

Appendix 1



FINAL

**2022/23 Budget
&
Medium Term Financial
Strategy**

**2023/24
to
2026/27**

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1.0 STRATEGIC BUDGET SUMMARY

1.1 Savings, Income Generation, Growth and Revenue Implications of Capital

- 1.1.1 The financial climate has been unusual during the Covid 19 pandemic and it has made considerable changes to what we spend and how that spending is funded. Over the Autumn of 2021, Portfolio holders were challenged to review their budgets with respective senior officers in understanding the impact of the Covid 19 Pandemic on the forthcoming financial year (2022/23) and the MTFs period (2023/24 to 2026/27) and how any impact could be mitigated by any potential savings or efficiencies in delivery of services. Furthermore, the financial settlement for government is only for the next financial year rather than a longer period, so there remains some uncertainty for future years.
- 1.1.2 The Council generates a considerable proportion of its own funding from the various services it provides. These range from income from One Leisure and Car Parking through to charging for Licensing and Planning Services. Service specific income is shown later in this report within the service budget pages.
- 1.1.3 In addition the Council also generates income from corporate activity; this mainly focuses on:
- Treasury Management; which has been considerably less than in recent years because of the current extremely low interest rate environment.
 - Commercial Estates; whereby the Council is proactively developing its commercial estate activity to develop for the Council a medium to long term revenue stream to fund services and acting as a hedge against inflation.
- 1.1.4 However, the challenge for this budget was to understand the continued, unavoidable pressures that the Council will continue to face, as we emerge from the social and economic fallout the pandemic has caused. Therefore, previous assumptions have been reviewed and challenged considering the uncertainty around the Local Government Financial settlement beyond 22/23.
- 1.1.5 Growth has appeared within the budget from four main sources:
- Inflation on employee costs and business rate changes
 - Employees increment related growth
 - Non-employee budgets non-controllable growth (unavoidable)
 - Controllable growth
- 1.1.6 All of the savings, income generation and growth are summarised in the service budget pages later in this report. The total Service Proposals for 2022/23 are £778k and **Table 1** below shows how this is allocated by service.
- 1.1.7 The 2022/23 budget, as shown in table 5, is set to make a positive contribution to general reserves of £249k. When the 2021/22 budget was set it intended to make a contribution to reserves of £776k. Quarter 2 (Q2) forecast outturn indicates a £973k contribution to reserves for 2021/22.

Table 1	Service Savings and Growth Proposals		
Service	Budget Savings	Budget Growth	Total
	£000	£000	£000
Chief Operating Officer	(398)	470	72
Assistant Director Transformation	0	25	25
Assistant Director Corporate Resources	(357)	66	(291)
Head of Leisure & Health	0	0	0
Head of Operations	(45)	175	130
Head of 3C's ICT Shared Service	(551)	243	(308)
Corporate Leadership Team	(5)	0	(5)
Programmes Delivery Manager	0	0	0
Housing Manager	0	0	0
Planning Manager	(401)	0	(401)
Total	(1,757)	979	(778)

- **Commercial Investment Strategy**

1.1.8 A key part of the Council's previous Budget strategy has been the Commercial Investment Strategy (CIS), as approved by the Council in 2015. The Council's Commercial Investments contribute a significant proportion of income to our budgets, and income has remained extremely strong throughout the pandemic. Investing in the property market remains challenging, never more so in the current climate. Even before the start of COVID19, the Cabinet signalled a change in investment emphasis towards acquisitions/investments that are more likely to be focused on the redevelopment of Market Towns and housing related propositions. Due to the impact on the property market of Covid 19, particularly on retail and office space, it is difficult to predict how the market will emerge from this pandemic, although it should be stressed that HDC's portfolio is built around investments we plan to hold for the medium to long term. The table below illustrates the contribution that the Commercial Investment Strategy makes to the council's finances.

Actual 20/21	Budget 21/22	Forecast 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27
£m	£m	£m	£m	£m	£m	£m	£m
3.3	2.7	3.3	3.0	2.8	3.2	3.4	3.4

- **Capital – Revenue Implications**

1.1.9 The revenue budget contains any implications from the proposed capital programme for 2022/23 and the MTFs, whether that will be savings because of investment, additional running costs or the cost of borrowing (Minimum Revenue Provision).

- **Summary Impact of all budget changes – comparing Final Budget 2021/22 to Final Budget 2022/23**

1.1.10 Overall, the revenue changes to the budget in respect of Savings & Additional Income, Service Growth and Capital have resulted in a net increase in the Council’s budget of £0.828m (4%) when compared to the 2021/22 Original Budget and an increase of £0.394m (2%) when compared to the 2020/21 Forecast Outturn. A service-by-service summary is shown in **Table 2** below.

Service	Summary of Total Budget Movements (Original Budget for 2021/22 to Base Budget 2022/23)											Variance	
	2021/22		Previously Approved	2022/23				Inflation	Other Operational Adjustments	Proposed Budget	To 2021/22 Forecast	To 2021/22 Budget	
	Forecast Outturn	Original Budget		Growth Bids									
				Growth	Savings	Increased Income	Linked to Capital						
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	%	%		
Chief Operating Officer	4,771	4,350	4,530	470	(61)	(337)	0	290	28	4,920	3%	13%	
Assistant Director Transformation	408	298	277	25	0	0	0	(4)	0	298	(27%)	0%	
Assistant Director Corporate Resources	6,464	6,896	7,040	66	(241)	(116)	0	144	(15)	6,878	6%	0%	
Head of Leisure & Health	515	522	(30)	0	0	0	0	5	0	(25)	(105%)	(105%)	
Head of Operations	4,458	4,621	3,996	175	(45)	0	0	20	336	4,482	1%	(3%)	
Head of 3C's ICT Shared Service	2,363	2,338	2,286	243	0	(551)	0	480	146	2,604	10%	11%	
Corporate Leadership Team	658	619	631	0	(5)	0	0	6	569	1,201	83%	94%	
Programmes Delivery Manager	71	71	72	0	0	0	0	1	0	73	3%	3%	
Housing Manager	178	180	183	0	0	0	0	4	0	187	5%	4%	
Planning Manager	1,234	791	858	0	0	(401)	0	20	419	896	(27%)	13%	
Net Expenditure	21,120	20,686	19,843	979	(352)	(1,405)	0	966	1,483	21,514			
Forecast Outturn	21,120				394					21,514	2%		
Budget		20,686			828					21,514	4%		

1.2 Corporate and Government Funding

- **Government Grant**

1.2.1 The government provides a fair proportion of the core funding of the Council. Some of this funding is in relation to specific services e.g. Housing Benefit, but some of the funding is in support of general activity; with regard to:

- New Homes Bonus (NHB), on the 16 December 2021 the Government provisionally made an announcement in respect of New Homes Bonus and that the 2022/23 settlement is expected be £2.12m, this is £1.7m more than expected in the 2021/22 MTFS. The Government’s intention is to phase out the grant gradually being reduced to zero by 2023/24.
- On the 16 December 2021, the Government provisionally confirmed that the Revenue Support Grant (RSG) 2022/23 would be zero, this was in line with what was expected. In the 2020/21 MTFS it was expected that the council would be in a negative RSG position from 2020/21 onwards. As the Fair Funding Review continues to be delayed, the 2022/23 MTFS provides for prudent RSG payments for the MTFS 2023/2024 to 2026/2027 in accordance with expert advice.

Council Tax and Business Rates

- 1.2.2 There is an assumption within the 2022/23 Budget that there will be a Council Tax increase of 3.43% (equating to £5) for a Band D property. The Local Government Financial Settlement 22/23 confirmed the referendum principle for Council Tax increases of up to 2 per cent or £5, whichever is higher, for shire district councils. From 23/24 over the remaining term of the MTFS Council Tax will be increased by £5 per annum. Therefore, the Council Tax for 2022/23 will be £150.86 per Band D equivalent property.

Council Tax					
	2018/19	2019/20	2020/21	2021/22	2022/23
	£138.56	£142.16	145.86	£145.86	£150.86
% increase on previous		2.6%	2.6%	0%	3.43%
Cumulative % increase		2.6%	5.3%	5.3%	8.9%

- 1.2.3 The Council receives 40% of the Business rates collected and, after allowing for the tariff payment, it estimates this to be £6.48m in 2022/23, this is an increase of 6.7% from the previous year. The increase assumes growth in 2022/23 and 2.5% has been allowed year on year over the MTFS period to reflect the annual inflation increases to the business rates multiplier.

Collection Fund (Surplus)/Deficit

- 1.2.4 The Collection Fund is the statutory account for the Council Tax and Business Rates income and the payments to preceptors of their respective shares. Any surplus or deficit on the Collection Fund at year end is distributed to the preceptors, as per legislation. The Council is required to make an estimate of the projected surplus or deficit of each component of the Collection Fund at year end in order for the preceptors to bring their share of the surplus or deficit into the budget setting process.
- 1.2.5 For the purposes of budget setting the Council Tax element of the estimated year end position of the Collection Fund is shown in **Table 3** below along with the share that is apportioned to the Council.

Table 3	Collection Fund Estimated Deficit 2021/22	
	Deficit £000	HDC Share £000
Council Tax	778	104
Total	778	104

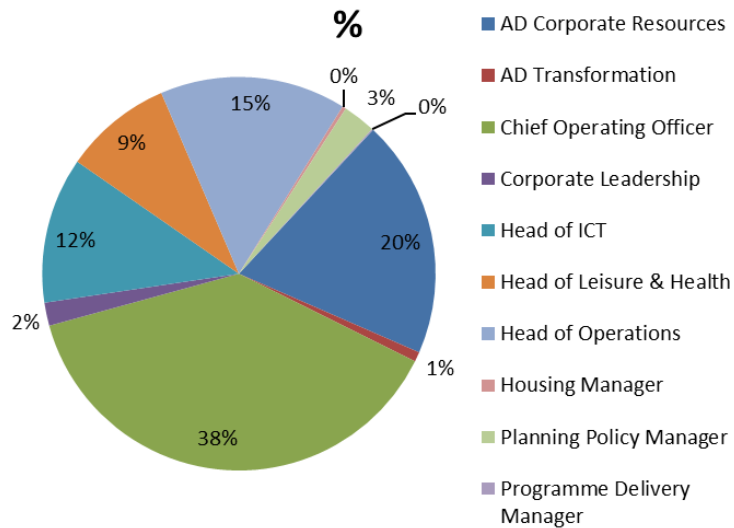
1.3 Summary Budget

1.3.1 Considering the 3.43% increase in Council Tax for 2022/23 and the lower than 3.43% annual increase over the MTFS period, this results in the funding statement shown in **Table 4** and **Table 5** below.

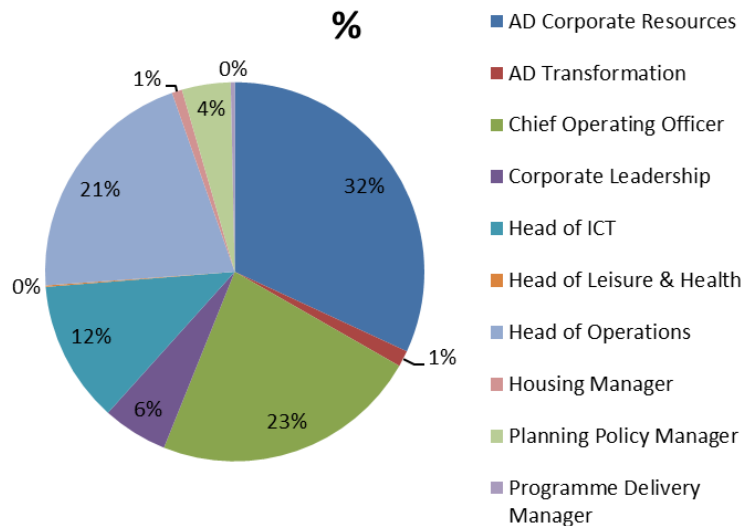
Table 4	Council Services Net Expenditure Budget (2022/23) and MTFS						
	2021/22		2022/23	Medium Term Financial Strategy			
	Budget	Forecast	Budget	2023/24	2024/25	2025/26	2026/27
	£000	£000	£000	£000	£000	£000	£000
Chief Operating Officer	4,350	4,771	4,919	4,782	4,929	5,082	5,239
Assistant Director Transformation	298	408	298	304	381	420	514
Assistant Director Corporate Resources	6,896	6,464	6,878	7,058	6,917	6,653	6,705
Head of Leisure & Health	522	515	(25)	(104)	(206)	(105)	(4)
Head of Operations	4,621	4,458	4,483	4,002	4,107	4,207	4,376
Head of 3C's ICT Shared Service	2,338	2,363	2,604	2,731	2,835	2,928	2,936
Corporate Leadership Team	619	658	1,201	710	725	739	753
Programmes Delivery Manager	71	71	73	74	76	77	79
Housing Manager	180	178	187	191	194	198	202
Planning Manager	791	1,234	896	961	1,010	1,028	1,047
Net Expenditure	20,686	21,120	21,514	20,709	20,968	21,227	21,847

Table 5	Council Funding Statement Budget (2022/23) and MTFS						
	2021/22		Funding Streams and Council Tax Requirement				
	Budget	Forecast	2022/23	Medium Term Financial Strategy			
			Budget	2023/24	2024/25	2025/26	2026/27
£000	£000	£000	£000	£000	£000	£000	
Net Expenditure	20,686	21,120	21,514	20,709	20,968	21,227	21,847
Contribution to/(from) Earmarked Reserves:	-	(1,430)					
Budget Surplus	-					-	-
General Reserves	776	973	249	(2,480)	(2,212)	(1,797)	(1,822)
Budget Requirement	21,462	20,663	21,763	18,229	18,756	19,430	20,025
Non-Domestic Rates	(6,080)	(6,080)	(6,485)	(5,595)	(5,725)	(5,855)	(5,900)
Non-Domestic Rates (Growth Pilot)	-		-	-	-	-	-
S31 Grant	(2,176)	(2,176)	(2,472)	(1,624)	(1,628)	(1,633)	(1,633)
Revenue Support Grant (RSG)	-	-	-	(235)	(109)	(115)	(115)
Fair Funding Review Adjustment	82	-	-	-	-	-	-
New Homes Bonus	(2,014)	(2,014)	(2,116)	-	-	-	-
Collection Fund (Surplus) / Deficit	(296)	(296)	104	-	-	-	-
Council Tax Support Funding	(189)	-	(126)	(126)	(126)	(126)	(126)
22/23 Service Grant			(316)	-	-	-	-
HB Admin Support Grant			(370)	(370)	(370)	(370)	(370)
Income Compensation Scheme (Q1)	(595)	(595)	-	-	-	-	-
Covid 19 Funding (tranche 5)	(758)	-	-	-	-	-	-
Rural Services Grant			(45)	(45)	(45)	(45)	(45)
Local Tier Service Grant	(195)	(261)	(206)	-	-	-	-
Council Tax Requirement	9,241	9,241	9,731	10,234	10,753	11,286	11,836
- Base (*)	63,355	63,355	64,501	65,662	66,844	68,047	69,272
- Per Band D (£)	145.86	145.86	150.86	155.86	160.86	165.86	170.86
- Increase (£)			5.00	5.00	5.00	5.00	5.00
- Increase %			3.43%	3.31%	3.21%	3.11%	3.01%

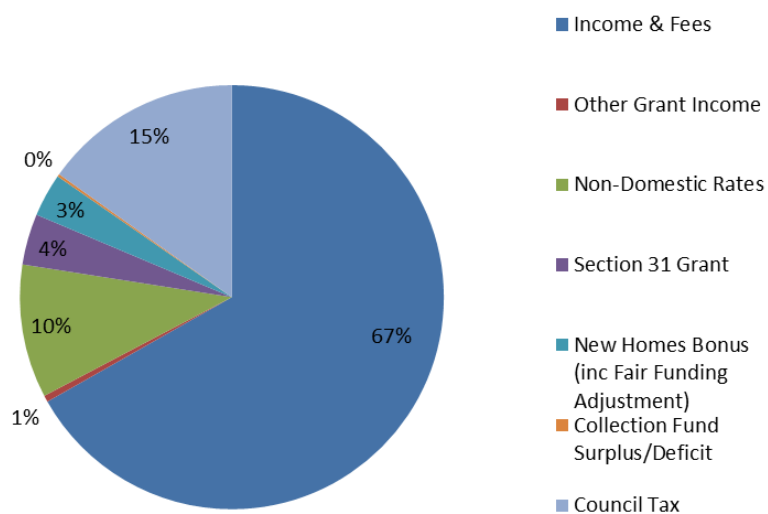
Gross Expenditure by Service 2022/23



Net Expenditure by Service 2022/23



How Services are Paid for in 2022/23



1.4 Revenue Reserves

1.4.1 The impact on the **General Fund Reserve** of the grant settlement from Government, the Council's policy to increase Council Tax and the savings, income and growth built into the budget 2022/23 and MTFS is shown in **Table 6** below.

GENERAL RESERVES MOVEMENT							
Table 6	Reserves and MTFS						
	2021/22		2022/23 Budget £000	Medium Term Financial Strategy			
	Budget £000	Forecast £000		2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
BUDGET SURPLUS RESERVE							
b/f	3,031	3,250	4,223	4,472	1,992	-	-
Contribution from (to) General Fund	776	973	249	(2,480)	(2,212)	(1,797)	(1,822)
Contribution from (to) CIS Reserve			-	-	220	1,797	1,822
Contribution from (to) Earmarked Reserves	(58)						
c/f	3,749	4,223	4,472	1,992	-	-	-

COMMERCIAL INVESTMENT RESERVE							
b/f	3,536	5,595	5,399	5,399	5,399	5,179	3,382
Contribution to Reserve (former NHB)		-	-	-	-	-	-
Contribution from Reserve	(38)	(196)	-	-	-	-	-
Contribution from (to) General Fund	-	-	-	-	-	-	-
Contribution from (to) Budget Surplus Reserve	-	-	-	-	(220)	(1,797)	(1,822)
c/f	3,498	5,399	5,399	5,399	5,179	3,382	1,559

GENERAL FUND (Unallocated) RESERVE							
b/f	2,175	2,175	2,175	2,175	2,175	2,175	2,175
Contribution to/(from) Reserve	776	973	249	(2,480)	(2,212)	(1,797)	(1,822)
Contribution from(to) Budget Surplus	(776)	(973)	(249)	2,480	2,212	1,797	1,822
c/f	2,175	2,175	2,175	2,175	2,175	2,175	2,175
Net Expenditure	20,686	21,120	21,514	20,709	20,968	21,227	21,847
Minimum Level of Reserves	2,175	2,175	2,175	2,175	2,175	2,175	2,175

1.4.2 Contributions to Earmarked Reserves occur when budget is identified for specific purposes and will only be available for those specific purposes. Contributions from Earmarked Reserves occur when the specific purpose for which the budget was identified has been delivered. This approach matches costs and funding.

2.0 REVENUE OPERATIONAL BUDGETS AND MEDIUM TERM FINANCIAL STRATEGY

2.1 Subjective Analysis of Spend and Income

Huntingdonshire District Council Table 7

Actuals 2020/21	Subjective Analysis : Controllable Only	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£000		£000	£000	£000	£000	£000	£000
-	Income & Fees						
(11,587)	Commuted sums	(151)	(82)	(82)	(82)	(82)	(82)
(84,629)	Fees & charges	(14,796)	(16,757)	(17,523)	(17,757)	(17,797)	(17,804)
(3,644)	Government grants	(27,018)	(15,655)	(15,654)	(15,654)	(15,654)	(15,654)
(5,094)	Other grants and contributions	(3,211)	(4,266)	(4,032)	(4,001)	(3,929)	(3,853)
(698)	Rent	(4,803)	(4,859)	(4,793)	(5,105)	(5,278)	(5,296)
(481)	Sales	(725)	(555)	(562)	(593)	(597)	(597)
(51)	NDR	-	(28)	-	-	-	-
	Interest Income	(533)	(533)	(533)	(533)	(533)	(533)
	Developer Contributions	-	(46)	(47)	(48)	(49)	(49)
(106,184)	Income & Fees Total	(51,236)	(42,782)	(43,227)	(43,773)	(43,920)	(43,867)
281	Employees						
1,627	Employee Insurance	335	335	335	335	335	335
1,633	Hired Staff	326	321	301	301	248	248
498	National Insurance	1,682	1,940	1,986	2,052	2,119	2,188
4,473	Other staff costs	1,698	1,713	1,713	1,713	1,713	1,713
49	Pension	3,114	3,253	3,301	3,374	3,451	3,530
18,037	Recruitment	109	36	36	36	36	36
36	Salary	18,768	20,314	20,614	21,095	21,515	22,001
472	Services	36	36	36	36	36	36
142	Severance payments	171	152	152	152	152	152
96	Training	130	126	126	126	126	126
	Uniform & laundry	38	44	44	44	44	44
27,343	Employees Total	26,407	28,270	28,644	29,263	29,774	30,408
573	Buildings						
29	Energy Costs	816	782	782	780	780	780
216	Ground Maintenance Costs	14	15	14	14	14	14
81	Premises Cleaning	231	67	54	54	54	54
11	Premises Insurance	122	123	124	124	125	125
7	Rates	7	7	7	7	7	7
549	Rents	13	13	13	13	13	13
150	Repairs & Maintenance	709	786	820	797	802	802
1,292	Water Services	174	159	159	159	159	159
	Rents Payable	1,478	1,503	1,610	1,530	1,566	1,573
2,907	Buildings Total	3,564	3,456	3,583	3,479	3,520	3,527
	Supplies & Services						
1,355	Catering	22	5	5	5	5	5
4,282	Communication and computing	1,111	1,119	1,192	1,194	1,194	1,195
	Equipment, furniture & materials Expenses	2,745	3,694	3,676	3,704	3,722	3,645
92	Insurance - service related	88	89	91	92	92	92
381	Members Allowances	417	437	432	432	432	432
482	Office expenses	449	470	472	472	472	472
	Operating Costs	-	-	-	-	-	-
	Other staff costs	-	-	-	-	-	-
5	Premises Cleaning	-	74	74	74	74	74
3	Repairs & Maintenance	-	-	-	-	-	-
6,596	Services	6,284	7,195	6,291	6,549	6,385	6,386
()	Uniform & laundry	-	-	-	-	-	-
8	Election Costs	-	-	-	-	-	-
4	Telecommunications	-	-	-	-	-	-
	Penalties & Fines	-	-	-	-	-	-
	Council Tax Payable	-	-	-	-	-	-
13,210	Supplies & Services Total	11,116	13,085	12,233	12,522	12,376	12,301
10	Transport						
17	Contract Hire & operating leases	19	19	19	19	19	19
915	Mileage Allowance	61	60	61	61	61	61
()	Operating Costs	922	964	964	964	964	964
()	Pool Car	34	31	31	31	31	31
193	Public Transport	25	20	20	20	20	20
6	Vehicle Insurance	204	204	204	204	204	204
	Other Transport Costs	-	-	-	-	-	-
1,140	Transport Total	1,264	1,297	1,298	1,299	1,299	1,299
28,376	Benefit & Transfer Payments						
1,553	Benefits	26,875	15,521	15,521	15,521	15,521	15,521
	Contributions paid	1,061	1,061	1,061	1,061	1,061	1,061
	Discretionary Relief	-	-	-	-	-	-
45,800	Grants	836	836	836	837	837	837
106	Irrecoverable V A T	106	106	106	106	106	106
445	Levies	408	408	408	408	408	408
	Parish Precepts	-	-	-	-	-	-
6	Other Misc Payments	7	7	7	7	7	7
76,287	Benefit & Transfer Payments Total	29,292	17,937	17,938	17,938	17,938	17,939
	Renewals Fund Contribution						
	Renewals Fund Contribution	58	58	58	58	58	58
	Reserve-Revenue Transfers						
467	Bad Debts Provision	187	165	155	155	155	155
	Reserve-Revenue Transfers	34	27	27	27	27	27
467	Reserve-Revenue Transfers Total	221	192	182	182	182	182
	Liabilities						
	Other staff costs	-	-	-	-	-	-
	Liabilities Total	-	-	-	-	-	-
15,170	Net Expenditure	20,686	21,514	20,709	20,968	21,227	21,847

121,354	Gross Service Expenditure	71,922	64,296	63,936	64,741	65,147	65,714
(106,184)	Gross Service Income	(51,236)	(42,782)	(43,227)	(43,773)	(43,920)	(43,867)
15,170	Net Service Expenditure	20,686	21,514	20,709	20,968	21,227	21,847

2.2 Service Budgets by Head of Service

Huntingdonshire District Council Table 8

Actuals 2020/21	Head of Service	Chief Operating Officer	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
(4,113)	Income & Fees	Fees & charges	(3,925)	(3,954)	(4,004)	(4,008)	(4,008)	(4,008)
(38,371)		Government grants	(26,965)	(15,619)	(15,618)	(15,618)	(15,618)	(15,618)
(529)		Other grants and contributions	(3)	(89)	(3)	(3)	(3)	(3)
(122)		Rent	(110)	(110)	(110)	(110)	(110)	(110)
(12)		Sales	(7)	(7)	(7)	(7)	(7)	(7)
-		Interest Income	-	-	-	-	-	-
(43,146)	Income & Fees Total		(31,011)	-19780177	(19,743)	(19,747)	(19,747)	(19,747)
247	Employees	Hired Staff	-	-	-	-	-	-
447		National Insurance	470	543	550	568	585	603
67		Other staff costs	23	23	23	23	23	23
802		Pension	814	872	876	895	914	934
12		Recruitment	-	-	-	-	-	-
4,663		Salary	4,971	5,381	5,396	5,512	5,628	5,747
1		Services	3	3	3	3	3	3
-		Severance payments	10	-	-	-	-	-
5		Training	6	6	6	6	6	6
-		Uniform & laundry	(1)	1	1	1	1	1
6,244	Employees Total		6,296	6829626.42	6,855	7,007	7,160	7,316
19	Buildings	Energy Costs	28	28	28	28	28	28
1		Ground Maintenance Costs	-	-	-	-	-	-
-		Premises Cleaning	-	-	-	-	-	-
23		Repairs & Maintenance	18	18	18	18	18	18
82		Water Services	28	28	28	28	28	28
16		Rents Payable	2	2	2	2	2	2
141	Buildings Total		76	75810.84	76	76	76	76
-	Supplies & Services	Catering	1	1	1	1	1	1
214		Communication and computing	114	114	114	114	114	114
143		Equipment, furniture & materials	64	63	63	63	63	63
-		Expenses	-	-	-	-	-	-
-		Insurance - service related	-	-	-	-	-	-
65		Office expenses	75	73	75	75	75	75
-		Other staff costs	-	-	-	-	-	-
-		Repairs & Maintenance	-	-	-	-	-	-
445		Services	390	560	367	367	367	367
(1)		Uniform & laundry	-	-	-	-	-	-
868	Supplies & Services Total		645	811950	621	621	621	621
10	Transport	Contract Hire & operating leases	-	-	-	-	-	-
8		Mileage Allowance	23	22	23	23	23	23
7		Operating Costs	7	7	7	7	7	7
9		Pool Car	23	20	20	20	20	20
1		Public Transport	9	5	5	5	5	5
6		Other Transport Costs	-	-	-	-	-	-
39	Transport Total		62	53734	55	55	55	55
28,376	Benefit & Transfer Payments	Benefits	26,875	15,521	15,521	15,521	15,521	15,521
1,360		Contributions paid	984	984	984	984	984	984
10,041		Grants	253	253	253	253	253	253
6		Irrecoverable V A T	6	6	6	6	6	6
1		Other Misc Payments	-	-	-	-	-	-
39,784	Benefit & Transfer Payments Total		28,117	16762925	16,763	16,763	16,763	16,763
0	Renewals Fund Contribution	Renewals Fund Contribution	8	8	8	8	8	8
0	Renewals Fund Contribution		8	8232	8	8	8	8
77	Reserve-Revenue Transfers	Bad Debts Provision	157	157	147	147	147	147
-		Reserve-Revenue Transfers	-	-	-	-	-	-
77	Reserve-Revenue Transfers		157	157046	147	147	147	147
4,008	Net Expenditure		4,350	4,919	4,782	4,930	5,082	5,239

47,153	Gross Service Expenditure	35,361	24,699	24,525	24,677	24,830	24,986
(43,146)	Gross Service Income	(31,011)	(19,780)	(19,743)	(19,747)	(19,747)	(19,747)
4,008	Net Service Expenditure	4,350	4,919	4,782	4,930	5,082	5,239

109	Building Control	153	153	153	153	153	153
227	Business Team	274	279	285	291	297	304
208	Chief Operating Officer	128	108	110	112	115	117
1	Closed Churchyards	(13)	(13)	(13)	(13)	(13)	(13)
49	Community Team	581	585	592	609	617	625
(120)	Council Tax Support	(116)	(115)	(114)	(114)	(114)	(114)
857	Customer Services	900	979	999	1,020	1,040	1,062
(404)	Development Management	(594)	(257)	(429)	(397)	(365)	(332)
259	Document Centre	192	251	249	254	259	265
62	Emergency Planning	12	31	31	32	32	32
113	Environmental Health Admin	132	122	132	136	139	143
343	Environmental Protection Team	384	358	365	372	380	387
-	Head of Community	-	-	-	-	-	-
-	Head of Customer Services	-	-	-	-	-	-
-	Head of Development	-	-	-	-	-	-
1,472	Housing Benefits	1,430	1,554	1,556	1,583	1,624	1,667
90	Housing Miscellaneous	27	29	30	32	34	36
1,017	Housing Needs	1,142	1,142	1,122	1,139	1,156	1,173
(54)	Licensing	(53)	(56)	(55)	(48)	(41)	(35)
(221)	Local Tax Collection	(228)	(231)	(231)	(231)	(231)	(231)
4,008	Net Service Expenditure	4,350	4,919	4,782	4,930	5,082	5,239

Actuals 2020/21	Head of Service	AD Transformation	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
-	Income & Fees	Fees & charges	-	-	-	-	-	-
(148)		Government grants	-	-	-	-	-	-
(26)		Other grants and contributions	-	(210)	(210)	(170)	(85)	-
(174)	Income & Fees Total		-	(210)	(210)	(170)	(85)	-
-	Employees	Hired Staff	-	-	-	-	-	-
23		National Insurance	39	41	42	43	45	46
1		Other staff costs	-	-	-	-	-	-
38		Pension	61	60	61	62	63	65
-		Recruitment	5	5	5	5	5	5
203		Salary	366	371	381	416	367	374
-		Training	8	8	8	8	8	8
265	Employees Total		479	485	497	534	488	498
-	Buildings	Repairs & Maintenance	-	-	-	-	-	-
-		Rents Payable	-	-	-	-	-	-
-	Buildings Total		-	-	-	-	-	-
-	Supplies & Services	Catering	-	-	-	-	-	-
-		Communication and computing	-	-	-	-	-	-
4		Equipment, furniture & materials	17	17	11	11	11	11
-		Expenses	-	-	-	-	-	-
-		Office expenses	1	1	1	1	1	1
35		Services	(199)	5	5	5	5	5
39	Supplies & Services Total		(182)	22	16	16	16	16
-	Transport	Mileage Allowance	-	-	-	-	-	-
-		Pool Car	-	-	-	-	-	-
-		Public Transport	1	1	1	1	1	1
-	Transport Total		1	1	1	1	1	1
-	Benefit & Transfer Payments	Grants	-	-	-	-	-	-
-	Benefit & Transfer Payments Total		-	-	-	-	-	-
-	Total		-	-	-	-	-	-
130	Net Expenditure		298	298	304	381	420	514
304	Gross Service Expenditure		298	508	514	551	505	514
(174)	Gross Service Income		-	(210)	(210)	(170)	(85)	-
130	Net Service Expenditure		298	298	304	381	420	514

Actuals 2020/21	Head of Service	AD Corporate Resources	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
(559)	Income & Fees	Fees & charges	(418)	(432)	(511)	(476)	(477)	(477)
(2,261)		Government grants	(17)	-	-	-	-	-
(32)		Other grants and contributions	(5)	(5)	(5)	(5)	(5)	(5)
(4,933)		Rent	(4,656)	(4,716)	(4,650)	(4,962)	(5,136)	(5,153)
()		Sales	-	-	-	-	-	-
-		NDR	-	(28)	-	-	-	-
(481)		Interest Income	(533)	(533)	(533)	(533)	(533)	(533)
(8,266)	Income & Fees Total		(5,629)	(5,714)	(5,699)	(5,977)	(6,150)	(6,167)
281	Employees	Employee Insurance	334	334	334	334	334	334
740		Hired Staff	47	22	22	22	22	22
181		National Insurance	174	209	215	221	228	234
91		Other staff costs	1,590	1,590	1,590	1,590	1,590	1,590
1,865		Pension	323	332	339	346	354	361
3		Recruitment	23	21	21	21	21	21
1,766		Salary	1,709	2,048	2,089	2,136	2,181	2,228
35		Services	33	33	33	33	33	33
151		Severance payments	160	152	152	152	152	152
71		Training	62	61	61	61	61	61
59		Uniform & laundry	-	-	-	-	-	-
5,241	Employees Total		4,457	4,804	4,857	4,918	4,977	5,038
190	Buildings	Energy Costs	189	194	194	192	192	192
1		Ground Maintenance Costs	-	-	-	-	-	-
192		Premises Cleaning	98	26	13	13	13	13
81		Premises Insurance	122	123	124	124	125	125
7		Rates	7	7	7	7	7	7
211		Repairs & Maintenance	284	317	297	292	292	292
17		Water Services	12	15	15	15	15	15
511		Rents Payable	653	656	737	640	654	661
1,209	Buildings Total		1,364	1,338	1,386	1,283	1,297	1,305
	Supplies & Services	Catering	3	3	3	3	3	3
327		Communication and computing	109	162	162	162	162	162
214		Equipment, furniture & materials	105	66	65	65	65	63
-		Expenses	-	-	-	-	-	-
84		Insurance - service related	84	85	87	88	88	88
381		Members Allowances	417	437	432	432	432	432
266		Office expenses	150	176	176	176	176	176
-		Operating Costs	-	-	-	-	-	-
4		Premises Cleaning	-	74	74	74	74	74
4,606		Services	4,994	4,658	4,727	4,905	4,740	4,742
8		Election Costs	-	-	-	-	-	-
-		Penalties & Fines	-	-	-	-	-	-
5,891	Supplies & Services Total		5,862	5,662	5,725	5,904	5,740	5,740
-	Transport	Contract Hire & operating leases	-	-	-	-	-	-
1		Mileage Allowance	12	12	12	12	12	12
52		Operating Costs	-	-	-	-	-	-
15		Pool Car	3	3	3	3	3	3
-		Public Transport	3	3	3	3	3	3
187		Vehicle Insurance	202	202	202	202	202	202
256	Transport Total		221	220	220	220	220	220
94	Benefit & Transfer Payments	Contributions paid	77	77	77	77	77	77
-		Discretionary Relief	-	-	-	-	-	-
37		Grants	40	40	40	40	40	40
26		Irrecoverable V A T	26	26	26	26	26	26
445		Levies	408	408	408	408	408	408
5		Other Misc Payments	6	6	6	6	6	6
608	Benefit & Transfer Payments Total		556	556	556	556	556	556
390	Reserve-Revenue Transfers	Bad Debts Provision	30	8	8	8	8	8
-		Reserve-Revenue Transfers	34	4	4	4	4	4
390	Reserve-Revenue Transfers Total		64	12	12	12	12	12
5,328	Net Expenditure		6,896	6,878	7,058	6,917	6,654	6,705
13,594	Gross Service Expenditure		12,525	12,592	12,757	12,894	12,803	12,872
(8,266)	Gross Service Income		(5,629)	(5,714)	(5,699)	(5,977)	(6,150)	(6,167)
5,328	Net Service Expenditure		6,896	6,878	7,058	6,917	6,654	6,705
(3,342)	Commercial Estates		(2,729)	(2,960)	(2,789)	(3,174)	(3,402)	(3,410)
5,590	Corporate Finance		5,333	5,356	5,387	5,549	5,449	5,449
709	Democratic & Elections		866	928	929	941	952	964
843	Facilities Management		862	865	819	857	877	891
855	Finance		751	822	833	851	867	884
(1,015)	Head of Resources		108	105	107	109	111	113
653	Human Resources		507	498	497	504	511	519
194	Legal		224	224	224	224	224	224
25	Public Conveniences		6	-	-	-	-	-
90	Risk Management		140	139	145	147	149	152
70	Energy & Sustainability Mgt		(10)	55	56	57	57	58
657	Risks & Control		836	847	850	854	857	861
5,328	Net Service Expenditure		6,896	6,878	7,058	6,917	6,654	6,705

Actuals 2020/21	Head of Service	Head of Leisure & Health	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
(890)	Income & Fees	Fees & charges	(4,474)	(5,385)	(5,577)	(5,778)	(5,791)	(5,795)
(4,344)		Government grants	-	-	-	-	-	-
(14)		Other grants and contributions	(55)	(43)	(41)	(42)	(46)	(47)
1		Rent	(5)	(1)	(1)	(1)	(1)	(1)
(14)		Sales	(533)	(343)	(350)	(380)	(384)	(384)
-		NDR	-	-	-	-	-	-
(5,261)	Income & Fees Total		(5,067)	(5,772)	(5,968)	(6,201)	(6,223)	(6,228)
-	Employees	Hired Staff	-	-	-	-	-	-
191		National Insurance	212	189	197	208	217	226
9		Other staff costs	(101)	(101)	(101)	(101)	(101)	(101)
413		Pension	473	394	404	416	427	439
3		Recruitment	71	-	-	-	-	-
3,384		Salary	3,458	3,179	3,254	3,346	3,429	3,515
		Services	-	-	-	-	-	-
318		Severance payments	-	-	-	-	-	-
6		Training	-	-	-	-	-	-
11		Uniform & laundry	7	10	10	10	10	10
4,334	Employees Total		4,120	3,671	3,764	3,879	3,982	4,089
270	Buildings	Energy Costs	556	517	517	517	517	517
10		Ground Maintenance Costs	14	15	14	14	14	14
11		Premises Cleaning	122	30	30	30	30	30
136		Repairs & Maintenance	149	192	192	192	192	192
29		Water Services	101	83	83	83	83	83
452		Rents Payable	484	496	511	517	528	528
908	Buildings Total		1,426	1,333	1,347	1,353	1,364	1,364
-	Supplies & Services	Catering	17	-	-	-	-	-
-		Expenses	-	-	-	-	-	-
1		Insurance - service related	-	-	-	-	-	-
44		Office expenses	111	111	111	111	111	111
-		Premises Cleaning	-	-	-	-	-	-
71		Services	231	92	92	92	92	92
-		Uniform & laundry	-	-	-	-	-	-
267	Supplies & Services Total		(94)	605	615	625	633	633
-	Transport	Contract Hire & operating leases	-	-	-	-	-	-
4		Mileage Allowance	9	9	9	9	9	9
3		Operating Costs	8	9	9	9	9	9
		Public Transport	-	1	-	1	1	1
		Vehicle Insurance	-	-	-	-	-	-
8	Transport Total		18	18	18	18	18	18
-	Benefit & Transfer Payments	Contributions paid	-	-	-	-	-	-
70		Irrecoverable V A T	70	70	70	70	70	70
-		Other Misc Payments	-	-	-	-	-	-
70	Benefit & Transfer Payments Total		70	70	70	70	70	70
-	Renewals Fund Contribution	Renewals Fund Contribution	50	50	50	50	50	50
-	Total		50	50	50	50	50	50
326	Net Expenditure		522	(25)	(104)	(206)	(105)	(4)
5,587	Gross Service Expenditure		5,589	5,747	5,864	5,996	6,117	6,224
(5,261)	Gross Service Income		(5,067)	(5,772)	(5,968)	(6,201)	(6,223)	(6,228)
326	Net Service Expenditure		522	(25)	(104)	(206)	(105)	(4)
84	Head of Leisure & Health		87	89	91	93	95	97
302	One Leisure Active Lifestyles		187	151	151	148	145	148
(59)	Leisure Centres Corporate		249	(266)	(346)	(446)	(345)	(249)
326	Grand Total		522	(25)	(104)	(206)	(105)	(4)

Actuals 2020/21	Head of Service	Head of Operations	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
-	Income & Fees	Commuted sums	(151)	(82)	(82)	(82)	(82)	(82)
(3,130)		Fees & charges	(4,282)	(4,914)	(5,597)	(5,657)	(5,682)	(5,682)
(1,501)		Government grants	(16)	(16)	(16)	(16)	(16)	(16)
(119)		Other grants and contributions	(95)	(118)	(119)	(120)	(121)	(121)
(41)		Rent	(32)	(32)	(32)	(32)	(32)	(32)
(119)		Sales	(180)	(200)	(200)	(200)	(200)	(200)
(4,910)	Income & Fees Total		(4,755)	(5,361)	(6,045)	(6,106)	(6,132)	(6,132)
	Employees	Employee Insurance	-	-	-	-	-	-
334		Hired Staff	204	204	204	204	151	151
379		National Insurance	387	446	461	476	495	514
251		Other staff costs	148	163	163	163	163	163
693		Pension	777	820	837	853	875	897
1		Recruitment	-	-	-	-	-	-
4,077		Salary	4,489	4,630	4,725	4,817	4,940	5,068
1		Services	-	-	-	-	-	-
3		Severance payments	-	-	-	-	-	-
4		Training	1	1	1	1	1	1
26		Uniform & laundry	32	32	32	32	32	32
5,769	Employees Total		6,038	6,296	6,422	6,545	6,656	6,826
94	Buildings	Energy Costs	43	43	43	43	43	43
17		Ground Maintenance Costs	1	1	1	1	1	1
13		Premises Cleaning	11	11	11	11	11	11
-		Premises Insurance	-	-	-	-	-	-
4		Rates	-	-	-	-	-	-
7		Rents	13	13	13	13	13	13
175		Repairs & Maintenance	252	253	307	289	294	294
22		Water Services	33	33	33	33	33	33
313		Rents Payable	337	347	357	368	379	379
646	Buildings Total		690	701	765	758	774	774
	Supplies & Services	Catering	-	-	-	-	-	-
33		Communication and computing	32	63	63	63	63	63
488		Equipment, furniture & materials	441	440	440	440	440	440
-		Expenses	-	-	-	-	-	-
8		Insurance - service related	4	4	4	4	4	4
79		Office expenses	66	66	66	66	66	66
-		Other staff costs	-	-	-	-	-	-
1		Premises Cleaning	-	-	-	-	-	-
3		Repairs & Maintenance	-	-	-	-	-	-
853		Services	698	876	888	938	938	938
4		Telecommunications	-	-	-	-	-	-
-		Penalties & Fines	-	-	-	-	-	-
-		Council Tax Payable	-	-	-	-	-	-
1,468	Supplies & Services Total		1,241	1,449	1,461	1,511	1,511	1,511
	Transport	Contract Hire & operating leases	18	18	18	18	18	18
1		Mileage Allowance	4	4	4	4	4	4
852		Operating Costs	906	948	948	948	948	948
(24)		Pool Car	3	3	3	3	3	3
		Public Transport	1	1	1	1	1	1
6		Vehicle Insurance	1	1	1	1	1	1
-		Other Transport Costs	-	-	-	-	-	-
834	Transport Total		932	975	975	975	975	975
	Benefit & Transfer Payments	Contributions paid	-	-	-	-	-	-
309		Grants	471	471	471	471	471	471
4		Irrecoverable V A T	4	4	4	4	4	4
-		Parish Precepts	-	-	-	-	-	-
-		Other Misc Payments	-	-	-	-	-	-
313	Benefit & Transfer Payments Total		475	475	475	475	475	475
-	Reserve-Revenue Transfers	Reserve-Revenue Transfers	-	(52)	(52)	(52)	(52)	(52)
-	Total		-	(52)	(52)	(52)	(52)	(52)
-	Liabilities	Other staff costs	-	-	-	-	-	-
-	Liabilities Total		-	-	-	-	-	-
4,120	Net Expenditure		4,621	4,483	4,002	4,107	4,207	4,376
9,030	Gross Service Expenditure		9,376	9,844	10,047	10,213	10,339	10,508
(4,910)	Gross Service Income		(4,755)	(5,361)	(6,045)	(6,106)	(6,132)	(6,132)
4,120	Net Service Expenditure		4,621	4,483	4,002	4,107	4,207	4,376
1	Car Park - On Street		(132)	(132)	(132)	(132)	(132)	(132)
(1,084)	Car Parks - Off Street		(547)	(1,054)	(1,645)	(1,669)	(1,646)	(1,638)
(70)	CCTV		(91)	(114)	(115)	(116)	(117)	(117)
280	CCTV Shared Service		219	244	253	262	272	282
314	Countryside		317	278	265	240	224	234
289	Fleet Management		311	317	322	327	333	338
623	Green Spaces		479	555	546	568	586	606
212	Head of Operations		302	231	236	241	246	252
107	Markets		(43)	(38)	(36)	(34)	(31)	(30)
328	Parks and Open Spaces		330	457	448	402	408	415
892	Street Cleansing		740	868	888	918	945	973
2,228	Waste Management		2,736	2,871	2,972	3,100	3,119	3,194
4,120	Net Service Expenditure		4,621	4,483	4,002	4,107	4,207	4,376

Actuals 2020/21	Head of Service	Head of ICT	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
(2,566)	Income & Fees	Fees & charges	(1,427)	(1,645)	(1,648)	(1,648)	(1,648)	(1,648)
(6)		Government grants	-	-	-	-	-	-
(2,899)		Other grants and contributions	(3,052)	(3,441)	(3,286)	(3,286)	(3,286)	(3,286)
(553)		Sales	(5)	(5)	(5)	(5)	(5)	(5)
(6,025)	Income & Fees Total		(4,484)	(5,091)	(4,939)	(4,939)	(4,939)	(4,939)
	Employees	Employee Insurance						
167		Hired Staff	74	95	74	74	74	74
268		National Insurance	256	341	350	360	369	379
74		Other staff costs	37	37	37	37	37	37
449		Pension	436	524	534	546	557	568
25		Recruitment	10	10	10	10	10	10
2,616		Salary	2,449	2,896	2,953	3,017	3,080	3,141
-		Services	-	-	-	-	-	-
-		Severance payments	-	-	-	-	-	-
55		Training	44	44	44	44	44	44
-		Uniform & laundry	1	1	1	1	1	1
3,654	Employees Total		3,307	3,948	4,004	4,089	4,172	4,254
3	Buildings	Repairs & Maintenance	6	6	6	6	6	6
-		Rents Payable	-	-	-	-	-	-
3	Buildings Total		7	7	7	7	7	7
-	Supplies & Services	Catering	1	1	1	1	1	1
722		Communication and computing	782	708	782	782	782	782
3,317		Equipment, furniture & materials	2,625	2,755	2,734	2,752	2,762	2,688
-		Expenses	-	-	-	-	-	-
3		Office expenses	12	12	12	12	12	12
-		Repairs & Maintenance	-	-	-	-	-	-
330		Services	65	242	109	109	109	109
-		Telecommunications	-	-	-	-	-	-
4,372	Supplies & Services Total		3,485	3,717	3,637	3,655	3,665	3,591
-	Transport	Contract Hire & operating leases	1	1	1	1	1	1
3		Mileage Allowance	10	10	10	10	10	10
		Operating Costs						
		Pool Car	4	4	4	4	4	4
(1)		Public Transport	8	8	8	8	8	8
-		Vehicle Insurance	-	-	-	-	-	-
2	Transport Total		23	23	23	23	23	23
2,007	Net Expenditure		2,338	2,604	2,732	2,835	2,928	2,936
8,031	Gross Service Expenditure		6,822	7,695	7,671	7,774	7,867	7,875
(6,025)	Gross Service Income		(4,484)	(5,091)	(4,939)	(4,939)	(4,939)	(4,939)
2,007	Net Service Expenditure		2,338	2,604	2,732	2,835	2,928	2,936

Actuals 2020/21	Head of Service	Corporate Leadership	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
()	Income & Fees	Fees & charges	-	-	-	-	-	-
(25)		Other grants and contributions	-	-	-	-	-	-
(25)	Income & Fees Total		-	-	-	-	-	-
-	Employees	Hired Staff	-	-	-	-	-	-
63		National Insurance	53	65	67	68	70	71
		Other staff costs	-	-	-	-	-	-
77		Pension	78	89	90	92	94	96
-		Recruitment	-	-	-	-	-	-
534		Salary	451	514	522	532	543	554
		Services	-	-	-	-	-	-
		Severance payments	-	-	-	-	-	-
		Training	9	5	5	5	5	5
674	Employees Total		591	674	684	698	712	726
-	Buildings	Rents Payable	-	-	-	-	-	-
-	Buildings Total		-	-	-	-	-	-
-	Supplies & Services	Catering	1	1	1	1	1	1
2		Communication and computing	1	2	2	2	2	2
2		Equipment, furniture & materials	-	-	-	-	-	-
13		Office expenses	18	15	15	15	15	15
-		Other staff costs	-	-	-	-	-	-
32		Services	5	505	5	5	5	5
		Election Costs	-	-	-	-	-	-
49	Supplies & Services Total		24	522	22	22	22	22
-	Transport	Contract Hire & operating leases	-	-	-	-	-	-
		Mileage Allowance	2	2	2	2	2	2
		Operating Costs	-	-	-	-	-	-
		Pool Car	-	-	-	-	-	-
		Public Transport	1	1	1	1	1	1
	Transport Total		4	4	4	4	4	4
	Benefit & Transfer Payments	Other Misc Payments	1	1	1	1	1	1
	Benefit & Transfer Payments Total		1	1	1	1	1	1
699	Net Expenditure		619	1,201	710	725	739	753
724	Gross Service Expenditure		619	1,201	710	725	739	753
(25)	Gross Service Income		-	-	-	-	-	-
699	Net Service Expenditure		619	1,201	710	725	739	753

Actuals 2020/21	Head of Service	Programme Delivery Manager	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
4	Employees	National Insurance	6	7	7	7	8	8
6		Pension	9	10	10	10	10	10
1		Recruitment	-	-	-	-	-	-
35		Salary	55	56	57	58	59	60
47	Employees Total		70	72	74	75	77	78
	Supplies & Services	Communication and computing	-	-	-	-	-	-
1		Equipment, furniture & materials	-	-	-	-	-	-
		Office expenses	-	-	-	-	-	-
9		Services	-	-	-	-	-	-
11	Supplies & Services Total		-	-	-	-	-	-
-	Transport	Mileage Allowance	-	-	-	-	-	-
		Pool Car	-	-	-	-	-	-
		Public Transport	-	-	-	-	-	-
	Transport Total		1	1	1	1	1	1
58	Net Expenditure		71	73	74	76	77	79
58	Gross Service Expenditure		71	73	74	76	77	79
-	Gross Service Income		-	-	-	-	-	-
58	Net Service Expenditure		71	73	74	76	77	79

Actuals 2020/21	Head of Service	Housing Manager	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
-	Income & Fees	Fees & charges	-	-	-	-	-	-
-	Income & Fees Total		-	-	-	-	-	-
1	Employees	Hired Staff	-	-	-	-	-	-
7		National Insurance	13	15	15	15	16	16
11		Pension	20	21	22	22	23	23
5		Recruitment	-	-	-	-	-	-
65		Salary	117	123	125	128	130	133
-		Services	-	-	-	-	-	-
89	Employees Total		150	159	162	165	169	172
-	Supplies & Services	Catering	-	-	-	-	-	-
		Communication and computing	1	1	1	1	1	1
		Equipment, furniture & materials	-	-	-	-	-	-
		Office expenses	1	1	1	1	1	1
90		Services	-	-	-	-	-	-
91	Supplies & Services Total		1	1	1	1	1	1
-	Transport	Mileage Allowance	-	-	-	-	-	-
-		Pool Car	-	-	-	-	-	-
-		Public Transport	-	-	-	-	-	-
-	Transport Total		-	-	-	-	-	-
34	Benefit & Transfer Payments	Grants	28	27	27	27	27	28
	Benefit & Transfer Payments							
34	Total		28	27	27	27	27	28
214	Net Expenditure		180	187	191	194	198	202

Actuals 2020/21	Head of Service	Planning Policy Manager	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget
£ 000			£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
(329)	Income & Fees	Fees & charges	(270)	(427)	(187)	(189)	(192)	(194)
(37,997)		Government grants	(20)	(20)	(20)	(20)	(20)	(20)
-		Other grants and contributions	-	(361)	(368)	(375)	(383)	(391)
()		Sales	()	()	()	()	()	()
(51)		Developer Contributions	-	(46)	(47)	(48)	(49)	(49)
(38,377)	Income & Fees Total		(291)	(855)	(622)	(633)	(644)	(654)
138	Employees	Hired Staff	-	-	-	-	-	-
70		National Insurance	72	83	83	85	88	90
6		Other staff costs	1	1	1	1	1	1
120		Pension	122	131	129	131	134	137
-		Recruitment	-	-	-	-	-	-
693		Salary	704	1,117	1,111	1,134	1,158	1,181
-		Services	-	-	-	-	-	-
-		Training	-	-	-	-	-	-
-		Uniform & laundry	-	-	-	-	-	-
1,027	Employees Total		899	1,332	1,324	1,352	1,380	1,409
-	Buildings	Repairs & Maintenance	-	-	-	-	-	-
		Rents Payable	2	2	2	2	2	2
	Buildings Total		2	2	2	2	2	2
-	Supplies & Services	Catering	-	-	-	-	-	-
4		Communication and computing	14	15	15	16	16	17
14		Equipment, furniture & materials	5	5	5	5	5	5
11		Office expenses	15	17	16	16	16	16
124		Services	99	257	97	128	128	127
-		Election Costs	-	-	-	-	-	-
153	Supplies & Services Total		133	293	133	165	165	165
-	Transport	Mileage Allowance	1	1	1	1	1	1
		Pool Car	1	-	-	-	-	-
-		Public Transport	2	1	1	1	1	1
	Transport Total		4	3	3	3	3	3
99	Benefit & Transfer Payments	Contributions paid	-	-	-	-	-	-
35,379		Grants	45	46	46	46	46	46
35,478	Benefit & Transfer Payments Total		45	46	46	46	46	46
-	Reserve-Revenue Transfers	Reserve-Revenue Transfers	-	75	75	75	75	75
-	Reserve-Revenue Transfers							
-	Total		-	75	75	75	75	75
(1,719)	Net Expenditure		791	896	961	1,010	1,028	1,047
36,659	Gross Service Expenditure		1,082	1,751	1,583	1,643	1,671	1,700
(38,377)	Gross Service Income		(291)	(855)	(622)	(633)	(644)	(654)
(1,719)	Net Service Expenditure		791	896	961	1,010	1,028	1,047

3.0 CAPITAL

- 3.1 The detailed Draft Capital Programme for the period 2022/23 to 2026/27 is shown in **Tables 18a and 18b** below, along with the sources of finance. The revenue implications of the individual capital proposals are built into the individual revenue budgets and the impact of the proposed programme on the 2022/23 Minimum Revenue Position (MRP) is £2.8m.

Huntingdonshire District Council		Table 18a				
Capital Programme	Budget	Medium Term Financial Strategy				
	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	£000s	£000s	£000s	£000s	£000s	£000s
Gross Expenditure						
Chief Operating Officer						
Disabled Facilities Grants	1,850	1,800	1,650	1,600	1,600	1,600
Disabled Facilities Grants - Rephase		400				
Conservation Area Appraisal Programme	47	47				
Transfer of Documents from Information@Work to Tascomi		20				
Printing Equipment - Rephase		2				
Replacement Corporate Scanners	110					
Scanners - Rephase		4				
Housing Company - Rephase		206				
Lone Worker Software - Rephase		3				
Corporate Resources						
Salix Equipment						
A14 Upgrade	200	200	200	200	200	200
A14 Upgrade - Rephase		200				
Huntingdon Redevelopment		7,595				
St Ives Redevelopment			6,800	8,500	1,700	
Leisure and Health						
One Leisure Improvements	296	285	300	300	300	300
One Leisure Ramsey 3G - Rephase		17				
OL St Ives Changing Rooms - Rephase		12				
Assistance Director of Resources						
Oak Tree Remedial Works - Rephase		912				
Health and Safety Works at Commercial Properties						
Energy Efficiency Works at Commercial Properties	10	10				
Energy Efficiency Works at Commercial Properties - Rephase		6				
VAT Partial Exemption	24	21	21	50	50	50
Replacement Building Management System (BMS) - PFH	115					
Capita Upgrade and 3D Secure 2 SCA and payment portal Upgrade	15					
Commercial estates capital for works, enhancements and re-lettings	565	250				
Lighting Loves Farm - Rephase		8				
3C ICT						
Hardware Replacement		130	130			
Generator - 3ICT Backup						
Data Centre Storage						
Wi-Fi access points						
Mobile Phones Replacement	65					
Telephony Replacement	200	8	8	8	8	8
Extend compute capacity in shared data centre	39					
Information@Work Consolidation	20					
GIS Test Environment	16					
Data Centre Server Room (No.1)		244				
No2 Server & SQL Server 2012 Migration		20				
Operations						
Civil Parking Enforcement - Rephase		31				
Fencing	13	13	13	13	13	13
Fencing - Rephase		6				
Lighting - Loves Farm Footpath						
Wheeled Bins	254	254	254	254	254	254
Wheeled Bins - Rephase		6				
Vehicle Fleet Replacement	1,396	1,085	1,457	741		
Vehicle Fleet Replacement		54	(100)	11	1,494	800
Play Equipment	30	30	30	30	30	30
Play Equipment - Rephase		1				
Secure cycle storage	88					
Secure Cycle Storage - Rephase		39				
Parking Strategy	80					
Parking Strategy - Rephase		93				
District wide signage						
District Wide Signage - Rephase		10				
Replacement Corporate Scanners	25					
Additional EV Charging Points	30					
Play Area Fencing						
Hinchingbrooke Country Park						
Hinchingbrooke Country Park - Rephase		1,346				
Moores Walk Revamp		20				
St Neots Riverside Park Path/Cycle Imps - Rephase		443				
Transformation						
AV Equipment	15	15				
AV Equipment - Rephase		45				
Voice Bots - Rephase		30				
Customer Relationship Management (Data Warehouse)	16					
Customer Relationship Management (Data Warehouse) - Rephase		7				
Economic Development						
Future High Streets - St Neots	12,300					
Future High Streets - St Neots - Rephase		6,811				
Market Towns Programme	350	675	550	150	50	
Market Towns Programme - Rephase		50				
Total Gross Expenditure	18,169	23,464	11,313	11,857	5,699	3,255

Huntingdonshire District Council		Table 18b				
Capital Programme	Budget	Medium Term Financial Strategy				
	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 £000s
Financing						
Grants and Contributions						
DFGs	(1,350)	(1,350)	(1,300)	(1,300)	(1,300)	(1,300)
Wheeled bins	(101)	(101)	(101)	(101)	(101)	(101)
Combined Authority/MHCLG/CIL Grant Funding	(12,650)	(675)	(550)	(150)	(50)	
Huntingdon Development		(7,595)				
Future High Streets - Rephase		(6,811)				
One Leisure Ramsey 3G - Rephase		(17)				
St Neots Riverside Park Path/Cycle Imps - Rephase		(443)				
Combined Authority/MHCLG/CIL Grant Funding		(50)				
Total Grants and Contributions	(14,101)	(17,042)	(1,951)	(1,551)	(1,451)	(1,401)
Capital Receipts						
St Ives Redevelopment			(6,800)	(8,500)	(1,700)	
Loan Repayments		(284)	(203)	(117)	(122)	(128)
Housing Clawback Receipts	(500)	(450)	(350)	(300)	(300)	(299)
Commercial Investment Strategy	(565)	(250)				
Total Capital Receipts	(1,065)	(984)	(7,353)	(8,917)	(2,122)	(427)
Net to be funded by borrowing	3,003	5,438	2,009	1,389	2,126	1,427

4.0 TREASURY MANAGEMENT

4.1 The following gives a high-level commentary on the Treasury Management activity that the Council is expecting to undertake during 2022/23.

- **Short Term Borrowing**

During any year the Council will undertake short-term borrowing and lending to maintain effective daily cash flow balances. For the forthcoming year 2022/23, it is estimated that the cost of short-term borrowing will be £5,000; this is based on an estimated average investment portfolio of £25m and the borrowing that will be required as a result of short-term cash outflows within that average, and a cost based on an estimated interest rate of 0.90% for short-term borrowing.

- **Long Term Borrowing**

The Treasury Management Strategy permits the Council to borrow for the long-term to maintain effective working capital balances and to support back-to-back lending to external organisations. At the end of 2022/23, it is forecast that the total balances in respect of long-term borrowing will be £39.2m. The estimated cost of long-term borrowing in 2022/23 is £1.23m.

4.2 During 2022/23 no long-term borrowing has been anticipated for any Commercial Investment/Development Strategy, due to the Government prohibiting any borrowing from PWLB for commercial gain. For any redevelopment schemes e.g. Huntingdon/St Ives within the capital programme it has been assumed that alternative sources of funding will be explored to enable delivery of these schemes and the wider future capital programme in a sustainable way.

5.0 Capital Financing Requirement (CFR)

5.1 **Table 19** gives a summary of how, over the period of the MTFs, the Council's capital commitments and plans impact on its underlying need to borrow.

Huntingdonshire District Council							Table 19
Capital Financing Requirement	Actual	Forecast	Medium Term Financial Strategy				
	2020/21 £000s	2021/22 £000s	2022/23 £000s	2023/24 £000s	2024/25 £000s	2025/26 £000s	2026/27 £000s
Opening Capital Financing Requirement	71,824	71,431	73,963	76,601	75,579	73,814	72,860
Capital Investment							
Property, Plant and Equipment	2,432	17,944	11,406	8,913	9,907	3,849	1,455
Investment Properties	2	1,605	1,162	0	0	0	0
Intangible Assets	141	446	91	0	0	0	0
Revenue Expenditure Funded From Capital Under Statute	3,110	13,358	10,136	2,400	1,950	1,850	1,800
Infrastructure Assets	44	816	20	0	0	0	0
Community Assets	0	271	443	0	0	0	0
Loans	0	100	206	0	0	0	0
Assets Under Construction	1,331	0	0	0	0	0	0
Additional Requirement	7,060	34,540	23,464	11,313	11,857	5,699	3,255
Sources of Finance							
Capital Receipts	(966)	(1,020)	(984)	(7,353)	(8,917)	(2,122)	(427)
Capital Grants and Contributions	(1,583)	(21,344)	(17,042)	(1,951)	(1,551)	(1,451)	(1,401)
Use of Capital Grants Unapplied	(2,302)	(6,886)					
Direct Revenue Financing	0	0	0	0	0	0	0
Minimum Revenue Provision	(2,602)	(2,758)	(2,800)	(3,031)	(3,154)	(3,080)	(3,276)
	(7,453)	(32,008)	(20,826)	(12,335)	(13,622)	(6,653)	(5,104)
Closing Capital Financing Requirement	71,431	73,963	76,601	75,579	73,814	72,860	71,011
Increase/(Decrease) in Underlying Need to Borrow	(393)	2,532	2,638	(1,022)	(1,765)	(954)	(1,849)

6.0 Formal 2022/23 Council Tax Resolutions

6.1 The formal 2022/23 Council Tax resolutions to be agreed by Council are shown below.

- a) That the Council note the Council Tax Base for the whole Council area and individual Towns and Parishes (para 6.2) as approved by Chairman of Corporate Governance Committee and Section 151 Officer on the 7 December 2021 (and subsequent publication as a key decision).

£64,501

The tax base (T) which is the amount anticipated from a District Council Tax of £1 is

- b) That the following amounts calculated by the Council for 2022/23 in accordance with the requirements of the Local Government Finance Act 1992 as amended by the Localism Act 2011 (the Act), the Local Government Finance Act 2012 and associated regulations:

- (i) the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act **£71,838,629**
Gross revenue expenditure including benefits, Town/Parish Precepts

- (ii) the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act **£54,564,732**
Revenue income including reimbursement of benefits, specific and general grants, use of reserves and any transfers from the collection fund.

- (iii) the amount by which the aggregate at (i) above exceeds the aggregate at (ii) above in accordance with Section 31A (4) of the Act **£ 17,273,897**
This is the "Council Tax Requirement" including Parish/Town Precepts (item i minus item ii). It is the cash sum to be funded from District, Town and Parish Council Taxes.

- (iv) the Council Tax requirement for 2021/22 divided by the tax base (T) in accordance with Section 31B (1) of the Act **£267.81**
District plus average Town/Parish Council Tax (item iii divided by District taxbase)

- (v) the aggregate of all "Special Items" referred to in Section 34(1) of the Act. **£7,542,822**
The total value of Parish/Town precepts included in i and iii above.

- (vi) the Basic Amount of Council Tax for 2022/23 being item iv less item v divided by the tax base (T) in accordance with Section 34 (2) of the Act. **£150.86**

The District Council's Band D Tax for 2022/23

- (vii) the basic amounts of Council Tax for 2022/23 for those parts of the District to which one or more special items (Parish/Town precepts) relate in accordance with Section 34 (3) of the Act are shown by adding the Huntingdonshire District Council amount to the appropriate Parish Council amount in column "band D" set out in Table 1 attached.
 - (viii) the amounts to be taken into account for 2022/23 in respect of categories of dwellings listed in particular valuation bands in accordance with Section 36 (1) of the Act are shown by adding the Huntingdonshire District Council amount to the appropriate Parish Council amount for each of the valuation bands in the columns "bands A to H" set out in Table 1 attached.
- (c) That the amounts of precept issued to the Council by Cambridgeshire County Council, Cambridgeshire Police Authority, Cambridgeshire & Peterborough Fire Authority and for each Parish Council for each of the categories of dwellings listed in different valuation bands in accordance with Section 40 of the Act shown in para 6.3 attached be noted.
- (d) That, having regard to the calculations above, the Council, in accordance with Section 30 (2) of the Act, hereby sets the figures shown in para 6.4 as the amounts of Council Tax for 2022/23 for each of the categories of dwelling shown. ***This is the total Council Tax to be collected, incorporating the requirements of all of the relevant bodies, for each town or parish area.***
- (e) The Council notes that, in accordance with Section 52ZB of the Local Government Finance Act 1992, the basic amount of its Council Tax for 2022/23 is not excessive. ***The basic amount at b(vi) above is not excessive as defined by the Government.***

6.2 Tax Base 2022/23

Based on the information contained within this report, it is recommended that pursuant to the Revenues and Benefits Manager's report and in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012, the amounts calculated by the Huntingdonshire District Council as their (net) tax base for the whole District for the year 2022/23 be 64,501 and shall be as listed below for each Town or Parish of the District:

Abbotsley	262
Abbots Ripton	141
Alconbury	561
Alconbury Weston	297
Alwalton	123
Barham & Woolley	30
Bluntisham	771
Brampton	2477
Brington & Molesworth	188
Broughton	99
Buckden (incorporating Diddington)	1277
Buckworth	53
Bury	715
Bythorn & Keyston	157
Catworth	163
Chesterton	65
Colne	379
Conington	78
Covington	47
Denton & Caldecote	30
Earith	607
Easton	82
Ellington	237
Elton	295
Farcet	540
Fenstanton	1331
Folksworth & Washingley	354
Glatton	136
Godmanchester	2951
Grafham	235
Great & Little Gidding	125
Great Gransden	494
Great Paxton	373
Great Staughton	333
Haddon	23
Hail Weston	245
Hamerton & Steeple Gidding	54
Hemingford Abbots	334
Hemingford Grey	1298
Hilton	455
Holme	250
Holywell-cum-Needingworth	1024

Houghton & Wyton	799
Huntingdon	7653
Kimbolton & Stonely	601
Kings Ripton	84
Leighton Bromswold	78
Little Paxton	1562
Morborne	12
Offord Cluny & Offord D'Arcy	542
Old Hurst	98
Old Weston	104
Perry	264
Pidley-cum-Fenton	191
Ramsey	3095
St Ives	6034
St Neots	11208
Sawtry	1966
Sibson-cum-Stibbington	234
Somersham	1402
Southoe & Midloe	156
Spaldwick	255
Stilton	772
Stow Longa	73
The Stukeleys	1069
Tilbrook	128
Toseland	38
Upton & Coppingford	91
Upwood & The Raveleys	445
Warboys	1596
Waresley-cum-Tetworth	146
Water Newton	40
Winwick	53
Wistow	230
Woodhurst	155
Woodwalton	83
Wyton-on-the-Hill	441
Yaxley	2961
Yelling	153
	64501

6.3 2022/23 Council Tax by Property Band for each Precepting Authority and the Billing Authority

This table will be completed after the Council's Full Council meeting scheduled for the 23 February 2022 when the Council receives the precepts from Cambridgeshire County Council, Fire and Police Authorities.

6.4 Total 2022/23 Council Tax by Property Band for each Precepting Authority and the Billing Authority

This table will be completed after the Council's Full Council meeting scheduled for the 23 February 2022 when the Council receives the precepts from Cambridgeshire County Council, Fire and Police Authorities.

7. Fees and Charges

- 7.1 The Fees and Charges that will be applicable from April 2022 to March 2023 have been included in **Annex A**. These fees and charges are correct at the time of reporting but there may be changes throughout the year that will be agreed by the Executive Councillor and the S151 Officer.

8.0 Robustness of the 2022/23 Budget and Medium-Term Financial Strategy

- 8.1 The Section 25 of Local Government Act 2003 requires me, as the Council's Responsible Financial Officer, to report on the robustness of the 2022/23 budget and the adequacy of reserves to assist you in making your decisions on the Budget and the level of Council Tax. Further, this is an opportunity for me to provide some commentary in respect of the period covered by the Medium-Term Financial Strategy (MTFS).

8.2 Robustness and Budget Setting

- 8.2.1 At the time of writing, the 2021/22 Quarter 3 Finance Performance Report is reporting a forecast favourable variance of £1.607m compared to budget in respect of service expenditure. This is due to a variety of factors including the strong performance of the Commercial Investment Strategy (CIS), the higher-than-expected levels of income from off street parking and the overall lower net cost of waste collection during the Covid 19 pandemic following the changes in customer behaviour and the changes in values of recyclable materials.

- 8.2.2 The Council has reviewed its service expenditure in consultation with the Executive Councillors. In collaboration with the Senior Management Team, proposals for savings and growth, as summarised in Table 2, were developed by officers and Executive Councillors using a rigorous process that challenged and validated each proposal. The Finance Team provided the central support and advice to services and the whole process has been and overseen by the Chief Finance Officer (S151 officer).

- 8.2.3 In addition to the Executive Councillor review, the Council:

- will continue to review services and develop funding proposals that help to mitigate the current uncertainty relating to impact of the Covid 19 pandemic to the economy and only a one-year focus on the spending review from Government, and
- the Executive has chosen to increase Council Tax for 2022/23 to protect frontline services.

8.3 Challenges Facing the Council

- 8.3.1 The challenges that the Council faces are like those being faced by many councils across the local government community. The principal challenges that the Council is tackling are illustrated below:

Public Sector post Covid Funding

8.3.2 The public sector continues to endure uncertainty around the Fair Funding and Business Rates Review. During the Covid 19 Pandemic whilst the public sector diverted resources to support its community in its time of need, short-term, one-off funding from Government has provided a much-needed financial stop gap. For 2022/23 the expectation is that the normality in the economy will return but exactly how and when continues to cause uncertainty. The Council must take proactive action to effectively manage the financial consequences following the pandemic. Exposure to the growth and decline of the economy as a major source of funding (Council Tax and Business Rates), puts all local authorities at risk and leaves them financial vulnerable.

8.3.3 Following the 2022/23 provisional settlement announced in December 2021, **Table 21** clearly shows that the grant funding streams for the Councils MTFS for 2022/23 and for the period up to 2025/27 has moved when compared to the preceding year. For:

- **2022/23** the total grant included in last year's MTFS was £9.1m; following the provisional settlement this has now increased to £11.1m; an increase of £2.0m (22.0%). This is mainly due to a one-off increase in New Home Bonus (NHB) of £1.69m.
- **2024/25 onwards** the Councils net grants position is assumed to reset at a lower level due to the uncertainties regarding future grant funding and the cessation of NHB.

Table 21	Comparison of Grant Assumptions: 2020/21 Budget & 2021/22 Budget and MTFS (2022/23 to 2024/25)					
	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	2026/27 £000
2021/22 Budget & MTFS						
NDR	6,080	6,644	6,829	7,096	7,370	
S31	2,176	2,213	2,250	2,287	2,287	
RSG	0	0	0	0	0	
FFR Adjust	(82)	(163)	(245)	(326)	(408)	
NHB	2,014	427	0	0	0	
Total	10,188	9,121	8,834	9,057	9,249	
2022/23 Budget & MTFS						
NDR+S31		6,485	5,595	5,725	5,855	5,900
S31		2,472	1,624	1,628	1,633	1,633
RSG		0	235	109	115	115
FFR Adjust		0	0	0	0	0
NHB		2,116	0	0	0	0
Total		11,073	7,454	7,462	7,603	7,648
Variance between Grant Assumptions						
NDR	(0)	(159)	(1,234)	(1,371)	(1,515)	
S31	0	259	(626)	(659)	(654)	
RSG	0	0	235	109	115	
FFR Adjust	(82)	163	245	326	408	
NHB	0	1,689	0	0	0	
Total	(82)	1,952	(1,381)	(1,595)	(1,646)	
	%	%	%	%	%	
NDR	0.0	-2.4	-18.1	-19.3	-20.6	
S31	0.0	11.7	-27.8	-28.8	-28.6	
RSG	0.0	0.0	-100.0	-100.0	-100.0	
FFR Adjust	0.0	0.0	-100.0	-100.0	-100.0	
NHB	0.0	395.6	#DIV/0!	0.0	0.0	
Total	-0.8	21.4	-15.6	-17.6	-17.8	

Programme of Service Review

- 8.3.4 The Executive have reviewed and scrutinised their budgets, considering the impacts of external demand and cost pressures, whilst looking for opportunities to mitigate pressures with cost savings and income generation.

8.4 Governance

- 8.4.1 Noted within the 2020/21 Annual Governance Statement (AGS) both the Executive Leader and the Managing Director consider not only internal controls, but also external factors:

The six themes that were included in the Annual Governance Statement are:

1	Housing Affordability	<i>Leading to homelessness and constraining growth.</i>
2	Morbidity/Growing number of years of ill health	<i>Impacting on people's ability to be self-reliant and generating additional cost through support needs.</i>
3	Wider economic environment	<i>Impact of Commercial Investment Strategy/Business rates receipts and level of need from residents.</i>
4	Skills level and educational attainment	<i>As a means by which residents are able to attract profitable work and in attracting employers to the area.</i>
5	Partner agency operational pressures	<i>Financial challenges of partners impacting on demand for our services or reducing existing support.</i>
6	Environmental pressures	<i>Challenges to the long-term sustainability and attraction to our area.</i>

- 8.4.2 On 22 July 2021, the Council's Internal Audit Manager reported to the Corporate Governance Committee that the assurance given for the year to 31 March 2021 was:

".....the Council's governance, internal control environment and systems of internal control as at 31 March 2021 provide adequate assurance over key business processes and financial systems."

8.5 Risks

- 8.5.1 Because of the nature of the macro and microenvironment that the wider local government family and the Council operates within, there are a whole host of risks that the Council faces on a day-to-day basis. In such an environment, budget setting is not a science but more a guide on how financial resources will be allocated to services over the forthcoming year and to give an indication into the medium term. There will always be items that emerge after the budget has been approved and these can range from a programme under or overachieving or an unexpected event occurring.

Mitigation of Unforeseen Events

- 8.5.2 During the budget setting for 21/22, a fixed General Fund Reserve of £2.175m was agreed based on the likely financial risks facing the council. The General Fund Reserve will be maintained at this level for 22/23.

In order to mitigate the impacts of any event that could have a potentially negative impact on the council's finances the council has clear processes in place:

Where a situation has occurred that is 'service' specific, the

- first call for funding will be from compensating savings from elsewhere within the service, and if none are possible then savings from the wider Councils budget (service first, wider Council thereafter),
- second call for funding will be general service reductions. Such an approach will inevitably have an impact on service delivery,
- and finally, the use of General Fund reserves would be considered.

Where a situation arises that is 'corporate' in nature, then consideration will be given to the first and second calls, but there is likely to be earlier consideration of using General Fund reserves.

- 8.5.3 During 2016/17 the Council introduced the Budget Surplus Earmarked Reserve; the aim of this reserve is to "mop-up" service underspends that would cause the General Fund to be higher than the minimum threshold. This has been developed further to provide a means by which surpluses could be distinguished between those due to unspent NHB or in-services savings. With regard to:

- Unspent NHB, such underspends are passported through to the Commercial Investment Earmarked Reserve. Therefore, enabling the Council to ring-fence funds that are available for Commercial Investment and/or service development.
- In-service savings, such underspends can be ring-fenced to provide a 'smoothing' fund to meet future years estimated deficits.

- 8.5.4 The technical definition of General Fund Reserves includes the General Fund (Unallocated) Reserve as well as all 'revenue' Earmarked Reserves. In the context of making General Fund Reserve balances available to meet unforeseen events, the Council has self-limited this to the General Fund (Unallocated) Reserve itself as well as the Budget Surplus Earmarked Reserve. The Commercial Investment Reserve is not included in the following risk modelling assessment as this is the means by which the Council is able to invest to provide medium term financial sustainability – to include the Commercial Investment Reserve could give an overly 'optimistic' view of financial resilience. Consequently, to mitigate such events and secure the delivery (and security) of day-to-day business, the schedule of call-off would be:

- General Fund (Unallocated) Reserve, and then the
- Budget Surplus Earmarked Reserve.

As an absolute last resort, only then would the Commercial Investment Earmarked Reserve be applied.

Risk Modelling

8.5.5 It is essential that relevant risks are identified, and appropriate sensitivity analysis applied to determine the impact of such risks on the Councils financial standing – and consequently the delivery of the Councils day-to-day business. The most significant potential risks to the budget are:

- under achievement of savings.
- higher inflation.
- further reductions in income (mainly from fees and charges).
- non-achievement of savings; including Shared Services.
- failure of a borrower.
- an emergency.
- estate property enhancement/development.
- increased demand on services (e.g., benefits and homelessness).
- level of retained business rates.

8.5.6 Taking each of the above in turn:

- **Underachievement of Savings & Additional Income**

The savings and increased income budgets included within the budget total £1.76m and cover a broad range of services. Achieving them is dependent on market, management and political conditions prevailing at the time. It is therefore prudent to assume that some of these savings may not be achieved.

- **Inflation**

With regard to:

- Pay
The budget for 2022/23 includes a pay increase of 2% from 1 April 2022. The pay budget also includes increases for the additional 1.25% employers National Insurance increase and for the increase to National Living Wage.
- General Inflation
No general inflation has been included in the 2022/23 budget except where there are contractual price increases; although for the Council this is minimal as most services are “contracted in”.
- Borrowing
The budget for 2022/23 assumes minimal borrowing cost for temporary borrowing (for non-CIS borrowing)

- **Reduced income: Fees and Charges**

Total fees and charges are £17.5m, therefore, for sensitivity analysis a 2% loss of income from fees and charges would amount to £350k. The largest income streams that are susceptible to variation include Car Parks (Off-Street) Leisure Centres, Commercial Estate, and Planning Fees.

- **Reduced income: New Homes Bonus**

For 2022/23 the Councils NHB is £2.1m; it is expected that in due course the government will announce some significant changes to the scheme. The Council has modelled that by 2023/24 the Council will no longer receive such funding.

- **Government Grant: Non-Domestic Rates**

Since the localisation of Non-Domestic Rates in April 2013 it has become increasingly clear that the levels that the authority will be able to retain are more and more difficult to forecast. Whilst there are some opportunities for estimating i.e., the development of new buildings, it is very difficult to judge when development will commence on allocated land even if planning permission has been granted.

Prior to 2017/18, it had been established that the government's assessment of growth for the District was somewhat optimistic when compared to actual growth. Similar to last year, for 2022/23 the Council has taken a more prudent line by formulating its own assessment for NDR receipts. Directly linked to NDR are S.31 grants, this is government grant that compensates local government for it being required to exceed the minimum statutory regulations for certain thresholds as a consequence of government priorities (i.e. increasing the 'small business relief' limit above that required by law). The assessed S.31 receipts for 2022/23 are £2.5m.

- **Failure of a Borrower**

The current counterparty limit is lending of £5.0m to a single institution.

The main "borrowing" risk rests whether the lending is either on a short or long term basis. The £5.0m limit is restricted to bodies with a credit rating of F1+ or Building Societies with more than £2 billion in assets. The impact of a "failure of borrower" will be the loss of revenue cash flow and the potential costs involved of "making good" the lost investment. There are however, good governance arrangements around the Council's Treasury activity and therefore the likelihood of loss is minimal. However, with the current financial impacts still being relatively unknown, it would be prudent to include some sensitivity in respect of cash flow. Therefore, the average amount lent to an institution at any given time is around £4.0m; if this amount was lost and the Council had to borrow from the PWLB, at current rates this would amount to a cost of £40k. This block amount is included in the sensitivity analysis.

- **Emergency**

As is normal for a business, different types of risk are mitigated in many different ways. Some risks are insured against, so losses are limited to the excesses payable and also, the Government's Bellwin Scheme meets a large proportion, over a threshold, of the costs of any significant peacetime emergencies (e.g., pandemics, severe flooding). The Council maintains its General Fund Reserves at a fair 'minimum' level and their use in respect of Mitigation of Unforeseen Events is discussed in detail at paragraphs 8.5.2 and 8.5.3.

With specific regard to flooding, the Council does reside within a flood risk area and there

have been occasions where the Council has been required to meet the cost of local flooding incidents; however, such costs have been met from within current resources. With the reduction in budgets, it is anticipated that such ad-hoc spend will not be able to be as easily accommodated so it would be prudent to include an element within any sensitivity to meet this cost. The Code of Financial Management permits the Managing Director or the Responsible Financial Officer to incur “emergency spend” of up to £500k, with retrospective reporting to Cabinet. A 50% allocation (£250k) of the £500k is included within the sensitivity analysis.

- **Estate property enhancement/development**

With the Council increasing its CIS Estate and the ‘ageing’ of its current Operational Estate, it is fair to include a risk in respect of future property enhancement. For sensitivity modelling purposes, the currently estimated cost of enhancement is £182k for sensitivity purposes if 80% of this was required this would give a cost of £146k.

- **Increased demands on services**

Many of the services provided by the Council are susceptible to an increase in demand. However, over the past few years the most susceptible that have had a significant revenue impact is homelessness.

- **Council Tax**

The Council has chosen to increase Council Tax by £5 this year resulting in an increase of £320k.

Sensitivity for 2022/23 Budget

8.5.7 Considering the risks, budget assumptions, and the likelihood of all these risks occurring at the same time, the council will have sufficient resources to meet the costs of the risks.

8.6 Revenue Reserves

Reserves for 2022/23 and the MTFs Period (2023/24 to 2026/27)

8.6.1 There is no statutory minimum level of reserves, however, as noted at 8.5.2 the minimum threshold for the General Fund (Unallocated) Reserves of £2.175m that Cabinet approved during 2021/22 budget setting will be maintained. The primary aim of the General Fund is to provide a safety net for unforeseen expenditure.

8.6.2 In addition to the General Fund, and as shown in 8.5.2 to 8.5.3 the Council operates several reserves, including the Budget Surplus Reserve, the Commercial Investment Reserve and a number of specific Earmarked Reserves. The purpose of the latter is to meet known potential liabilities arising from statutory commitments, known risks, future or political commitments and costs associated with transformation and commercialisation.

8.7 Conclusion

- **2022/23 Budget**

Considering all the factors noted within the “Robustness” statement in respect of 2022/23, I consider that the combination of the council’s:

- commitment to continue to find service efficiencies,
- intended direction of travel in relation to governance,
- clear intention to invest in services, and
- prudent position relating to income recognition,

The budget proposed for 2022/23 should not give Members any significant concerns over the Council’s financial position.

- **Medium Term Financial Strategy (2023/24 to 2026/27)**

With regard to the period covered by the MTFs; the Council does face some future funding risk with the:

- expected reduction in NHB,
- the implications of Fair Funding and
- the ongoing issues pertaining to the localisation of Business Rates.

However, over the past few years the Council has taken proactive action to address its budgetary concerns and with the planned continuation find efficiencies the Council has a sound financial base upon which it can further develop its aim of financial self-sufficiency.

Eric Symons FCCA

Responsible Financial Officer (Section 151)