's Executive on the 2nd February 2021. The Executive will then give consideration to the feedback and any equality impacts as they finalise their budget proposals on the 16th February 2021 in advance of Budget Council on the 18th February 2021. It is worth noting that in addition to the current formal budget consultation, other engagement and consultation activities will continue to be run separately by Council Services on budget changes agreed in previous years.

23. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 23.1 The financial plan assumes that remaining savings that are currently behind plan will be fully back on track by 2021/22.
- 23.2 The Comprehensive Spending Review statement from the Chancellor at the end of November 2020, and the following Local Government Financial Settlement could have an effect on the current assumptions underpinning this financial plan. There could be changes to the actual forecast flow of specific grants or a revision to the assumptions.
- 23.3 The extent to which Covid continues to impact on the economy and the Council is also a significant unknown.
- 23.4 Additionally, the impact of any changes to international trading conditions and the national economy could feed through into additional pressures for the Council with the impact of Brexit still a big unknown factor.
- 23.5 Consultation outcomes may mean that specific proposals cannot be delivered or need adjusting.

24. LEGAL APPRAISAL

- 24.1 The Local Government Act 2003 s25(2) imposes a duty on authorities when making a budget calculation to have regard to a report of the chief finance officer as to the robustness of the estimates and the adequacy of the proposed reserves. This is the "S151 officer report" which will be presented to Executive on 16 February 2021.
- 24.2 Authorities are required to monitor and review from time to time during the year their income and expenditure against their budget, using the same figure for financial reserves, If having conducted this review, it appears to the authority that there has been a deterioration in its financial position, it must take such action, if any, as it considers necessary to deal with the situation, and be ready to take action if

overspends or shortfalls in income emerge. This is a statutory duty. If monitoring establishes that the budgetary situation has deteriorated, authorities are required to take such action as they consider necessary.

24.3 Section 149 of the Equality Act 2010 (the public sector equality duty) provides that:

(1) A public authority must, in the exercise of its functions, have due regard to the need to—

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(2) A person who is not a public authority but who exercises public functions must, in the exercise of those functions, have due regard to the matters mentioned in subsection (1).

(3) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;

(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

(4) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

(5) Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

- (a) tackle prejudice, and
- (b) promote understanding.

(6) Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

(7) The relevant protected characteristics are—

age;
disability;
gender reassignment;
pregnancy and maternity;
race;
religion or belief;
sex;
sexual orientation.

Officers have prepared equality impact assessments on the proposals to assist elected members in having regard to this duty.

24.4 Section 3(1) Local Government Act 1999 imposes a duty on local authorities to make arrangements to secure continuous improvement in the way in which its functions are

exercised, having regard to a combination of economy, efficiency and effectiveness. Section 3(2) requires local authorities to consult representatives of

- persons liable to pay any tax in respect of the authority
- persons liable to pay non-domestic rates
- persons who use or who are likely to use services provided by the authority,
- persons appearing to the authority to have an interest in any area within which the authority carries out functions

for the purpose of deciding how to fulfil the duty imposed by Section 3(1).

OTHER IMPLICATIONS

25 EQUALITY & DIVERSITY

Each proposal is subject to an equality assessment, with any proposals showing impacts being published on the Council's web site.

<https://www.bradford.gov.uk/your-council/council-budgets-and-spending/equality-impact-assessments/>

Feedback on the equality assessments will be sought through the consultation process, and will then be updated accordingly.

The consultation provides the opportunity for the Council to better understand the consequences for individuals with different protected characteristics likely to be affected by changes.

Elected Members will have considered the Equality Assessments in full as part of the proposal development and then again as part of their final budget recommendations post consultation.

26 SUSTAINABILITY IMPLICATIONS

Addressing and prioritising investment and action on the Climate Emergency is central to creating a more prosperous, healthy and resilient district. This reflects one strand of the Council and District's response to the UN Sustainable Development Goals. Ensuring the long-term well-being of the district is a central objective of the Council.

Significant transformation will be required across the organisation, in our partnership working and across the district's communities to act rapidly and wisely over the next five to 20 years. We will need to learn to live and work differently, to create a district fit for our children and grand children. The Council is committed to partnership working that supports and protects the most vulnerable in our society as we build an inclusive and prosperous district. The budget and the resources it allocates to our core priorities and services and the specific allocation for environmental action is part of the Council's commitment to community involvement and supporting a more just and resilient district.

27 COMMUNITY SAFETY IMPLICATIONS

Where there are any community safety implications arising from individual budget proposals these will be covered in the consultation exercise. Any implications arising from the consultation will be presented to subsequent meetings of the Executive.

28 HUMAN RIGHTS ACT

There are no direct human rights implications arising from this report.

29 TRADE UNION

The statutory requirement to consult with Trade Unions under S188 Trade Union and Labour Relations (Consolidation) Act 1992 where 20 or more redundancies are proposed within a 90 day period does not arise in respect of the new budget proposals for 2021/22 as these new proposals do not give rise to any proposed redundancies.

It should be noted that consultation on workforce implications on budget changes agreed in previous years will continue to take place.

Senior management will be explaining the financial position and the proposals in more detail to the Trade Unions at the Trade Union meeting to be arranged for early December 2020. Further Consultation will continue on a weekly/bi-weekly basis (if applicable) at Departmental consultation meetings and at OJC1 on 6 January 2021. Any Trade Union feedback will be collated and will be reported at Executive in February 2021 as an addendum to the budget report.

We will share the proposals with the Trade Unions at the start of December after the Executive meeting as they are entitled to be consulted and comment even on the proposals that do not have workforce issues. If there are any questions they can raise them at their departmental meetings. Any feedback we will collate and feed in as stated above.

All employees will be briefed on the budget proposals through line management and key communications/Bradnet that will be cascaded accordingly.

30 WARD IMPLICATIONS

In general terms, where the proposed cuts affect services to the public, the impact will typically be felt across all wards. Some proposals could potentially have a more direct local impact on individual organisations and/or communities. It is expected that the consultation process will allow an analysis of local impacts to inform final decisions.

31. NOT FOR PUBLICATION DOCUMENTS

None.

32. RECOMMENDATIONS

32.1 It is recommended that Executive, having considered the Council's public sector equality duty as set out above:

- Approve for consultation as required with the public, interested parties, staff and Trade Unions the proposed Council Tax and Social Care precept for 2021/22 set out at in section 6.
- Approve for consultation as required with the public, interested parties, staff and Trade Unions the proposed investments as set out in sections 8 to 14.
- Approve for consultation as required with the public, interested parties, staff and Trade Unions the new budget savings proposals for 2021/22 set out in section 15.
- Approve for consultation as required with the public, interested parties, staff and Trade

Unions amendments to previously agreed savings proposals for 2021/22 set out in section 16.

- Note the proposed use of reserves as set out in section 18.
- Approve for consultation the proposed new capital schemes PCS1 to PCS7 as set out in section 21 of this report.
- Approve the consultation mechanisms and processes set out in section 22.

33. APPENDICES

Appendix A: Council Budget 2021/22

34. BACKGROUND DOCUMENTS

Document U – The Council’s Revenue Estimates for 2019/20 – Council 21 February 2019

Document V - S151 Officer’s assessment of the robustness of the proposed budget estimates for 2019/20 and of the adequacy of forecast financial reserves – Council 21 February 2019

Document J – Medium Term Financial Strategy 2020/21 to 2022/23 and beyond – Council 9th July 2019

Document X - Mid-Year Finance and Performance Statement for 2019/20 – Executive 5th November 2019

Appendix A- COUNCIL CUMULATIVE BUDGET 2021/22

	2021/22 Budget £'000
NET EXPENDITURE	
2020/21 Budget brought forward	378,080
Reversal of non-recurring investment from 2020/21	(5,630)
Sub total	372,450
Proposed Recurring Investments in 2021-22 (Table 1)	13,430
Funding Changes	1,727
Inflation	14,562
Base Net Expenditure Requirement	402,169
Demographic pressures in Adults, Children's and Waste	2,350
One off investments (Table 2)	1,210
Capital financing and central budget adjustments	1,858
Previously approved budget savings (Table 5)	(9,142)
Amended prior Budget decisions (Table 4)	1,608
New Budget proposals for consultation (Table 3)	(797)
Net Expenditure Requirement	399,255
RESOURCES	
Localised Business Rates	(63,188)
BR Collection fund deficit from 2020-21	29,400
BR Collection fund deficit funded by drawdown from S31 reserve	(28,400)
Remaining forecast BR fund deficit repayment (£1m split over 3 years)	333
Top Up Grant	(69,814)
Revenue Support Grant	(34,886)
Pre-approved use of reserves	(198)
Proposed use of reserves to balance 2021-22 budget	(28,255)
Council Tax	(206,791)
Forecast CTax collection fund deficit repayment (£7m split over 3 years)	2,333
Total Resources	(399,465)
Budget (surplus)/shortfall	0

