

# **Report of the Director of Finance to the meeting of Executive to be held on 16 February 2021 and Council to be held on 18 February 2021**

Updated Revenue Estimates

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## **Subject:**

The Council's Revenue Estimates for 2021/22 - updated

## **Summary Statement:**

The report provides Members with details of the Council's Revenue Estimates for 2021/22

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Chris Chapman  
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### **Portfolio:**

Leader

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### **Overview & Scrutiny Area:**

Corporate

## **THE COUNCIL'S REVENUE ESTIMATES FOR 2021/22**

### **1. PURPOSE**

- 1.1 This report proposes the estimates of net revenue expenditure be recommended to Council for approval as the Council's balanced revenue budget for 2021/22.
- 1.2 The revenue estimates are part of the overall budget proposal for the Council which includes:
  - the recommended Capital Investment Plan
  - the allocation of the Schools Budget 2021/22
  - Section 151 Officer's Assessment of the proposed budgets
- 1.3 This report is submitted to enable the Executive to make recommendations to Budget Council on the setting of the 2021/22 budget and the Council Tax for 2021/22, as required by Part 3C of the Council's Constitution.

### **2. PROPOSED REVENUE BUDGET 2021/22**

- 2.1 The balanced 2021/22 revenue budget is predicated on total available general resources (Council Tax income, Business Rates income, general government grant and use of reserves) of £385.373m in 2021/22.
- 2.2 The total expenditure takes account of changes to the underlying (base) level of expenditure at the start of the year arising from:
  - Recurring budget pressures and investment proposals totalling £13.611m in 2021/22 (Appendix B and Appendix Bii)
  - New proposals amounting to a reduction in the budget of £0.745m in 2021/22 (Appendix C)
  - The net effect of previous years' policy decisions, including decisions made by Budget Council in February 2019 and 2020 in respect of 2021/22 which amounted to a net reduction in the budget for 2021/22 of £9.142m (Appendix D). Appendix E sets out amendments to prior decisions at a cost of £1.608m
  - Provision for pay increases of 2% for 2021/22 at a cost of £5.4m, and c£1.7m to account for the 2020-21 pay award that was 0.75% higher than had been budgeted on a recurring basis<sup>1</sup>.
  - Provision for CPI price increases of 1.2% with additional amounts for National Living Wage increases in contracts; increases in Social Care contract costs, and price increases that are included within the Council's main waste disposal contract.
  - Provision for demographic growth of £1.85m.
  - The impact on the Council's funding arising from 2021/22 Final Local Government Settlement.
  - Council's decisions about changes to Council Tax, with an increase of 1.99% plus a further 3% Adult Social Care Precept, a total of 4.99%
  - The proposal to balance the budget by using £6.395m of reserves as outlined in Appendix F.

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<sup>1</sup> As the pay award for 2020/21 was unknown in February 2020, the Council budgeted for a 2% pay increase, and an extra £1.7m was put into an Indexation pressures reserve to fund any pay award in excess of 2% in 2020/21 only.

2.3 Key changes since the publication of the Proposed Financial Plan updated 2021/22 (approved by Executive 2 February 2021) are:

- £2.1m of additional net income from the Local Council Tax Support Grant. This results from applying £2.1m of the £6.1m Local Council Tax Support Grant that has been provided by the Government, to cover the costs of higher number of Council Tax Reduction Scheme claimants due to the Pandemic. The remainder will be used to provide a Hardship Discount of up to £100 per Council Tax Reduction Scheme claimant. This Council Tax Hardship Discount is awarded under Section 13a (1)c of the Local Government Finance Act 1992.
- Proposal to invest £0.6m in Street Cleansing and £0.6m in Ward Teams to provide support to communities.
- Proposal to delete the previously approved £0.513m Youth Services saving, rather than the prior proposal which was to defer the saving to 2022/23.

This reduces the call on reserves from c£7.3m to c£6.4m.

2.4 The reserves that are proposed to be used to fund the gap in 2021-22 are.

- Insurance Risk reserve £1.793m
- Council Tax reserves £0.575m
- NDR Volatility reserve £1.735m
- Energy Reserve £0.100m
- Transition and Risk Reserve £2.192m

2.5 The summary position is shown at Appendix A, with further detail contained in Appendices B to F.

- Recurring pressures and investment proposals (Appendix B)
- New budget proposals (Appendix C)
- Schedule of 2020/21 agreed savings previously consulted upon (for reference only) (Appendix D)
- Schedule of proposed amendments to previous budget decisions (Appendix E)
- Proposed Use of reserves statement (Appendix F).

### **3. COUNCIL TAX IMPLICATIONS**

3.1 In setting the Council Tax for 2021/22, Council will have regard to the Council Tax base approved by the Executive on 5 January 2021. The Council will also wish to note the precepts of the parish and town councils.

### **4. MATTERS RELATING TO 2020/21 FINANCIAL POSITION**

4.1 The 2020/21 financial position is contingent upon the 2020/21 audited out-turn. The Executive is therefore asked to give the s151 Officer authority to secure the best position for the Council in respect of 2020/21 in preparing the Final Accounts for 2020/21.

### **5. RISK MANAGEMENT AND GOVERNANCE ISSUES**

5.1 The uncertainties regarding the funding that will be available to the Council are

considered within the Section 151 Officer's Report. Existing governance arrangements around the Council's financial monitoring will continue.

## **6. LEGAL APPRAISAL**

- 6.1 It is necessary to ensure that Executive have comprehensive information when considering the recommendations to make to Council on the budget for 2021/22 at their meeting on 18 February 2021. It is a legal requirement that Members have regard to all relevant information. The information in this report and any updated information produced to Executive on 16 February 2021 following their consideration on 2 February 2021 of the feedback received to date from the on-going consultation processes and their consideration of equality issues are considered important in this context. It will also be necessary to consider any further information produced to the 16 February 2021 Executive meeting.

## **7. OTHER IMPLICATIONS**

### **7.1 EQUALITY & DIVERSITY**

- 7.1.1 The equality implications of the new budget proposals and the proposed amendments to previous budget decisions were highlighted in the separate report presented to the meeting of Executive on 2 February 2020 (Document DE). The equality implications of the 2021/22 proposals previously approved by Budget Council in February 2020 were fully considered by Council at that time.

- 7.1.2 Equality impact assessments are undertaken on all budget proposals. Where impacts are identified on particular protected characteristic groups, the assessments are published, consulted on and then further updated reflecting on any feedback received. These assessments for the 2021/22 proposals are accessible via this link: <https://www.bradford.gov.uk/your-council/council-budgets-and-spending/equality-impact-assessments/>

Elected Members should consider the Equality Impact Assessments in full. The consultation provides the opportunity for the Council to better understand:

- The consequences for individuals with protected characteristics affected by changes, particularly related to proposals relating to social care;
- Any cumulative impact on groups with protected characteristics.

### **7.2 SUSTAINABILITY IMPLICATIONS**

- 7.2.1 There are no direct sustainability implications resulting from this report.

### **7.3 GREENHOUSE GAS EMISSIONS IMPACTS**

- 7.3.1 There are no direct greenhouse gas emissions implications resulting from this report.

### **7.4 COMMUNITY SAFETY IMPLICATIONS**

- 7.4.1 There are no direct community safety implications of new budget proposals.

## **7.5 HUMAN RIGHTS ACT**

- 7.5.1 Any human rights implications resulting from this report are referred to in the Equality Impact Assessments.

## **7.6 TRADE UNION**

- 7.6.1 The feedback from the consultation programme on the Council's new budget proposals and the proposed amendments to previous budget decisions were detailed in a separate report presented to the meeting of Executive on 2 February 2021 (Document DE). The consultation feedback on the proposals previously approved by Budget Council was fully considered by Council at that time.

## **7.7 WARD IMPLICATIONS**

- 7.7.1 In general terms, where proposals affect services to the public, the impact will typically be felt across all wards. Some proposals will have a more direct local impact on individual organisations and/or communities.

## **7.8 IMPLICATIONS FOR CORPORATE PARENTING**

- 7.8.1 Any implications for corporate parenting are addressed in the detailed budget proposals

## **7.9 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT**

None.

## **8. RECOMMENDATIONS TO COUNCIL**

Executive is asked to approve the following recommendations to Council:

### **8.1 REVENUE ESTIMATES 2021/22**

- (a) That the Base Revenue Forecast of £385,373m for 2021/22 be approved as set out in this report.
- (b) That the recurring pressures and investment proposals of £13.611m in 2021/22 as set out in Appendix B be approved.
- (c) That the additional service savings and additional income of £0.745m in 2021/22 as set out in Appendix C be approved.
- (d) That the prior agreed savings be noted and the amendment to previous budget decisions totalling £1.608mm in 2021/22 as set out in Appendix E be approved.
- (e) That it be noted that within the revenue budget there is a net use of £6.395m in revenue reserves in 2021/22 as set out in Appendix F
- (f) That the service savings proposals for 2021/22 be approved, requiring the Chief Executive, Strategic Directors and Directors to take necessary action during 2020/21 to ensure those savings are fully achievable for 2021/22.

- (g) That the comments of Director of Finance set out in Section 151 Officer's Assessment of the proposed budgets on the robustness of the estimates and the adequacy of reserves taking account of the recommendations made at 8.1(a) to (f) above be noted.

## **8.2 PROPOSED COUNCIL TAX 2021/22**

- 8.2.1 That it be noted that the projected council tax base and expenditure forecasts outlined in this report together with the 2021/22 resources and the budget variations approved in 8.1 produce a proposed Band D council tax of £1,499.11 for 2021/22.

## **8.3 PAYMENT DATES FOR COUNCIL TAX AND NATIONAL NON-DOMESTIC RATES**

- 8.3.1 That the first instalment date for payment of National Non-Domestic Rates and Council Tax shall be specified by the s151 Officer.

## **8.4 DELEGATION TO OFFICERS**

- 8.4.1 That for the avoidance of doubt and without prejudice to any of the powers contained in Article 14 of Part 2 of the Council's Constitution on the Function of Officers, the s151 Officer shall have full delegated powers to act on behalf of the Council on all matters relating to the Council Tax, Non-Domestic Rates and Accounts Receivable Debtors including (without prejudice to the generality of the delegation) entry into any business rate pilot, assessments, determinations, recovery, enforcement and, in accordance with the statutory scheme, full delegated powers to act on behalf of the Council with regard to all aspects of the granting of Discretionary and Hardship Rate Relief to qualifying ratepayers.

## **8.5 PREPARATION OF ACCOUNTS**

- (a) That in preparing the Final Accounts for 2020/21, the s151 Officer be empowered to take appropriate steps to secure the best advantage for the Council's financial position.
- (b) That the s151 Officer be empowered to deal with items which involve the transfer of net spending between the financial years 2020/21 and 2021/22 in a manner which secures the best advantage for the Council's financial position.
- (c) That the s151 Officer report any action taken in pursuance of 8.5(a) and 8.5 (b) above when reporting on the Final Accounts for 2020/21.

## **8.6 COUNCIL TAX REQUIREMENT 2021/22**

- (a) That the council tax base figures for 2021/22 calculated by the Council at its meeting on 5<sup>th</sup> January 2021 in respect of the whole of the Council's area and individual parish and town council areas be noted.
- (b) That the only special items for 2021/22 under Section 35 of the Local

Government Finance Act 1992 are local parish and town council precepts and no expenses are to be treated as special expenses under Section 35(1) (b) of that Act.

- (c) That the Council Tax Requirement, excluding parish and town council precepts, be calculated as follows:

<b>Gross expenditure</b>	<b>£1,097,743,943</b>
<b>Income</b>	<b>£882,225,822</b>
<b>Council Tax requirement</b>	<b>£215,518,121</b>
<b>Council tax base</b>	<b>142,000</b>
<b>Basic amount of council tax</b>	<b>£1,517.73</b>
<b>Adjustment in respect of parish and town council precepts</b>	<b>£ 18.62</b>
<b>Basic amount excluding parish and town councils</b>	<b>£1,499.11</b>

That the precepts of parish and town councils are noted and the resulting basic council tax amounts for particular areas of the Council be calculated as follows:

<u>Parish or Town Council Area</u>	<u>Local Precept</u> £	<u>Council Tax Base</u>	<u>Parish/Town Council Tax</u> £	<u>Whole Area Council Tax</u> £	<u>Basic Council Tax Amount</u> £
Addingham	98,800	1,756	56.26	1,499.11	1,555.37
Baildon	304,000	6,226	48.83	1,499.11	1,547.94
Bingley	187,396	8,491	22.07	1,499.11	1,521.18
Burley	245,754	2,997	82.00	1,499.11	1,581.11
Clayton	72,740	2,423	30.02	1,499.11	1,529.13
Cullingworth	40,155	1,277	31.44	1,499.11	1,530.55
Denholme	51,660	1,148	45.00	1,499.11	1,544.11
Harden	37,755	839	45.00	1,499.11	1,544.11
Haworth, Crossroads and Stanbury	105,456	2,343	45.01	1,499.11	1,544.12
Ilkley	338,788	7,191	47.11	1,499.11	1,546.22
Keighley	595,548	15,005	39.69	1,499.11	1,538.80
Menston	117,450	2,175	54.00	1,499.11	1,553.11
Oxenhope	35,875	1,025	35.00	1,499.11	1,534.11
Sandy Lane	15,678	871	18.00	1,499.11	1,517.11
Shipley	139,937	4663	30.01	1,499.11	1,529.12
Silsden	86,800	3,023	28.71	1,499.11	1,527.82
Steeton with Eastburn	79,462	1,769	44.92	1,499.11	1,544.03
Wilsden	62,169	1,739	35.75	1,499.11	1,534.86
Wrose *	28,998	2,148	13.50	1,499.11	1,512.61
<b>Total of all local precepts</b>	<b>2,644,421</b>	<b>67,109</b>			



- (e) That the council tax amounts for dwellings in different valuation bands in respect of the Council's budget requirement, taking into account parish and town council precepts applicable to only part of the Council's area, be calculated as follows:

	Council Tax Amount for Each Valuation Band							
	<u>Band A</u> £	<u>Band B</u> £	<u>Band C</u> £	<u>Band D</u> £	<u>Band E</u> £	<u>Band F</u> £	<u>Band G</u> £	<u>Band H</u> £
All parts of the Council's area other than those below	999.41	1,165.97	1,332.54	1,499.11	1,832.25	2,165.38	2,498.52	2,998.22
The parish and town council areas of:								
Addingham	1,036.91	1,209.73	1,382.55	1,555.37	1,901.01	2,246.65	2,592.28	3,110.74
Baildon	1,031.96	1,203.95	1,375.95	1,547.94	1,891.93	2,235.91	2,579.90	3,095.88
Bingley	1,014.12	1,183.14	1,352.16	1,521.18	1,859.22	2,197.26	2,535.30	3,042.36
Burley	1,054.07	1,229.75	1,405.43	1,581.11	1,932.47	2,283.83	2,635.18	3,162.22
Clayton	1,019.42	1,189.32	1,359.23	1,529.13	1,868.94	2,208.74	2,548.55	3,058.26
Cullingworth	1,020.37	1,190.43	1,360.49	1,530.55	1,870.67	2,210.79	2,550.92	3,061.10
Denholme	1,029.41	1,200.97	1,372.54	1,544.11	1,887.25	2,230.38	2,573.52	3,088.22
Harden	1,029.41	1,200.97	1,372.54	1,544.11	1,887.25	2,230.38	2,573.52	3,088.22
Haworth, Crossroads and Stanbury	1,029.41	1,200.98	1,372.55	1,544.12	1,887.26	2,230.40	2,573.53	3,088.24
Ilkley	1,030.81	1,202.62	1,374.42	1,546.22	1,889.82	2,233.43	2,577.03	3,092.44
Keighley *	1,025.87	1,196.84	1,367.82	1,538.80	1,880.76	2,222.71	2,564.67	3,077.60
Menston	1,035.41	1,207.97	1,380.54	1,553.11	1,898.25	2,243.38	2,588.52	3,106.22
Oxenhope	1,022.74	1,193.20	1,363.65	1,534.11	1,875.02	2,215.94	2,556.85	3,068.22
Sandy Lane	1,011.41	1,179.97	1,348.54	1,517.11	1,854.25	2,191.38	2,528.52	3,034.22
Shipley	1,019.41	1,189.32	1,359.22	1,529.12	1,868.92	2,208.73	2,548.53	3,058.24
Silsden	1,018.55	1,188.30	1,358.06	1,527.82	1,867.34	2,206.85	2,546.37	3,055.64
Steeton with Eastburn	1,029.35	1,200.91	1,372.47	1,544.03	1,887.15	2,230.27	2,573.38	3,088.06
Wilsden	1,023.24	1,193.78	1,364.32	1,534.86	1,875.94	2,217.02	2,558.10	3,069.72
Wrose *	1,008.41	1,176.47	1,344.54	1,512.61	1,848.75	2,184.88	2,521.02	3,025.22

- (f) That it be noted that for the year 2021-22 the Police and Crime Commissioner and West Yorkshire Fire and Rescue Authority (WYFRA) have indicated the following precepts (provisional and still to be confirmed).

<u>Precept Amount</u> £	<u>Council Tax Amount for Each Valuation Band</u>							
	<u>Band A</u> £	<u>Band B</u> £	<u>Band C</u> £	<u>Band D</u> £	<u>Band E</u> £	<u>Band F</u> £	<u>Band G</u> £	<u>Band H</u> £
<u>West Yorkshire Fire and Rescue Authority</u>								
9,539,560	44.79	52.25	59.72	67.18	82.11	97.04	111.97	134.36
<u>Police and Crime Commissioner for West Yorkshire</u>								
30,001,760	140.85	164.33	187.80	211.28	258.23	305.18	352.13	422.56

- (g) That having calculated the aggregate in each case of the amounts at (e) and (f) above, the Council set the following amounts of council tax for 2021-22 in each of the categories of dwellings shown below:

	<u>Band A</u> £	<u>Band B</u> £	<u>Band C</u> £	<u>Band D</u> £	<u>Band E</u> £	<u>Band F</u> £	<u>Band G</u> £	<u>Band H</u> £
All parts of the Council's area other than those below	1,185.05	1,382.55	1,580.06	1,777.57	2,172.59	2,567.60	2,962.62	3,555.14
The parish and town council areas of:								
Addingham	1,222.55	1,426.31	1,630.07	1,833.83	2,241.35	2,648.87	3,056.38	3,667.66
Baildon	1,217.60	1,420.53	1,623.47	1,826.40	2,232.27	2,638.13	3,044.00	3,652.80
Bingley	1,199.76	1,399.72	1,599.68	1,799.64	2,199.56	2,599.48	2,999.40	3,599.28
Burley	1,239.71	1,446.33	1,652.95	1,859.57	2,272.81	2,686.05	3,099.28	3,719.14
Clayton	1,205.06	1,405.90	1,606.75	1,807.59	2,209.28	2,610.96	3,012.65	3,615.18
Cullingworth	1,206.01	1,407.01	1,608.01	1,809.01	2,211.01	2,613.01	3,015.02	3,618.02
Denholme	1,215.05	1,417.55	1,620.06	1,822.57	2,227.59	2,632.60	3,037.62	3,645.14
Harden	1,215.05	1,417.55	1,620.06	1,822.57	2,227.59	2,632.60	3,037.62	3,645.14
Haworth, Crossroads and Stanbury	1,215.05	1,417.56	1,620.07	1,822.58	2,227.60	2,632.62	3,037.63	3,645.16
Ilkley	1,216.45	1,419.20	1,621.94	1,824.68	2,230.16	2,635.65	3,041.13	3,649.36
Keighley *	1,211.51	1,413.42	1,615.34	1,817.26	2,221.10	2,624.93	3,028.77	3,634.52
Menston	1,221.05	1,424.55	1,628.06	1,831.57	2,238.59	2,645.60	3,052.62	3,663.14
Oxenhope	1,208.38	1,409.78	1,611.17	1,812.57	2,215.36	2,618.16	3,020.95	3,625.14
Sandy Lane	1,197.05	1,396.55	1,596.06	1,795.57	2,194.59	2,593.60	2,992.62	3,591.14
Shipley	1,205.05	1,405.90	1,606.74	1,807.58	2,209.26	2,610.95	3,012.63	3,615.16
Siltsden	1,204.19	1,404.88	1,605.58	1,806.28	2,207.68	2,609.07	3,010.47	3,612.56
Steeton with Eastburn	1,214.99	1,417.49	1,619.99	1,822.49	2,227.49	2,632.49	3,037.48	3,644.98
Wilsden	1,208.88	1,410.36	1,611.84	1,813.32	2,216.28	2,619.24	3,022.20	3,626.64
Wrose *	1,194.05	1,393.05	1,592.06	1,791.07	2,189.09	2,587.10	2,985.12	3,582.14

- (h) That Council notes the movement in Band D equivalent charges for 2021-22 over 2020-21 as set out in the table below.

	Council Tax 2021-22  Band D Equivalent	Council Tax 2020-21  Band D Equivalent	Percentage change 2021- 22 on 2020-21
<b>Bradford Metropolitan District Council</b>	<b>1,499.11</b>	<b>1,427.86</b>	<b>4.99%</b>
<b>West Yorkshire Fire and Rescue Authority *</b>	<b>67.18</b>	<b>65.87</b>	<b>1.99%</b>
<b>West Yorkshire Police Authority *</b>	<b>211.28</b>	<b>196.28</b>	<b>7.64%</b>
<b>Local (Parish Council) Precepts:</b>			
<b>Addingham</b>	<b>56.26</b>	<b>56.32</b>	<b>-0.1%</b>
<b>Baildon</b>	<b>48.83</b>	<b>48.83</b>	<b>0.0%</b>
<b>Bingley</b>	<b>22.07</b>	<b>20.13</b>	<b>9.6%</b>
<b>Burley</b>	<b>82.00</b>	<b>82.00</b>	<b>0.0%</b>
<b>Clayton</b>	<b>30.02</b>	<b>29.94</b>	<b>0.3%</b>
<b>Cullingworth</b>	<b>31.44</b>	<b>29.79</b>	<b>5.5%</b>
<b>Denholme</b>	<b>45.00</b>	<b>42.00</b>	<b>7.1%</b>
<b>Harden</b>	<b>45.00</b>	<b>45.00</b>	<b>0.0%</b>
<b>Haworth etc</b>	<b>45.01</b>	<b>45.01</b>	<b>0.0%</b>
<b>Ilkley</b>	<b>47.11</b>	<b>45.00</b>	<b>4.7%</b>
<b>Keighley</b>	<b>39.69</b>	<b>34.73</b>	<b>14.3%</b>
<b>Menston</b>	<b>54.00</b>	<b>54.00</b>	<b>0.0%</b>
<b>Oxenhope</b>	<b>35.00</b>	<b>35.00</b>	<b>0.0%</b>
<b>Sandy Lane</b>	<b>18.00</b>	<b>18.00</b>	<b>0.0%</b>
<b>Shipley</b>	<b>30.01</b>	<b>30.01</b>	<b>0.0%</b>
<b>Silsden</b>	<b>28.71</b>	<b>28.93</b>	<b>-0.8%</b>
<b>Steeton/ Eastburn</b>	<b>44.92</b>	<b>41.00</b>	<b>9.6%</b>
<b>Wilsden</b>	<b>35.75</b>	<b>35.75</b>	<b>0.0%</b>
<b>Wrose *</b>	<b>13.50</b>	<b>13.50</b>	<b>0.0%</b>
<b>*Provisional figures</b>			

## BACKGROUND DOCUMENTS

### Executive reports

- 16<sup>th</sup> February 2021: 2021/22 Budget Proposals and Forecast Reserves – s151 Officer Assessment
- 2<sup>nd</sup> February 2021: 2021-22 Budget Update Report
- 2<sup>nd</sup> February 2021: Qtr 3 Finance Position Statement 2020-21
- 5<sup>th</sup> January 2021: Calculation of Bradford's Council Tax Base and Business Rates Base for 2021/22
- 1<sup>st</sup> December 2020 Proposed Financial Plan and Budget proposals for 2021/22 and Addendum
- 18<sup>th</sup> February 2020 - The Council's Revenue Estimates for 2020/21 – Budget Council

## **10 APPENDICES**

- 10.1 Appendix A: Council Cumulative Budget 2021/22
- 10.2 Appendix B: Recurring pressures and investment proposals
- 10.3 Appendix C: New Proposals that were subject to consultation
- 10.5 Appendix D: Schedule of 2021/22 agreed savings previously consulted upon  
(for reference only)
- 10.6 Appendix E: Schedule of proposed amendments to previous budget decisions
- 10.7 Appendix F: Proposed Use of Reserves statement

## COUNCIL CUMULATIVE BUDGET 2021/22

## SUMMARY OF FINANCIAL IMPLICATIONS

	2021/22 Budget £'000
<b>NET EXPENDITURE</b>	
2020/21 Budget brought forward	378,080
Reversal of non-recurring investment from 2020/21	(5,630)
<b>Sub total</b>	<b>372,450</b>
Proposed Recurring Investments in 2021-22 (Appendix B + Bii)	13,611
Funding Changes	(7,237)
Inflation incl Pay Award	14,120
<b>Base Net Expenditure Requirement</b>	<b>392,944</b>
Demographic pressures in Adults, Children's and Waste	1,850
Capital financing and central budget adjustments	(1,143)
Previously approved budget savings (Appendix D)	(9,142)
Amended prior Budget decisions (Appendix E)	1,608
New Budget proposals for consultation (Appendix C)	(745)
<b>Net Expenditure Requirement</b>	<b>385,373</b>
<b>RESOURCES</b>	
Localised Business Rates	(62,458)
BR Collection fund deficit from 2020-21	924
BR Collection fund deficit compensation scheme (75%)	(693)
Adj to enable remaining 25% deficit to be split over 3 years	(231)
Remaining forecast BR fund deficit repayment (£231k split over 3 years)	77
Top Up Grant	(69,259)
Revenue Support Grant	(34,800)
Council Tax & Adult Social Care Precept	(212,874)
CTax fund deficit from 2020-21	6,400
CTax 2020-21 fund deficit compensation scheme	(4,800)
Adj to enable remaining 25% deficit to split over 3 years	(1,600)
Remaining 2020-21 CTax fund deficit repayment (£1.6m split over 3 years)	533
Pre-approved use of reserves	(198)
Proposed use of reserves to balance 2021-22 budget (Appendix F)	(6,395)
<b>Total Resources</b>	<b>(385,373)</b>
<b>Budget (surplus)/shortfall</b>	<b>0</b>

## Appendix B - Recurring pressures and investment proposals which were open for Consultation until 15<sup>th</sup> January 2021

Appendix Costs and Savings are shown for both 2021-22 and 2022-23 in comparison to the 2020-21 Budget

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 (£1m investment in 21-22 to be funded from Covid Grants)	0	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
	<b>Total</b>	<b>12,411</b>	<b>14,549</b>

## Appendix B II) - Recurring pressures and investment proposals Additional proposals submitted on 16<sup>th</sup> February 2021

Proposed Recurring Investments for 2021-22		2021-22	2022-23
		£'000	£'000
	Street Cleansing	600	600
	Ward Teams – support for communities	600	600
	<b>Total</b>	<b>1,200</b>	<b>1,200</b>

## Appendix C - New proposals which were open for Consultation until 15<sup>th</sup> January 2021

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
8P2	Fund contract manager post from European Structural Investment Programme 0.6FTE	-35	-35
8P3	Vacant post - delete vacant Housing Technician post	-27	-27
	<b>Total</b>	<b>-745</b>	<b>-745</b>

## Appendix D - Schedule of agreed savings previously consulted on (for reference only)

Schedule of agreed savings previously consulted on (for reference only)		2021-22	2022-23
		£'000	£'000
4A1	<b>Adults - Overall Demand Management Strategy</b> - 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	<b>Remaining Travel Assistance Saving</b>	-250	-250
5E2	<b>Youth Service</b> – The Youth service saving will be delayed by one year to 2022-23 as outlined in Table 4	-513	-513
	<b>Total</b>	- 9,142	- 14,631

## Appendix E - Schedule of proposed amendments to previous budget decisions open for consultation until 15th January 2021

Amended prior year budget savings for Consultation		2021-22	2022-23
		£'000	£'000
4L1	<b>Legal and Democratic Services</b> – to reflect the reduced size and scope of the Council, reductions to Civic, Legal and Committee Services, including Overview and Scrutiny are proposed – <b>Delete the saving as the work of the service has not reduced as expected</b>	50	50
4R14	<b>Asset Management Saving</b> - "Seek to invest in non-operational property to generate surplus income" - <b>Defer the saving as the investment market is impacted by the current economical position created by Covid.</b>	500	500
4E8	<b>Events and Festivals Saving</b> - review to develop a more sustainable and balanced events programme – <b>Delete saving as part of investment in City of Culture bid</b>	120	120
5X1	<b>5X1 - Reduce total cost of top management</b> - the scope is the senior management (Strategic and Assistant Directors) and their PA structure – <b>Delete saving as original proposal not valid</b>	75	75
6X1	<b>Welfare Advice &amp; Customer Service</b> - 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'. - <b>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</b>	350	0
5E2	<b>Youth Services Saving</b> – <b>delay the £513k saving to 2022/23 at a cost of £513k as response to Covid has been critical</b>	513	513
	<b>Cost of deleting or delaying the implementation of previously agreed savings</b>	<b>1,608</b>	<b>1,258</b>

## Appendix F Proposed Used of Reserves

The reserves that are proposed to be used to fund the gap in 2021-22 are.

Amended prior year budget savings for Consultation		2021-22
		£'000
	Insurance Risk Reserve	1,793
	Council Tax Reserve	575
	NDR Volatility Reserve	1,735
	Energy Price Reserve	100
	Transition and Risk Reserve	2,192
	<b>Total Reserve draw down</b>	<b>6,395</b>

