

Background papers



Executive Committee

Tue 10 Jan
2023
6.30 pm

Council Chamber
Redditch Town Hall
Walter Stranz Square
Redditch
B98 8AH

REDDITCH BOROUGH COUNCIL

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**If you have any queries on this Agenda please contact
Jess Bayley-Hill**

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Executive

Tuesday, 10th January, 2023

6.30 pm

Council Chamber Town Hall

Agenda

Membership:

| | | |
|--------|------------------------------|----------------|
| Cllrs: | Matthew Dormer (Chair) | Lucy Harrison |
| | Nyear Nazir (Vice- Chair) | Anthony Lovell |
| | Karen Ashley | Emma Marshall |
| | Joanne Beecham | Craig Warhurst |
| | Peter Fleming | |

6. Council Tax Base 2023/24 (Pages 1 - 12)

9. Housing Revenue Account Rent Setting 2023/24 (Pages 13 - 24)

10. Medium Term Financial Plan 2023/24 to 2025/25 - Update (Pages 25 - 56)

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REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE**

14th January 2020

COUNCIL TAX BASE 2020/21

| | |
|----------------------------|--|
| Relevant Portfolio Holder | Cllr. David Thain, Corporate Management Portfolio Holder |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Jayne Pickering, Director of Finance & Resources |
| Wards Affected | All Wards |
| Ward Councillor Consulted | Not Applicable |
| Non-Key Decision | |

1. SUMMARY OF PROPOSALS

To enable Members to set the Council Tax Base for 2020/21

2. RECOMMENDATIONS**2.1 The Committee is asked to RECOMMEND that**

- 1) the calculation of the Council's Tax Base for the whole and parts of the area for 2020/21, be approved; and
- 2) in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the figures calculated by the Redditch Borough Council as its tax base for the whole area for the year 2020/21 be 26,276.50 and for the parts of the area listed below be:

| | |
|---------------------|------------------|
| Parish of Feckenham | 367.50 |
| Rest of Redditch | <u>25,909.00</u> |
| Total for Borough | <u>26,276.50</u> |

3. KEY ISSUES**Financial Implications**

- 3.1 With the introduction of the Council Tax Support Scheme, the base has been calculated and adjusted by the estimated amount of Council Tax Support discounts awardable.

Legal Implications

- 3.2 The Local Authorities (Calculation of Tax Base) Regulations 1992 require a billing authority to notify its major precepting bodies (and its Parishes, if required) of the Tax Base, for the whole or part of the area

REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE****14th January 2020**

for the following financial year. The precepting bodies - Worcestershire County Council, West Mercia Police & Crime Commissioner and Hereford & Worcester Fire & Rescue Authority - need this information in order to calculate and notify the Borough Council of their precept requirements for 2020/21. This will enable tax setting resolutions to be finalised and bills to be produced early in March 2020.

- 3.3 The legislation also requires a billing authority to calculate the tax base for any "special areas" within its boundary. There are no such areas in the Redditch Borough.
- 3.4 It is necessary to outline the method by which these calculations have been carried out so that the Council can formally adopt them for the purposes of the 1992 Regulations.

Service/Operational Implications

- 3.5 In October 2019, form CTB1 was submitted to the Department for Communities and Local Government. This analyses the draft Valuation List of properties into the various bands and then provides further details of those properties which are subject to the full charge, those entitled to discounts and those which are exempt.
- 3.6 This report is a summary of that return updated to include any known changes since November. It also makes provision for anticipated changes which could arise for a variety of reasons such as appeals, new properties or properties falling off the list. An allowance of 2.00% has been made for non-collection of the tax.
- 3.7 The Council is required to set a Council Tax Base each year, this forms part of the process of setting the following year budget. Failure to do so will result in the Council not being a Well Managed Organisation.

Customer / Equalities and Diversity Implications

- 3.8 The Tax Base for 2020/21 has been calculated to be **26,276.50**. Once this has been agreed, the County Council, Police & Crime Commissioner and Fire Authority will be notified and the figures will be used in the setting of the Council Tax to be presented to the Executive Committee and approved by the Council on 24th February 2020.

4. RISK MANAGEMENT

There is no identified risk associated with the proposal contained in this report.

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14th January 2020

5. **APPENDICES**

None

6. **BACKGROUND PAPERS**

Held within Revenue Services

AUTHOR OF REPORT

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REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE**

12th January 2021

COUNCIL TAX BASE 2021/22

| | |
|----------------------------|--|
| Relevant Portfolio Holder | Cllr. David Thain, Corporate Management Portfolio Holder |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Chris Forrester |
| Wards Affected | All Wards |
| Ward Councillor Consulted | Not Applicable |
| Non-Key Decision | |

1. SUMMARY OF PROPOSALS

To enable Members to set the Council Tax Base for 2021/22

2. RECOMMENDATIONS**2.1 The Committee is asked to RECOMMEND that**

- 1) the calculation of the Council's Tax Base for the whole and parts of the area for 2021/22, be approved; and
- 2) in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the figures calculated by the Redditch Borough Council as its tax base for the whole area for the year 2020/21 be 26,158.13 and for the parts of the area listed below be:

| | |
|---------------------|------------------|
| Parish of Feckenham | 367.22 |
| Rest of Redditch | <u>25,790.91</u> |
| Total for Borough | <u>26,158.13</u> |

3. KEY ISSUES**Financial Implications**

- 3.1 The tax base has been calculated and adjusted by the estimated amount of Council Tax Support discounts awardable.

Legal Implications

- 3.2 The Local Authorities (Calculation of Tax Base) Regulations 1992 require a billing authority to notify its major precepting bodies (and its Parishes, if required) of the Tax Base, for the whole or part of the area for the following financial year. The precepting bodies - Worcestershire County Council, West Mercia Police & Crime Commissioner and

REDDITCH BOROUGH COUNCIL**EXECUTIVE
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12th January 2021

Hereford & Worcester Fire & Rescue Authority - need this information in order to calculate and notify the Borough Council of their precept requirements for 2021/22. This will enable tax setting resolutions to be finalised and bills to be produced early in March 2021.

- 3.3 The legislation also requires a billing authority to calculate the tax base for any "special areas" within its boundary. There are no such areas in the Redditch Borough.
- 3.4 It is necessary to outline the method by which these calculations have been carried out so that the Council can formally adopt them for the purposes of the 1992 Regulations.

Service/Operational Implications

- 3.5 In October 2020, form CTB1 was submitted to the Department for Communities and Local Government. This analyses the draft Valuation List of properties into the various bands and then provides further details of those properties which are subject to the full charge, those entitled to discounts and those which are exempt.
- 3.6 This report is a summary of that return updated to include any known changes since November. It also makes provision for anticipated changes which could arise for a variety of reasons such as appeals, new properties or properties falling off the list. An allowance of 2.00% has been made for non-collection of the tax.
- 3.7 The Council is required to set a Council Tax Base each year, this forms part of the process of setting the following year budget. Failure to do so will result in the Council not being a Well Managed Organisation.

Customer / Equalities and Diversity Implications

- 3.8 The Tax Base for 2021/22 has been calculated to be **26,158.13**. Once this has been agreed, the County Council, Police & Crime Commissioner and Fire Authority will be notified and the figures will be used in the setting of the Council Tax to be presented to the Executive Committee and approved by the Council in February 2021.

4. RISK MANAGEMENT

There is no identified risk associated with the proposal contained in this report.

5. APPENDICES

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12th January 2021

None

6. **BACKGROUND PAPERS**

Held within Revenue Services

AUTHOR OF REPORT

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REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE**

11th January 2022

COUNCIL TAX BASE 2022/23

| | |
|---|---|
| Relevant Portfolio Holder | Cllr. Mike Rouse, Finance and Enabling Portfolio Holder |
| Portfolio Holder Consulted | |
| Relevant Head of Service | Chris Forrester |
| Report Author | Job Title: Head of Finance & Customer Services email:chris.forrester@bromsgroveandredditch.gov.uk Contact Tel: 0152764252 |
| Wards Affected | N/A |
| Ward Councillor(s) consulted | |
| Relevant Strategic Purpose(s) | |
| Non-Key Decision | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | |
| This report contains exempt information as defined in Paragraph(s) of Part I of Schedule 12A to the Local Government Act 1972, as amended | |

1. SUMMARY OF PROPOSALS

To enable Members to set the Council Tax Base for 2022/23.

2. RECOMMENDATIONS**2.1 The Committee is asked to RECOMMEND that**

- 1) the calculation of the Council's Tax Base for the whole and parts of the area for 2022/23, be approved; and
- 2) in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992, the figures calculated by the Redditch Borough Council as its tax base for the whole area for the year 2022/23 be 26,546.63 and for the parts of the area listed below be:

| | |
|---------------------|------------------|
| Parish of Feckenham | 374.52 |
| Rest of Redditch | <u>26,172.11</u> |
| Total for Borough | <u>26,546.63</u> |

3. KEY ISSUES**Financial Implications**

- 3.1 The tax base has been calculated and adjusted by the estimated amount of Council Tax Support discounts awardable.

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Legal Implications

- 3.2 The Local Authorities (Calculation of Tax Base) Regulations 1992 require a billing authority to notify its major precepting bodies (and its Parishes, if required) of the Tax Base, for the whole or part of the area for the following financial year. The precepting bodies - Worcestershire County Council, West Mercia Police & Crime Commissioner and Hereford & Worcester Fire & Rescue Authority - need this information in order to calculate and notify the Borough Council of their precept requirements for 2022/23. This will enable tax setting resolutions to be finalised and bills to be produced early in March 2022.
- 3.3 The legislation also requires a billing authority to calculate the tax base for any "special areas" within its boundary. There are no such areas in the Redditch Borough.
- 3.4 It is necessary to outline the method by which these calculations have been carried out so that the Council can formally adopt them for the purposes of the 1992 Regulations.

Service/Operational Implications

- 3.5 In October 2020, form CTB1 was submitted to the Department for Communities and Local Government. This analyses the draft Valuation List of properties into the various bands and then provides further details of those properties which are subject to the full charge, those entitled to discounts and those which are exempt.
- 3.6 This report is a summary of that return updated to include any known changes since November. It also makes provision for anticipated changes which could arise for a variety of reasons such as appeals, new properties or properties falling off the list. An allowance of 1.00% has been made for non-collection of the tax.
- 3.7 The Council is required to set a Council Tax Base each year, this forms part of the process of setting the following year budget. Failure to do so will result in the Council not being a Well Managed Organisation.

Customer / Equalities and Diversity Implications

- 3.8 The Tax Base for 2022/23 has been calculated to be **26,546.63**. Once this has been agreed, the County Council, Police & Crime Commissioner and Fire Authority will be notified and the figures will be used in the setting of the Council Tax to be presented to the Executive Committee and approved by the Council in February 2022.

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11th January 2022

4. **RISK MANAGEMENT**

There is no identified risk associated with the proposal contained in this report.

5. **APPENDICES**

None

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REDDITCH BOROUGH COUNCIL**EXECUTIVE
COMMITTEE**

19th December 2020

HOUSING REVENUE ACCOUNT RENT SETTING 2020/21

| | |
|----------------------------|--|
| Relevant Portfolio Holder | Councillor Craig Warhurst, Portfolio Holder for Housing |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Jayne Pickering, Director Finance & Resources Judith Willis, Head of Community Services |
| Wards Affected | All Wards |
| Ward Councillor Consulted | N/A |
| Key Decision | |

1. SUMMARY OF PROPOSALS

To present Members with the proposed dwelling rent increase for 2020/21.

2. RECOMMENDATIONS

The Committee is asked to RECOMMEND to Council that

the actual average rent increase for 2020/21 be set as September 2019 CPI, 1.7%, plus 1% resulting in an increase of 2.7%

3. KEY ISSUESFinancial Implications

- 3.1 The rent increase above is in line with Government guidance on rent increases. It is set as September 2019 CPI, 1.7%, plus 1% resulting in an increase of 2.7%.
- 3.2 As members are aware the system of housing revenue account subsidy ceased on the 31st March 2012 and was replaced with a devolved system of council housing finance called self-financing. The proposal in the form of a financial settlement meant a redistribution of the 'national' housing debt. This resulted in the Council borrowing £98.9 million from the Public Works Loan Board.
- 3.3 Self-financing placed a limit (Debt Cap) on borrowing for housing purposes at the closing position for 2011/12 at £122.2 million, however it has been announced that this debt cap has now been removed.

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- 3.4 The Welfare Reform and Work Act 2016 set out that rents within the social housing sector were to decrease by 1% each year for 4 years commencing on 1st April 2016. This has now come to an end, and the Council is able to increase rents again.

2020/21

- 3.5 For 2020/21, based on the legislative changes, the actual average rent increase will be 2.7%. The average rent on a 52 week basis will be £79.28 for 52 weeks or £85.89 on a 48 week basis. This compares to the average for 2019/20 on a 52 week basis of £77.02 and £83.44 on a 48 week basis.

Legal Implications

- 3.6 Section 21 of the Welfare and Reform Act 2016 required 'In relation to each relevant year, registered providers of social housing must secure that the amount of rent payable in respect of that relevant year by a tenant of their social housing in England is at least 1% less than the amount of rent that was payable by the tenant in respect of the preceding 12 months.' This has now come to an end, and on 4 October 2017, DCLG announced that "increases to social housing rents will be limited to CPI plus 1% for 5 years from 2020."
- 3.7 Consultation on a new rent direction took place between September and November 2018. The response to the consultation was published on 26 February 2019 with the Government confirming the October 2017 announcement.

Service/Operational Implications

- 3.8 The Council needs to approve the rents in a timely manner in order to allow officer time to notify the tenants of the annual rent. Tenants must have 28 calendar days' notice of any change to their rent charge.

Customer/Equalities and Diversity Implications

- 3.9 The rent increase will be applied by the same percentage regardless of property size. The equality and diversity implications of the changes will be evaluated and considered as part of the decision making process.

4. RISK MANAGEMENT

**EXECUTIVE
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- 4.1 There is a risk to that rents are not approved in sufficient time to allow for notification of tenants of the increase. This will be monitored throughout the process.

5. APPENDICES

None

6. BACKGROUND PAPERS

None.

AUTHOR OF REPORT

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REDDITCH BOROUGH COUNCILEXECUTIVE COMMITTEE12th January 2021HOUSING REVENUE ACCOUNT RENT SETTING 2021/22

| | |
|----------------------------|---|
| Relevant Portfolio Holder | Councillor Craig Warhurst, Portfolio Holder for Housing |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Chris Forrester |
| Wards Affected | All Wards |
| Ward Councillor Consulted | N/A |
| Key Decision | |

1. SUMMARY OF PROPOSALS

To present Members with the proposed dwelling rent increase for 2021/22.

2. RECOMMENDATIONS

The Committee is asked to **RECOMMEND** to Council that

- **the actual average rent increase for 2021/22 be set as September 2020 CPI, 0.5%, plus 1% resulting in an increase of 1.5%.**

3. KEY ISSUESFinancial Implications

- 3.1 The rent increase above is in line with Government guidance on rent increases. It is set as September 2020 CPI, 0.5%, plus 1% resulting in an increase of 1.5%.
- 3.2 As members are aware the system of housing revenue account subsidy ceased on the 31st March 2012 and was replaced with a devolved system of council housing finance called self-financing. The proposal in the form of a financial settlement meant a redistribution of the 'national' housing debt. This resulted in the Council borrowing £98.9 million from the Public Works Loan Board.
- 3.3 Self-financing placed a limit (Debt Cap) on borrowing for housing purposes at the closing position for 2011/12 at £122.2 million, however, the debt cap has now been removed and officers are currently reviewing implications of this change on councils future Social housing growth strategy.

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE****12th January 2021**

- 3.4 The Direction on the Rent Standard 2019 issued by the Government in February 2019 confirmed that from 1 April 2020 weekly dwelling rents can be increased in line with CPI inflation (Consumer Price Index), plus 1% for the 5 year period through to 2024/25. This is the second year following the new rent standard guidance.

2021/22

- 3.5 For 2021/22, based on the legislative changes, the actual average rent increase will be 1.5%. The average rent on a 52 week basis will be £80.63 or £87.35 on a 48 week basis. This compares to the average for 2020/21 on a 52 week basis of £79.28 and £85.89 on a 48 week basis.

Legal Implications

- 3.6 Section 21 of the Welfare and Reform Act 2016 required 'In relation to each relevant year, registered providers of social housing must secure that the amount of rent payable in respect of that relevant year by a tenant of their social housing in England is at least 1% less than the amount of rent that was payable by the tenant in respect of the preceding 12 months.' This has now come to an end, and on 4 October 2017, DCLG announced that "increases to social housing rents will be limited to CPI plus 1% for 5 years from 2020."
- 3.7 Consultation on a new rent direction took place between September and November 2018. The response to the consultation was published on 26 February 2019 with the Government confirming the October 2017 announcement.

Service/Operational Implications

- 3.8 The Council needs to approve the rents in a timely manner in order to allow officer time to notify the tenants of the annual rent. Tenants must have 28 calendar days' notice of any change to their rent charge.

Customer/Equalities and Diversity Implications

- 3.9 The rent increase will be applied by the same percentage regardless of property size. The equality and diversity implications of the changes will be evaluated and considered as part of the decision making process.

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE****12th January 2021**

4. RISK MANAGEMENT

- 4.1 There is a risk to that rents are not approved in sufficient time to allow for notification of tenants of the increase. This will be monitored throughout the process.

5. APPENDICES

None

6. BACKGROUND PAPERS

None.

AUTHOR OF REPORT

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REDDITCH BOROUGH COUNCILEXECUTIVE COMMITTEE11th January 2022HOUSING REVENUE ACCOUNT RENT SETTING 2022/23

| | |
|----------------------------|---|
| Relevant Portfolio Holder | Councillor Craig Warhurst, Portfolio Holder for Housing |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Chris Forrester |
| Wards Affected | All Wards |
| Ward Councillor Consulted | N/A |
| Non-Key Decision | |

1. SUMMARY OF PROPOSALS

To present Members with the proposed dwelling rent increase for 2022/23.

2. RECOMMENDATIONS

The Committee is asked to **RECOMMEND** to Council that

- **the actual average rent increase for 2022/23 be set as September 2021 CPI, 3.1%, plus 1% resulting in an increase of 4.1%.**
- **when void social rent properties are re-let. The rent will be set at the recalculated Target Rent (Formula Rent) for the new tenant.**

3. KEY ISSUESFinancial Implications

- 3.1 The rent increase above is in line with Government guidance on rent increases. It is set as September 2021 CPI, 3.1%, plus 1% resulting in an increase of 4.1%.
- 3.2 The Council has some dwellings with actual rent charge below Target Rent (Formula Rent) levels. In line with the Government's rent standard for social rents, when these void properties are re-let, the rent will be set at the re-calculated target rent for a new tenant. This represents a minimum of £2k additional income to the HRA if these properties are let for a full year.
- 3.3 As members are aware the system of housing revenue account subsidy ceased on the 31st of March 2012 and was replaced with a devolved system of council housing finance called self-financing. The proposal in the form of a financial settlement meant a redistribution of

REDDITCH BOROUGH COUNCILEXECUTIVE COMMITTEE11th January 2022

the 'national' housing debt. This resulted in the Council borrowing £98.9 million from the Public Works Loan Board.

- 3.4 Self-financing placed a limit (Debt Cap) on borrowing for housing purposes at the closing position for 2011/12 at £122.2 million, however, the debt cap has now been removed and officers are currently reviewing implications of this change on councils future social housing growth strategy.
- 3.5 The Direction on the Rent Standard 2019 issued by the Government in February 2019 confirmed that from 1 April 2020 weekly dwelling rents can be increased in line with CPI inflation (Consumer Price Index), plus 1% for the 5 year period through to 2024/25. This is the third year following the new rent standard guidance.

2022/23

- 3.6 For 2022/23, based on the legislative changes, the actual average rent increase will be 4.1%. The average rent on a 52 week basis will be £84.07 or £91.07 on a 48 week basis. This compares to the average for 2021/22 on a 52 week basis of £80.63 and £87.35 on a 48 week basis.

Legal Implications

- 3.7 Section 21 of the Welfare and Reform Act 2016 required 'In relation to each relevant year, registered providers of social housing must secure that the amount of rent payable in respect of that relevant year by a tenant of their social housing in England is at least 1% less than the amount of rent that was payable by the tenant in respect of the preceding 12 months.' This has now come to an end, and on 4 October 2017, DCLG announced that "increases to social housing rents will be limited to CPI plus 1% for 5 years from 2020."
- 3.8 Consultation on a new rent direction took place between September and November 2018. The response to the consultation was published on 26 February 2019 with the Government confirming the October 2017 announcement.

Service/Operational Implications

- 3.9 The Council needs to approve the rents in a timely manner in order to allow officer time to notify the tenants of the annual rent. Tenants must have 28 calendar days' notice of any change to their rent charge.

Customer/Equalities and Diversity Implications

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE****11th January 2022**

- 3.10 The rent increase will be applied by the same percentage regardless of property size. The equality and diversity implications of the changes will be evaluated and considered as part of the decision making process.

4. RISK MANAGEMENT

- 4.1 There is a risk to that rents are not approved in sufficient time to allow for notification of tenants of the increase. This will be monitored throughout the process.

5. APPENDICES

None

6. BACKGROUND PAPERS

None.

AUTHOR OF REPORT

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Tel: 01527 64252

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Executive Committee

21st February 2022

THE COUNCIL'S 2022/23 BUDGET AND MEDIUM TERM FINANCIAL PLAN FOR 2022/23 TO 2024/25

| | |
|--|--|
| Relevant Portfolio Holder | Councillor Mike Rouse |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Chris Forrester |
| Report Author | Name: Chris Forrester Job Title: Head of Service email: chris.forrester@bromsgroveandredditch.gov.uk |
| Wards Affected | N/A |
| Ward Councillor(s) consulted | N/A |
| Relevant Strategic Purpose(s) | All |
| Non-Key Decision | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | |

1. RECOMMENDATIONS**1.1 The Executive Committee RECOMMEND that Full Council approve: -****1) the overall net general fund revenue budgets (as set out in Section 4.9) of:**

2022/23: £10.520m
2023/24: £10.289m
2024/25: £10.428m

2) the unavoidable costs as attached at Appendix 1:

2022/23: £0.427m
2023/24: £0.140m
2024/25: £0.134m

3) the Revenue Bids as attached at Appendix 2:

2022/23: £0.191m
2023/24: £0.150m
2024/25: £0.128m

4) the Identified Savings as attached at Appendix 3:

2022/23: £0.305m
2023/24: £0.327m
2024/25: £0.327m

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- 5) an increase of the Council Tax per Band D equivalent of £5 for 2022/23.
- 6) the transfer from General Fund Balances of £0.282m for 2022/23.
- 7) the planned reallocation of £0.238m from Earmarked reserves to General Fund Balances as set out at Appendix 5.
- 8) the General Fund capital programme as at Appendix 4 of:

| | |
|----------|---------|
| 2022/23: | £4.257m |
| 2023/24: | £2.407m |
| 2024/25: | £1.930m |
- 9) the Housing Revenue Account Budget at Appendix 6 of:

| | |
|----------|----------|
| 2022/23: | £25.390m |
| 2023/24: | £25.074m |
| 2024/25: | £25.545m |
- 10) the Housing Revenue Account Capital Programme at Appendix 7 of:

| | |
|----------|----------|
| 2022/23: | £14.180m |
| 2023/24: | £12.580m |
| 2024/25: | £12.580m |

1.2 And that the Executive Committee ask the Council to note

- 1) the 2020/21 Capital Outturn as reported at Appendix 9.
- 2) The Chief Financial Officer (CFO) Opinion on Estimates and Reserve Levels as reported in Appendix 8.

2. BACKGROUND**Purpose**

- 2.1 The purpose of this report is to set the Council's (General Fund) Revenue and Capital Budget for 2022/23, as well as the Medium-Term Financial Plan (MTFP) for the period 2022/23 to 2024/25. Also, to set the Housing Revenue Account Budget (Capital and Revenue) for 2022/23.
- 2.2 The Council's Medium Term Financial Plan (MTFP) provides the framework within which the revenue and capital spending decisions can be made.

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2.3 The Strategic Purposes that drive the financial considerations are:

- Run and grow successful business
- Finding somewhere to live
- Aspiration, work & financial independence
- Living independent, active & healthy lives
- Communities which are safe, well maintained & green

2.4 This report includes recommendations to Council to enable a balanced budget to be set for 2022/23 and the proposed Council Tax for 2022/23. The recommendations will then be presented to Council on 21st February 2022 together with the resolutions once we have received all the precepting bodies Council Tax calculations.

Financial Context

2.5 The Council faces a challenging financial context having:

- i) previously received a statutory recommendation from its external auditors under section 24 of the Local Audit and Accountability Act 2014 in relation to its financial position (noting that due to the positive steps taken by the Council this recommendation has not been re-issued by the external auditor in the past year);
- ii) identified (but still needs to deliver) significant savings over the medium term;
- iii) reserve balances (General and HRA) only marginally above minimum levels; and
- iv) high levels of planning uncertainty with regards to the levels of available funding in coming years

2.6 The Council therefore needs to continue to carefully consider how it prioritises resources and balances budgets in a sustainable and affordable way, as part of this (and future) budget round(s).

2.7 Members and officers have therefore reviewed the services provided by the Council over the last 6 months to consider the levels of funding available to the Council and identified where potential savings can be made or additional income generated.

2.8 The Budget Scrutiny working group as established by the Overview and Scrutiny Committee has met on a regular basis to review budget related issues (including reports on underlying risks, pressures and uncertainties as well as income matters and fees and charges opportunities).

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Unprecedented Levels of Uncertainty

- 2.9 It should be noted that the future of the system of local government finance remains uncertain. The government has committed to re-assess the baseline need for spend in each local authority (through its 'Fair Funding review'). This has been pushed back (again) to 2023/24 at the earliest - but is still expected to happen. This review will have a significant impact on the government's calculation of the Settlement Funding Assessment for (and therefore the amount of funding available to) this council - and remains therefore a significant risk.
- 2.10 It also remains uncertain as to what the Government's plans are with regards to the system of business rates - including the share of business rates retained locally.
- 2.11 A one-year provisional Local Government Finance Settlement was announced on 16th December 2021 and has been incorporated into this report. It remains unclear as to when Government will announce more funding certainty through a multi-year financial settlement for Local Government.
- 2.12 Furthermore, the short, medium and long term impact of the Covid- 19 pandemic and UK's exit from the European Union (on residents, the economy and the state of national and local government finance) remains uncertain.
- 2.13 Taken together therefore (the outcome of the fair funding review, the future of business rates and the local government financial settlement, COVID-19, Brexit and the state of the local and national economy) represents a challenging context within which to set the budget and MTFP - one characterised by an unprecedented level of uncertainty.

3. FINANCIAL IMPLICATIONS

- 3.1 In order to clearly explain the basis of the Budget proposals this report (which sets out all financial implications) will be structured as follows:

4) General Fund Revenue**i. The Prior Year MTFP 2021/22 – 2023/24**

This section which will summarise the previous Council approved MTFP as a reminder of the previously approved starting point.

ii. Updated Forecast Outturn Position for 2021/22

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This section will update the starting revenue position for 21/22 and therefore update the opening balances for 22/23.

iii. The 22/23 Budget and (updated) MTFP for the period 22/23 – 24/25

This section will set out the updated Budget and MTFP forecast for approval.

iv. The Updated MTFP and General Fund Forecasts

This section will summarise the impact of the updated 22/23 Budget and MTFP forecast on the Council's General Fund balance position over the medium term.

v. Reconciling the current updated MTFP to the Feb 2021 Approved MTFP

This section will analyse and explain the movements from the previous approved Budget and MTFP to the updated 22/23 Budget and MTFP.

vi. Council Tax increase

vii. Covid General Grant

This section summarises the position on general Covid grant funding received by the Council.

viii. Reallocation of Earmarked Reserves to General Fund

This section sets out those reserves previously earmarked for specific purposes that can be release back to the General Fund Reserve.

5) Collection Fund and Precepts

6) Housing Revenue Account

7) Capital Programme

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4. GENERAL FUND REVENUE**The Prior Year MTFP 2021/22 – 2023/24 (approved February 2021)**

- 4.1 The Council's MTFP is updated annually and was previously approved for the three year period 2021/22 to 2024/25 by full Council in February 2021.
- 4.2 The following table sets out what, at that point (Feb 2021) the MTFP forecast in terms of annual budget deficits and opening and closing general fund balances.

Table 1: The Prior Year MTFP and General Fund Balance Forecasts

| General Fund | 21/22 | 22/23 | 23/24 |
|----------------------------|---------------|---------------|---------------|
| | £000's | £000's | £000's |
| Opening Balance | 1,831 | 1,875 | 1,613 |
| Annual (Deficit) / Surplus | 44 | -261 | -761 |
| Closing Balance | 1,875 | 1,613 | 852 |

- 4.3 Table 1 shows that the previously (Feb 2021) approved MTFP predicted a surplus of £44k in 2021/22. The Council was expected to move to an in-year deficit position of £0.261 million in 2022/23 and £0.761 million in 2023/24.
- 4.4 Annual deficits require the Council to utilise its General Reserve balances. As at February 2021, the MTFP, based on the annual deficits forecast above, showed that the Council's General Fund Balances would reduce from £1.831 million a 1st April 2021 to £0.852 million at 31st March 2024.

Updated Forecast Outturn Position for 2021/22

- 4.5 Since the previous MTFP in February 2021, the final outturn position for 2020/21 allowed General Fund reserves of £2.2m to be carried forward as at 1 April 2021. This actual position represented a £0.374 million increase on the value assumed when the MTFP was approved in Feb 2021.
- 4.6 The outturn position for this current year (2021/22) is forecast to break even against budget (of a £0.044m surplus as approved by Council back in February 2021) after allocation of Covid Grant (but before any transfers from Earmarked Reserves).

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The 22/23 Budget and (updated) MTFP for the period 22/23 – 24/25

- 4.7 The MTFP has been updated for the period 2022/23 to 2024/25 to model the impact of changes in assumptions, budgetary pressures, reductions in funding and savings.
- 4.8 The 22/23 Budget and updated MTFP is summarised (in terms of its annual revenue and general fund forecasts) for the period 2022/23 to 2024/25 in the table below:
- 4.9 The proposed budget is summarised in the table below

Table 2: The Updated MTFP and Annual Revenue Budgets

| | 2022-23 £000 | 2023-24 £000 | 2024-25 £000 |
|--|-------------------------|-------------------------|-------------------------|
| Departmental base budget | 10,064 | 10,051 | 10,132 |
| Incremental Progression | 144 | 275 | 361 |
| Unavoidable Pressures | 427 | 140 | 134 |
| Revenue Bids/Revenue impact of capital bids | 191 | 150 | 128 |
| Savings and Additional income | -305 | -327 | -327 |
| Changes in Specific Grant/Funding Movements | 0 | 0 | 0 |
| Net Revenue Budget Requirement | 10,520 | 10,289 | 10,428 |
| FINANCING | | | |
| Reserve release | -100 | 0 | 0 |
| Lower Tier Services Grant | -100 | 0 | 0 |
| Business Rates Net Position | -2,985 | -2,985 | -2,985 |
| Council Tax | -6,747 | -6,941 | -7,031 |
| Collection Fund Deficit (Council Tax) | -180 | 0 | |
| New Homes Bonus | -330 | 0 | |
| Investment Income | -673 | -673 | -673 |
| MRP (Principal) | 959 | 1,098 | 1,046 |
| Interest payable | 218 | 220 | 218 |
| Discount on advanced pension payment | -301 | -60 | -170 |
| Funding Total | -10,238 | -9,341 | -9,595 |
| General Balances | 2022-23 £000 | 2023-24 £000 | 2024-25 £000 |
| Estimated opening balances 22/23 (projected) | 2,292 | 2,010 | 1,061 |
| Contribution (from) / to General Balances | -282 | -949 | -833 |
| Closing Balances | 2,010 | 1,061 | 228 |

Explanatory Notes re Table 2

- 1) All Service Teams / Departments have a base budget which includes staff budgets.
- 2) Staff budgets are subject to incremental progression as staff become more experienced within graded posts.
- 3) A number of budget pressures that have been deemed “unavoidable” and are further analysed in this report.

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- 4) Budget setting includes a 'bidding process' for additional resources – set out below.
- 5) Budget setting includes the identification of savings and income – set out below.
- 6) Specific grant funding, where confirmed, is set against services as appropriate.
- 7) Financing includes an element of planned reserve usage.
- 8) The Council receives a 'Lower Tier' grant from Central Government.
- 9) The Council retains an element of its business rates receipts to fund services.
- 10) The Council retains its own element of council tax bills (it collects for all precepting authorities). The budget includes an increase of £5 (band D) - the maximum allowable without a referendum.
- 11) A element of Collection Fund surplus / deficit impacts on the Council General Fund.
- 12) New Homes Bonus has been confirmed by Central Government.
- 13) The Council earns interest on investment balances.
- 14) Minimum Revenue Provision costs reflect capital borrowing / repayment costs.
- 15) Borrowing costs based on forecast interest rates.
- 16) The Council has benefitted financially from paying some of its Pension commitments calculated at the last Actuarial Review in one lump sum (to Worcestershire Local Government Pension Fund).

- 4.10 The above table sets out how the Council's expenditure profile will be met by a combination of external funding and use of reserves over the period.
- 4.11 The table also shows that the General Reserve Balance is forecast to remain above minimum levels (currently set at £1.5m) until partway through the 23/24 financial year.

Analysis of key changes to the MTFP – Forecast General Fund Balances

- 4.12 The following table sets out how the draft MTFP (as summarised in Section 4.9) compares to the previous MTFP in terms of forecast closing general fund balances:
- 4.13 Table 3: The Updated (versus Previous) MTFP and General Fund Forecasts

| General Fund Closing Balance | 21/22 £000's | 22/23 £000's | 23/24 £000's | 24/25 £000's |
|-------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Previous | 1,875 | 1,613 | 852 | N/A |
| Updated | 2,292 | 2,010 | 1,061 | 228 |

Note: It should be noted that the analysis in Table 3 excludes the £0.238 million or Earmarked Reserves provisionally identified for release back to the General Fund Reserve at the end of the current 21/22 year within Appendix 5.

- 4.14 Table 3 above shows that the 2021/22 General Fund closing position is now forecast to be improved (£2.292 million as opposed to £1.875 million) than that forecast when the budget was approved in Feb 2021. This is due to a more favourable outturn for 2020/21 than anticipated at

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February 2021 (when the budget was set). Reasons for this include lower than anticipated borrowing costs and some Covid related savings particularly on premises costs.

- 4.15 The table demonstrates that the updated MTFP forecasts a General Fund Balance of £2.01 million at the end of 2022/23 which remains above minimum set levels of £1.5 million.
- 4.16 Table 3 also shows that the General Fund is now forecast to total £1.061 million at the end of 2023/24 (compared to £0.852 million in the previous MTFP) falling below minimum adequate levels (which have been set at £1.5 million) during that year. Savings, increased income levels, additional government resources or a favourable Fair Funding Review will therefore be necessary to ensure above minimum levels of reserves over the medium term. Further action is therefore needed as a matter of urgency.

Reconciling the current updated MTFP to the Feb 2021 Approved MTFP

- 4.17 Changes need to be made to the Council's budget and MTFP to keep them up to date and robust. In order to make these changes as transparent as possible these changes have been summarised in Table 4 below.
- 4.18 Table 4: Reconciliation of Previous and Updated MTFP - Adjustments made to the Annual Budget Forecasts

| | 22/23 | 23/24 |
|--|--------------|--------------|
| | £000s | £000s |
| Previous Forecast Deficit | 261 | 761 |
| + Corrections and Assumption changes | 135 | 225 |
| + Pressures | 427 | 140 |
| + Funding impact | -436 | 0 |
| + Resource Planning and Prioritisation (RPP) | -105 | -177 |
| = Updated Forecast Surplus / Deficit | 282 | 949 |

- 4.19 The above summary shows that the annual budget deficits (before appropriation of General Fund Balances or General Covid Grant) are now forecast at £282k for 2022/23 (previously £0.261m), and £949k for 23/24 (previously £0.761m).
- 4.20 In order to better explain what is driving these changes in budget forecasts, this summary is further explained and analysed below:

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Corrections and Assumption changes (£135k in 22/23)

- 4.21 All budgets include estimates and assumptions. Eg. Inflation and interest rates, Government grants, council tax base and collection rates. These are updated annually.
- 4.22 One of the outcomes of budgetary control, closedown and setting procedures is also the identification of inaccuracies. There are a large number of such amendments which are individually usually small. The larger factors to the overall changes here include:
- Inflation. One of the pressures to the budget is general inflation on utility costs along with additional costs in relation to pay. The costs relating to pay inflation are above that initially anticipated. The original budget included a 1% pay award however the best estimate is now 2% which adds an additional pressure of circa £80k pa. Other pressures have been contained within budgets where possible.
 - MRP, interest costs and investment income budgets lines have all been reviewed and reduced compared to prior year forecasts. These changes are due to a review of the capital programme to reflect more accurately planned spend. This reduces significantly MRP and borrowing costs – but also investment income (which has also been revised to take account of the short-term focus on delivering the Towns Fund rather than alternative strategic investments). The overall net impact is therefore minimal.

Pressures

- 4.23 Expenditure (and income) budgets required to deliver previously approved strategies and plans are subject to a multitude of market forces, sector issues, demographics and other matters.
- **Unavoidable Costs (£427k in 22/23).** When proposing the budget officers have also identified a number of budget pressures that have been deemed “unavoidable”. These unavoidable pressures include the ongoing effects of pressures identified during 2021/22 together with any issues that have been raised as fundamental to maintaining service provision as part of the budget process. In addition, income shortfalls that cannot be managed by improved marketing or price increases have been addressed during the budget planning.
 - Unavoidable pressures include a £319k pressure specifically relating to Rubicon Leisure. This is the best and latest estimate (based on meetings with senior Rubicon management) of the impact of Covid-19 on footfall and therefore the financial position of Rubicon (and therefore our management fee). While this is considerably lower than

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annual additional cost estimated this time last year (of up to circa £1.2m additional), it remains a pressure that will only be covered by remaining Covid General Fund grant funding in the short term.

Resource Planning and Prioritisation (RPP):

4.24 RPP is the outcome of the steps taken to identify options to do things differently and more efficiently, to identify savings but also required areas of investment. It is the culmination of a 'check and challenge' process with regards to the Council's budgets, led by the Corporate Management Team and presented to Cabinet (and ultimately full Council). It is a critical element of the Council operating within available resources.

- **Bids (£190k in 22/23).** In addition to the unavoidable pressure's revenue bids have been identified and included at Appendix 2. Bids relate to new funding requests made by officers to improve service delivery or to realise future efficiencies. Revenue 'bids' included in these budget proposals include developments relating to ICT (re maintaining core digital and cyber security related infrastructure) and supporting greater agile work. Work is also planned in relation to lower carbon emissions which requires investment. Additional capacity is also required for Business Improvement activity.
- **Identified Savings/additional income (£304k in 22/23).** A number of savings have been identified which are set out in Appendix 3. These relate to a variety of areas and relate to delivering efficiencies (eg cutting paper and print costs and reduced insurance costs), additional income (eg bulky waste and lifeline), and investigating and implementing alternative arrangements (eg cash payments alternatives).

Funding Impact (£436k in 22/23)

4.25 The main factors to the changes related to funding include:

- **Lower Tier Services Grant (£0.1m).** The finance settlement in December announced we are due to receive a Lower Tier Services Grant for £0.1million in 2022/23 not previously budgeted for. This grant is intended to compensate those local authorities whose core spending power did not increase in the finance settlement.
- **New Homes Bonus (NHB) (£0.121m).** The amount of NHB for 2022/23 has been confirmed as £0.3 million which is £121k more than anticipated in the MTFP. This is due to the Government funding an additional year of New Homes Bonus.

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- The Councils share of the **Collection Fund surplus is £182k** which was not budgeted for previously.

Council Tax Increase

- 4.26 As part of the Financial Settlement the Council can increase Council Tax by up to 2% or £5 whichever is higher without the need for a referendum. These budget proposals include £5 increase for 2022/23 (Band D). The Council Tax relating to the Councils services will rise for Band D from £249.15 to £254.15. This is unchanged from the previous approved MTFP.

Covid General Grant

- 4.29 In recognition of this negative impact on the Council's resources (and particularly for councils reduced income levels achievable for car parks and Leisure), the Council was awarded £1.952 million of General Covid-19 Grant across a number of tranches received in 2020/21 and the early part of 2021/22.
- 4.30 After allocating this funds against Covid related pressures in 20/21 some £1.077m of this grant was carried forward to the current financial year (ie 21/22). It is forecast that £292k of this General Covid Grant will be carried forward at 31/3/2022 (after funding the negative impact on 21/22 Budgets). This will be available (alongside General Fund balances) to mitigate pressures on budgets – at least in the short term.
- 4.31 It must however be emphasised that this funding is not expected to be a recurring income stream to the Council. Further work must therefore be done to reduce the gap between spend and income on a sustainable and ongoing basis.

Reallocation of Earmarked Reserves to General Fund

- 4.32 A review has been undertaken of reserves previously earmarked for specific purposes. This has identified £0.238 million that can provisionally be released back to the General Fund Reserve. See Appendix 5.

5. COLLECTION FUND AND PRECEPTS

- 5.1 The anticipated collection fund surplus of £1.455m (prior year £478k), will be distributed amongst the major preceptors using the prescribed formulae. The Councils share of the surplus as a one-off sum is £182k (prior year £63k).
- 5.2 The precepts from Worcestershire County Council, Hereford and Worcester Fire Authority and the West Mercia Police and Crime

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Commissioner are due to set their precepts in the week commencing 8th February. This will enable the Council to set the Council Tax on 21st February 2022. The precepting bodies Council Tax requirements will be included in the formal resolutions which will be presented to Executive and Council on 21st February.

6. HOUSING REVENUE ACCOUNT

- 6.1 The Housing Revenue Account is a ring-fenced account holding transactions relating to Council dwellings. It is a separate account within the General Fund but receives income from Council rents.
- 6.2 For the four financial years up to and including 2019/20 there has been a national requirement to reduce rents by 1% per annum and this has put severe pressure on the housing revenue account. From 2020/21 rents were able to increase by the consumer price index plus 1%. The rent increase for 2021/22 was approved by the Executive on 11th January 2022.
- 6.3 Appendix 6 provides a summary of the Housing Revenue Account including the latest forecast for 2021/22. It is estimated we will be in a surplus position for the next three years and therefore returning to earmarked reserves which will enable the HRA to fulfil its forecasted acquisitions and developments.
- 6.4 Appendix 7 provides the HRA Capital Programme.

7 CAPITAL PROGRAMME

- 7.1 The (Non HRA) Capital Programme has also been updated including proposed new bids required to deliver services to the community. These are included in the proposed Capital Programme at Appendix 4. The borrowing costs have been factored into the revenue budget for the financial plan. It should be noted that a housekeeping review of the Capital Programme has been recently undertaken in order to challenge the deliverability (and timing) of some schemes which has resulted in some rationalisation.

8. LEGAL IMPLICATIONS

- 8.1 As part of the budget and the Council Tax approval process, the Council is required by the Local Government Finance Act 1992 to make specific calculations and decisions in approving a balanced budget for the following financial year and setting the Council Tax Level. These will be included in the resolutions and presented to Executive and Council on 21st February 2022.

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- 8.2 The Council has a legal obligation to set a balanced budget (s32 of the Local Government Finance Act 1992). The amount of the budget requirement must be sufficient to meet the Council's budget commitments and ensure a balanced budget. The 2022/23 budget requirement must leave the Council with adequate financial reserves.
- 8.3 A lawful Council Tax is required to be made on or before 11 March 2022.
- 8.4 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (CFO) to report to the Council the robustness of estimates included in the budget and the adequacy of the reserves when it is making the statutory calculations required to determine its Council Tax or precept.

9. STRATEGIC PURPOSES - IMPLICATIONS**Relevant Strategic Purpose**

- 9.1 The Strategic purposes are included in the Council's corporate plan and guides the Council's approach to budget making ensuring we focus on the issues and what are most important for the borough and our communities. Delivering against all our Strategic Purposes is therefore integrated within our MTFP.

Climate Change Implications

- 9.2 No direct implications identified.

10. OTHER IMPLICATIONS**Equalities and Diversity Implications**

- 10.1 No direct implications identified.

Operational Implications

- 10.2 The MTFP will enable services to be maintained.

11. RISK MANAGEMENT

- 11.1 The risks posed by the challenging financial context and the unprecedented levels of uncertainty (re the outcome of the fair funding review, the future of business rates and the local government financial settlement, COVID-19, Brexit and the state of the local and national economy) with regard to the budget have been set out within Section 2 as background to this report.

- 11.2 Risks prevalent in this area also include:

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- Reductions in government funding leading to a reduction in the level of services delivered to the public
- Reductions in business rates income as a result of appeals or reduction in the rateable value leading to a lower level of income for the Council.
- Identification of sufficient and ongoing revenue savings to deliver a balanced budget.
- Allocation of sufficient resources to meet the needs of service delivery and the Councils priorities.
- Maintain adequate revenue and capital balances as identified in the MTFP to ensure financial stability.

11.3 This budget (and the processes underpinning it including the check and challenge of the Resource Planning and Prioritisation and 'bidding' processes, revisiting all budget assumptions and the identification of income and savings) provides a framework for managing and mitigating this risk.

11.4 In addition, Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (CFO) to report to the Council the robustness of estimates included in the budget and the adequacy of the reserves when it is making the statutory calculations required to determine its Council Tax or precept. This is set out in full within Appendix 8.

12. APPENDICES and BACKGROUND PAPERS

Appendix 1 - Unavoidable costs

Appendix 2 - Revenue Bids

Appendix 3 - Identified savings

Appendix 4 - Proposed Capital programme

Appendix 5 - Earmarked Reserves

Appendix 6 - Housing Revenue Account Budget 2021/22 and MTFP to 2023/24

Appendix 7 - Housing Revenue Account Capital Programme 2021/22 to 2023/24

Appendix 8 - Chief Financial Officer (CFO) Opinion on the Estimate Process and Reserve Levels.

Appendix 9 – Capital Outturn Position

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13. REPORT SIGN OFF

| Department | Name and Job Title | Date |
|---------------------------------|--|---------------|
| Portfolio Holder | Councillor Mike Rouse | February 2022 |
| Lead Director / Head of Service | James Howse, Exec Director of Resources (S151 Officer) | February 2022 |
| Financial Services | Chris Forrester, Head of Finance and Customer Services | February 2022 |
| Legal Services | Claire Felton | February 2022 |

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**25th October 2022**MEDIUM TERM FINANCIAL PLAN 2023/4 TO 2025/6 – Tranche 1**

| | |
|---|--|
| Relevant Portfolio Holder | Cllr. Karen Ashley, Finance and Enabling Portfolio Holder |
| Portfolio Holder Consulted | Yes |
| Relevant Head of Service | Michelle Howell |
| Report Author | Job Title: Head of Finance & Customer Services email:michelle.howell@bromsgroveandredditch.gov.uk Contact Tel: |
| Wards Affected | N/A |
| Ward Councillor(s) consulted | N/A |
| Relevant Strategic Purpose(s) | All |
| Non-Key Decision | |
| If you have any questions about this report, please contact the report author in advance of the meeting. | |
| This report contains exempt information as defined in Paragraph(s) of Part I of Schedule 12A to the Local Government Act 1972, as amended | |

1. SUMMARY OF PROPOSALS

- 1.1 The Council will set its budget in two Tranches this year. The initial Tranche will be published the Autumn with approval of options at Council in January, with a second Tranche in January once final settlement figures are known with approval in February. HRA budgets will be dealt with in a separate report although they will form part of a single report to Council in February at Council Tax setting time.

2. RECOMMENDATIONS**Executive are asked to Resolve that:**

- 1 They endorse the inputs into the Council's Medium Term Financial Plan as at the start of October, and the associated risks and opportunities.
- 2 These inputs have been used, along with the 2022/23-24/25 Medium Term Financial Plan (MTFP) agreed by Council in February 2022, to project an initial "gap" to be closed.
- 3 An initial Tranche of savings proposals, as set out in Section 3.25 - 3.28 and the associated Savings Proposal Document in Appendix A, will be published on the 16th October and any feedback will be considered by Executive in November 2022 and at Council in January 2023.
- 4 Tranche 2 of this process will add further information such as the Local Government Settlement to give a final financial position for the Council.

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**25th October 2022**3. Background****Introduction**

3.1 The Council sets a 3-year Medium Term Financial Plan every year, with the final Council Tax Resolution being approved by Council in February. This year's process will be more difficult due to the following factors:

- Starting the process with an initial deficit amount from the 2022/23 MTFP.
- This being the first year that the Government starts to pay for the C-19 Pandemic.
- The present cost of living crisis.
- A change of Prime Minister and Cabinet.
- Limited Reserves and Balances.

As such, it is prudent to split the budget process into two tranches,

- Having an initial Tranche which seeks to close as much of the deficit as possible using information known as at the end of September and seeking approval for those savings to be implemented at Council in January,
- Having a second Tranche after the Christmas break, which will be approved in February, that takes account of the Local Government Settlement whose final detail will not be known until early January.

3.2 This report will set out:

- The starting position for the 2023/24 MTFP.
- The emerging national picture including expected settlement dates.
- The Council's Base Assumptions including Inflation and Grants
- Fees and Charges update.
- Strategic Approach
- Tranche 1 set of pressures and savings proposals.
- Impact on Reserves and Balances.
- Capital Programme.
- Robustness Statement
- Consultation Details.

The Starting Position for the 2023/24 MTFP

3.3 The Council set a three year MTFP 2022/23 to 2024/25 in February 2022. That plan had inherent budget deficits built into the plan with balances set to fall from £2.292m to £0.282m over the period. This overall position is summarised in Table 1.

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| | 2022-23 £000 | 2023-24 £000 | 2024-25 £000 |
|--|-------------------------|-------------------------|-------------------------|
| Departmental base budget | 10,064 | 10,051 | 10,132 |
| Incremental Progression | 144 | 275 | 361 |
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| Revenue Bids/Revenue impact of capital bids | 191 | 150 | 128 |
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| Changes in Specific Grant/Funding Movements | 0 | 0 | 0 |
| Net Revenue Budget Requirement | 10,520 | 10,289 | 10,428 |
| FINANCING | | | |
| Reserve release | -100 | 0 | 0 |
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| Business Rates Net Position | -2,985 | -2,985 | -2,985 |
| Council Tax | -6,747 | -6,941 | -7,031 |
| Collection Fund Deficit (Council Tax) | -180 | 0 | |
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| Investment Income | -673 | -673 | -673 |
| MRP (Principal) | 959 | 1,098 | 1,046 |
| Interest payable | 218 | 220 | 218 |
| Discount on advanced pension payment | -301 | -60 | -170 |
| Funding Total | -10,238 | -9,341 | -9,595 |
| General Balances | 2022-23 £000 | 2023-24 £000 | 2024-25 £000 |
| Estimated opening balances 22/23 (projected) | 2,292 | 2,010 | 1,061 |
| Contribution (from) / to General Balances | -282 | -949 | -833 |
| Closing Balances | 2,010 | 1,061 | 228 |

Table 1 – Opening MTFs Position

- 3.4 In addition, there are unallocated savings in the existing MTFP amounting to £347k. These amounts are being addressed as part of the ongoing 2022/23 budget process.
- 3.5 The table below sets out the revised “gap” that needs to be bridged for the Council’s budget to come back into a balanced sustainable position. The revised gap is because the MTFP has been rolled on a year to include 2025/26.

| Year | 2023/24 | 2024/25 | 2025/26 |
|------------------|-----------------|-----------------|-------------------|
| Budget Deficit | £949,000 | £833,000 | £1,040,000 |
| Total Gap | £949,000 | £833,000 | £1,040,000 |

Table 2 – Budget Gap

The emerging national picture including expected Settlement Dates

- 3.6 Local Government is in uncharted territory. 2023/24 will be the first full year out of C-19 restrictions or associated support. C-19 has changed significantly the way Councils and the people they serve work, or expect to be served, and

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**25th October 2022

this needs to be reflected in Service Plans and associated budgets. It is expected that this will also be the first year that the Government starts to repay the significant sums that it borrowed during C-19 and this will affect any Local Government Settlement.

- 3.7 In addition, since the start of the War in Ukraine, we have seen shortages of key raw materials, including fuel. This has led to Inflationary increases that have now reached over 10% and the cost of petrol/diesel being 70% higher than a year ago. This has now been labelled a “cost of living” crisis and affects our residents, our businesses and also the Councils themselves. We have included in the assumptions section what we are predicting at the 30th September and these assumptions are reflected in the position Statement. This will be refined in Tranche 2 of the budget as we update for conditions in January and also the effect of any Government support. The Chancellors Mini-Budget on the 23rd September concentrated on Growth initiatives and not the allocation of funds. There is a significant risk to Councils if the forecast growth is not achieved.
- 3.8 Councils also declared “Climate Emergencies” and have challenging carbon reduction targets to deliver by 2030, 2040 and 2050. The Council’s Climate Change Strategy and associated Carbon Reduction Implementation Plan also goes to Executive on the 25th October. At the moment plans are within existing budgets, but as we move through the next three-year period there will be the requirement for the prioritisation of resources and approval of additional funding on a scheme by scheme basis. These will need to be taken account of in future budgets, although a significant part of this budget spend will be Capital in nature.
- 3.9 We have also had a change of Prime Minister and Cabinet. The Johnson regime ended on the 5th September and Liz Truss became Prime Minister. Given the issues highlighted in the previous paragraphs and these significant changes it is unclear at the moment on the new strategic direction of the Government and the level of support and influence the Local Government sector will have.
- 3.10 The new Chancellor Kwasi Kwarteng, outlined a mini-Budget on Friday 23rd September. In this mini-Budget, as set out in para 3.7 above, the emphasis was on growth, with no detail over allocation of resources. It is hoped that the “usual” Chancellors Statement in November will contain more detail.
- 3.11 It is not known when the Local Government Settlement will take place. We will assume that the Chancellors Statement will be in the third week of November, with the Local Government Provisional Settlement on the final Thursday before Christmas. The final Local Government Settlement will be required halfway through January to enable all precepting authorities to deliver their budgets – using this gives the following timetable:

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- Initial Tranche 1 Options published - 16th October
- Executive discuss initial options – 25th October
- Chancellors Statement – 23rd November
- End of feedback period – 23rd November
- Tranche 1 approved by Executive in December and Council in January
- Provisional Local Government Settlement – 15th December
- Final Local Government Settlement – 12th January
- Tranche 2 options ready for Executive – 17th January
- Tranche 2 options presented to Executive - 7th February
- Full Budget approved by Council – 27th February

Timescales are estimated – however the issue is that there is little time for delivery of either Tranche1 or Tranch 2.

The Council's Base Assumptions including Inflation and Grants

- 3.12 It is important to set out the base assumptions under which the budget is constructed. These assumptions can then be stress tested for various scenarios to test the robustness of the overall budget.
- 3.13 Tax Base underlying assumptions are as follows
- Council Tax – Figures assume the full 1.99% increase, but the ability to increase by £104k from 2024/25
 - Business Rates Increases – business rates assume no growth in the base. This is being reviewed in light of the post C-19 environment.
 - New Homes Bonus – It is assumed to be none in 23/24 onwards
 - Lower Tier Services Grant - It is assumed to be none in 23/24 onwards
 - Pension Fund assumptions – takes account of the latest triennial valuation which was received in September
- 3.14 Grant support assumptions are as follows (Revenue and Capital). It should be noted that these are budgeted figures and final grant figures will not be confirmed until the time of the final Local Government Settlement.
- The main Revenue Grants are
 - S31 Grant - £0.748m
 - Housing Benefit Administration Grant - £0.235m
 - Housing Benefit Grant - £18.5m
 - Discretionary Housing Payment - £0.136m
 - Revenue Cost of Collection Grant - £0.106m
 - Homelessness Grant - £0.153m
 - The Council has £15.2m of Towns Fund Grant to be spent by April 2026 which is match funded by £2.0m of Council funding.

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- The Council has £2.4m of UK Shared Prosperity Fund to spend by April 2025. This is both revenue and capital in nature.

3.15 Inflationary increases are significant due to factors already identified in previous sections. The following are the current base assumptions although given the present “cost of living” crisis and the change of Government in September it is likely these will need to be updated in Tranche 2.

- Presently, the Employers have offered a 2022/23 pay award of £1,925 per pay point plus on costs. This equates to an additional £953,453 cost to the Council from its initial budget. We budgeted for a 2% increase in our base budget in the 2022/23 MTFs which was £180k. In addition, we are assuming the 2023/24 will see an additional cost of 1.5% over our 1% base at a cost £154,667 before reverting back to 1% from 2024/25.
 - Therefore, at our present employee budgets, this accounts for an ongoing pressure of £1,108,120. Taking off the £180K budgeted this leaves £928,120.
- General inflation is running at 10% as of the 18th August. The assumption is this will affect transport and contract budgets in particular. Its impact on 2023/24 will be as follows (it is assumed that 2024/25 will move back to normal levels of 2%):
 - Redditch base transport budget - £209k – Increase £21k
 - Redditch base “contracts” budget - £2.3m – Increase £230k
- Utilities increases will be significant, with all our existing Utility contracts requiring renewal by the end of this financial year. We have seen increases in some areas of up to 400%. For planning purposes, we will assume an increase of 200% in 2023/24 which should then be relatively constant for the next three years.
 - Redditch base utilities budget - £570k – Increase £1,140k

It will not be possible to increase income budgets by the same percentages and potential fees and charges increase are set out in the next section.

These are significant increases and at the moment reflects what the Council projects to be the most likely scenario. This could change quickly and so the impact of different inflationary scenarios are shown below:

For general contracts:

- Inflation at the Bank of England target of 2% is only £50k
- A 5% increase would only increase costs by £125k
- A 20% increase would be £502k

For Fuel:

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- A 50% uplift would see an increase of £285k
- A 100% uplift would see an increase of £570k
- A 400% uplift would see an increase of £2,280k

3.16 There are also other possible pressures that will be monitored during the Tranche 1 and Tranche 2 processes as many relate to changes in Government legislation which is yet to be received. Key items include:

- The future waste operating model
- Possible commercial opportunities to maximise income
- Climate Change – see 3.8 above plus also the Growth bid of the Climate Change Manager which will be shared with Bromsgrove.

Fees and Charges update

3.17 There is a separate report on the proposed Fees and Charges increases for the 2023/24 Financial year on this Executive Agenda. These increases are shown in detail by service in the Fees and Charges Report which is also on today's agenda. The table below highlights the possible increase of income if 10% was applied across the board. The 10% has been applied to Contributions and Fees and Charges budgets and not on SLA Income, lifeline, where charges are set statutorily, and charges across more than one area. Dial a Ride and Shopmobility have 35% increases.

| Year | 2023/24 | 2024/25 | 2025/26 |
|--------------|----------------|----------------|----------------|
| Base Budget | 3,395,000 | 3,404,000 | 3,416,000 |
| 10% Increase | 339,000 | 340,000 | 342,0000 |

Table 3 Fees and Charges Increases at 10%

3.18 The overall impact on the Council's position is set out in the following section. In setting the base budget levels to apply the increases an assessment has been made on deliverability.

Strategic Approach

3.19 The Council has come into the 2023/24 budget process with a number of conflicting issues. These include:

- An ongoing budget deficit position from the 2022/23 MTFS of £1.0m
- Significant inflationary increase due to the "cost of living" crisis.
- Limited reserves to call on to reduce any deficit (the present MTFS sees General Fund Balances fall to £0.228m by 2025/26). Earmarked reserves stand at just under £7m.
- Increases in Council Tax are limited at 2% or £5, which is significantly lower than the present rates of inflation.

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- 3.20 The Council must move to financial sustainability over the time scale of the next MTFS. Given the magnitude of the savings to be made it is not prudent to expect the movement to sustainability to happen by 2023/24. However, the level of reserves and balances presently held suggest that moving to sustainability by 2025/26 is too late and will leave inadequate resources for any emergency situation.
- 3.21 As such, the strategy must be to move the Council to financial sustainability by the 2024/25 financial year. To get to this position there will be the need for investment and possibly the requirement to fund redundancy (both from reserves and balances). Both these requirements will be outputs from the Council having to implement changes to the way it operates to continue to become a viable entity going forward and this will take 18 months to implement fully.
- 3.22 As set out later in the Robustness Statement, in compiling Tranche1 of the budget, assumptions have been made based on the best information held now. Issues the Council is facing are not unique, they are being faced by almost all Councils. Tranche 2 of the budget will adjust for any funding that the Government will provide and also look at other options to close any deficit should the Government settlement not bridge any resultant gap. Initiatives that will be assessed in Tranche 2 (as more time is required to analyse these individual options) include:
- Clarity of the Local Government Settlement including the Lower Tier Service Grant and the New Homes Bonus which if confirmed as intimated at Prime Ministers Question Time on the 12th October is worth £0.4m
 - Ensuring Grants are maximised.
 - Ensuring Agency work reflects the income provided for its delivery.
 - Minimisation of Bed and Breakfast Temporary Accommodation costs
 - Reviewing the effectiveness of the Council's largest Contracts.
 - Maximising the effectiveness of our refuse fleet
 - Reviewing the location and effectiveness of our Depot
 - Assessing the Council's leisure and cultural strategy in terms of affordability
 - Reviewing recharging mechanisms between the Councils for appropriateness
 - Rationalisation of Back Office services as we embrace technology.
- 3.23 Many of these initiatives will require investment, for which the only present source of funding is reserves (General Fund and Earmarked Reserves). Key areas of investment will be:
- Documentation of Processes
 - Investment in automation and robotic processes
 - Possible redundancy – through restructures

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- 3.24 However, in any situation, the Council must move to sustainability by the 2024/25 financial year.

Tranche 1 set of pressures and savings proposals

- 3.25 The initial base budget for 2023/24 to 2025/26 are set out in the following table. Given the uncertainty over inflation in particular, the table has been constructed to show progress against the initial target reductions set out in Table 4 below before adding on pressures to give an overall position.
- 3.26 Overall, the Council has identified £1.5m of savings items . This more than offsets the £1.0m budget deficit. Appendix A, our Savings Proposal Document, sets out the growth and savings proposals in more detail.
- 3.27 However, when we add in inflationary pressures (non-utilities) we move to a deficit position of £599k which reduces to a deficit of £125k over the three-year period.
- 3.28 We have kept utilities separate at the moment as there is talk of significant Government support. If this were not to materialise then the overall deficit position increases to £1.7m, reducing to £1.3m on present working assumptions.

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| Redditch Position Statement | | | | |
|--|--|----------------|----------------|----------------|
| | | 2023/24 | 2024/25 | 2025/26 |
| | | £000 | £000 | £000 |
| Base Budget Position 22/23 MTFP | | | | |
| | Expenditure | 10,290 | 10,428 | 10,661 |
| | Funding | -9,341 | -9,595 | -9,621 |
| | Net | 949 | 833 | 1,040 |
| Revised Gap | | 949 | 833 | 1,040 |
| Pressures | | | | |
| | 50% Funding for Climate Change Officer | 30 | 30 | 30 |
| Savings Options | | | | |
| | Environmental Services Partnership | 0 | -25 | -50 |
| | Service Reviews | -140 | -330 | -405 |
| | Move to All Out Elections | 0 | 0 | -170 |
| | Town Hall | 0 | 0 | -400 |
| | Finance Vacancies | -100 | -100 | -100 |
| | MRP | -100 | -100 | -100 |
| | Pension Fund | -580 | -580 | -580 |
| | Engage Capacity Grid (One Off) £14m De | -300 | -300 | 0 |
| | 10% Increase in Fees and Charges | -339 | -340 | -342 |
| | Council Tax Increase | 0 | -104 | -104 |
| | Total Savings | -1,529 | -1,849 | -2,221 |
| Revised Position | | -580 | -1,016 | -1,181 |
| Pressures | | | | |
| | Pay Pressure Year 1 | 928 | 928 | 928 |
| | Pay Pressure Future Years (1%) | 0 | 0 | 117 |
| | Transport Pressure | 21 | 21 | 21 |
| | Contracts Pressures | 230 | 235 | 240 |
| | Core Pressures | 1,179 | 1,184 | 1,306 |
| Updated Position | | 599 | 168 | 125 |
| | Utilities Inflation | 1,140 | 1,140 | 1,140 |
| Final Draft Position | | 1,739 | 1,308 | 1,265 |

Table 4 – Present Position

Impact on Reserves

- 3.29 The existing MTFP saw general fund balances reduce from £2.292m to £228k over the three year planning horizon finishing in 2024/25. However, clearly this is not a sustainable level of general fund reserves where a level of 5% of gross budget is usually advised which is £2.5m. This is not a sustainable

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strategy and the Financial Strategy sets out that this needs to move to sustainability within 2 years. A range of scenarios will be modelled as there is significant uncertainty over the ongoing inflation amounts to budget for.

- 3.30 The Council also has Earmarked Reserves which are held for specific purposes. These earmarked reserves presently sit at £6.666m. All reserves will be reviewed for their ongoing applicability.

Capital Programme

- 3.31 The Council over the past number of years has not spent its capital programme allocations in year. A review has been carried out of
- All schemes that have not started (both from 22/23 and from previous years)
 - Schemes that have started
- To assess deliverability and links to revised strategic priorities.
- 3.32 Present rationale is for any scheme not yet started (unless grant or S106 funded) to rebid for funds as part of the 2023/24 budget process. There will be the need to add items to the capital programme (will be finalised over next couple of weeks) to include sums for:
- ICT hardware (such as laptops, etc)
 - Property Maintenance budgets (as minimal and significant work is required to ensure energy efficiency compliance).
- 3.33 The priority in capital terms is for the Council to spend its grant funding. It has the following:
- Towns Funding of £17.2m
 - UK Shared Prosperity Funding of £2.4m
 - A Bid in for Levelling Up Funding of £20m for town centres

This funding is time limited and must all be spent by 2026 (with UKSPF being 2025). Therefore, there is a question over what resources would be available to manage any significant capital spend above these schemes.

- 3.34 Appendix B sets out the revised capital programme, taking into account the actions set out in paragraphs 3.31 and 3.32, and schemes that will need to be rebid. These total £1.6m and are highlighted in yellow in the appendix. However, all schemes are being reviewed.
- 3.35 Additional budget will be required for:
- ICT Hardware
 - Corporate Property – to ensure all are brought up to the required standard

REDDITCH BOROUGH COUNCIL**EXECUTIVE COMMITTEE**25th October 2022**An Initial Risk Assessment**

- 3.36 As set out the Strategic Approach and Robustness Statement sections we are budgeting in a time of extreme uncertainty. In September we have had a change of Prime Minister and Cabinet and await confirmation of overall political direction for the sector.
- 3.37 As per the Risk Reports that are reported to both Cabinet and Audit, Standards and Governance Committees in July this year. These are
- Resolution of the approved budget position
 - Financial process rectification
 - Decisions made to address financial pressures and implementing new projects that are not informed by robust data and evidence
 - Adequate workforce planning
- 3.38 The core risks of implementation
- Any savings proposal must pass the S151 Officers tests for robustness and delivery. If items are not deliverable or amounts not obtainable, they cannot be included.
 - Implementation of savings to time and budget – there must be full implementation processes documented to ensure implementation within timescales.
 - Non delivery is a high risk - Savings tracking and ensuring implementation happens based on the plans and the assumptions will become part of the Council's core processes
 - Loss of key personnel will be crucial in a number of proposals and mitigation plans will need to be drawn up
 - Change of corporate direction/priorities

Robustness Statement

- 3.39 For Tranche 1, the opinion of the Interim Director of Finance is that the 2023/24 budget estimates contain considerable risk due to the level of uncertainty in the Council's operating environment, making it problematic to develop meaningful assumptions.
- 3.40 The revenue budget and capital programme have been formulated having regard to several factors including:
- Funding Available.
 - Inflation.
 - Risks and Uncertainties.
 - Priorities.
 - Service Pressures.
 - Commercial Opportunities.
 - Operating in a Post C-19 environment.

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- 3.41 The MTFP highlights that the current financial position is untenable without some form of intervention. Whilst a balanced budget for 2022/23 was approved with the use of reserves and balances in February 2022, the Council is currently forecasting a £1.7m overspend in 2023/24 due to the additional demands placed on it due to the present rates of inflation, which in turn is utilising the remaining available reserves balances to fund these pressures.
- 3.42 Given all the uncertainty which encapsulates this MTFP, the assumptions have been based on the best available information to the Council at this time. Work will continue in validating all assumptions, robustly challenging estimates, ensuring the delivery of existing saving plans. Updates will be included in Tranche 2 of the MTFS and balanced budget setting process.

Tranche 1 Feedback

- 3.43 Tranche One is the first Phase of the 2023/24 budget process. The proposals are set out in Appendix C the Savings Proposal Document. A feedback section is included at the end of that document. Any feedback can then be reported. The draft consultation timetable is in Table 5.

| | |
|--------------------------------------|-------------------------------|
| | |
| Savings Proposals and MTFP Published | 17 th October 2022 |
| Budget Scrutiny Committee | 19 th October 2022 |
| Executive | 25 th October 2022 |
| O&S Scrutiny | tbc |
| Feedback Closing Date | 5 th December 2022 |
| Executive | 6 th December 2022 |
| Council | 30 th January 2023 |

Table 5 Consultation Timetable

- 3.44 Hard copies of the Savings Proposal Document (Appendix A) can be available on request. The Savings Proposal Document will be published on the website and internal intranet (Orb) for residents, businesses and staff to view and provide responses via an online survey. The Council has raised awareness of the budget proposals via use of social media.

4. IMPLICATIONS**Financial Implications**

- 4.1 Financial implications are set out in section 3.

Legal Implications

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- 4.2 A number of statutes governing the provision of services covered by this report contain express powers or duties to charge for services. Where an express power to charge does not exist the Council has the power under Section 111 of the Local Government Act 1972 to charge where the activity is incidental or conducive to or calculated to facilitate the Council's statutory function.

Service / Operational Implications

- 4.3 Monitoring will be undertaken to ensure that income targets are achieved.

Customer / Equalities and Diversity Implications

- 4.4 The implementation of the revised fees and charges will be notified in advance to the customer to ensure that all users are aware of the new charges and any concessions available to them.
- 4.5 Initial Equalities Impact Assessments will be taken where required and details provided in Appendix B.

5. RISK MANAGEMENT

- 5.1 There is a risk that if fees and charges are not increased that income levels will not be achieved, and the cost of services will increase. This is mitigated by managers reviewing their fees and charges annually.

6. APPENDICES

Appendix A – Savings Proposal Document

Appendix B – Existing Capital Programme and New Bids

6. BACKGROUND PAPERS

None.

7. KEY

None

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Appendix B – Capital Programme

| Capital Pr. | Capital Project Name | 21/22 -22/23 Bt | 21/22 -22/23 sp |
|-------------|---|-------------------|------------------|
| 100001 | AVCP - Open Space and Sports Improvement | 0 | 971 |
| 100003 | Camera Replacement Project | 0 | 31,431 |
| 100004 | Car Park Maintenance | 50,000 | 17,837 |
| 100007 | Disabled Facilities Grant | 2,834,847 | 765,269 |
| 100008 | Energy & Efficiency Installation | 160,065 | 19,227 |
| 100009 | GF Asbestos Programme | 90,000 | 84,062 |
| 100010 | Grassland Mitigation Measures - MS & AVCP | 146,590 | 0 |
| 100011 | Hedgerow Mitigation AVP | 21,500 | 0 |
| 100012 | HMO Grants | 79,515 | 0 |
| 100013 | Home Repairs Assistance | 80,000 | 0 |
| 100014 | Improved Parking Scheme | 800,000 | -4,950 |
| 100015 | Improvement of Parking Arrow Valley South | 98,535 | 16,796 |
| 100016 | Improvement of Morton Stanley Open Space | 25,633 | 24,898 |
| 100017 | Improvement of Morton Stanley Play Area | 79,686 | 35,823 |
| 100018 | Improvement to Pump Track at Arrow Valley | 60,806 | 0 |
| 100021 | Improvement to Business Centres | 73,614 | 106,818 |
| 100023 | Locality Capital Projects | 0 | 46,587 |
| 100026 | Morton Stanley Park Sport and Open Spaces Improvements | 298,403 | 257,396 |
| 100027 | New Finance Enterprise System | 0 | 269,315 |
| 100028 | North Moons Moat Open Space Improvement | 3,000 | 0 |
| 100032 | Public Building | 500,000 | 414,283 |
| 100035 | Vehicle Replacement Programme | 1,819,500 | 304,568 |
| 100036 | Regeneration Fund | 4,354,670 | 1,655 |
| 100037 | Arrow Valley Weir Works | 437,000 | 2,818 |
| 100040 | Terry Field Outdoor Facilities Improvements | 9,000 | 19,504 |
| 100043 | Wheeie Bin Purchase | 170,000 | 94,576 |
| 100044 | New Digital Service | 127,454 | 42,129 |
| 100045 | Fuel pump upgrade and tank monitoring equipment | 25,000 | 0 |
| 100046 | Fleet Management Computer System | 16,600 | 0 |
| 100047 | Environmental Services Computer System | 157,200 | 143,025 |
| 100048 | Green Lane Studley | 200,000 | 0 |
| 100049 | Café and Infrastructure Morton Stanley Park | 100,000 | 110,000 |
| 100062 | Stock Condition Survey | 0 | 6,305 |
| 100069 | Locality - Landscape Improvement | 1,825 | 8,230 |
| 100071 | Salix Project | 0 | 1,543,442 |
| 100072 | Bathroom Renewals | 0 | 12,604 |
| 100088 | Improvement Holly Trees children's Centre | 0 | 8,560 |
| 100089 | Greener Homes | 255,000 | -80,710 |
| 100092 | Passing bay at main access AVCP | 24,700 | 6,000 |
| 100093 | Resurfacing of pathway at AVCP | 0 | 19,356 |
| 100094 | Public Realm phase 2 | 0 | 32,400 |
| 100095 | Bomford Hill pathway | 0 | 31,272 |
| 100096 | 7kw electric vehicle charge points | 160,000 | 0 |
| 100097 | Widen access road to Arrow Valley Country park | 25,000 | 0 |
| 110007 | Forge Mill and Bordelsey Open Space Improvements Draw down- S106 - 2016/109/FUL and | 18,684 | 0 |
| 110008 | Arrow Valley Entrance Improvements draw down - S106 - 18/01049 | 10,000 | 0 |
| 110009 | MUGA at Greenlands Sports Pitches draw down - S106 - 2018/169/FUL | 137,649 | 0 |
| 110010 | Play Area I and POS improvements at Birchfield Road Rec Ground drawdown - S106 - | 32,833 | 0 |
| 110011 | Play Area and POS improvements at Batchley and Brockhill Park drawdown- S106 - | 32,379 | 0 |
| 110012 | Play Area improvements at Birchfield Road Headless X Rec drawdown- S106 - 17/00737/FUL | 7,575 | 0 |
| 110013 | Play area, Open space and Sport improvements at Mayfields Park drawdown-S106 - 11/019/FUL | 55,101 | 0 |
| 110014 | Play Area and POS improvements at Wingates drawdown- S106 - 2016/290/FUL | 40,449 | 0 |
| 110018 | Cisco Network Update | 53,561 | 0 |
| 110019 | Server Replacement Est(Exact known Q2 2022) | 83,250 | 0 |
| 110020 | Laptop Refresh | 5,000 | 0 |
| 110017 | Purchase a new ride on Scag Tiger Cat mower | 16,000 | 0 |
| 110021 | Ipsley Church Lane Cemetery | 195,000 | 0 |
| NEW | Provide the Crossgate Depot site with a new and Compliant Diesel Fuel installation | 56,000 | 0 |
| | Total Schemes | 14,028,624 | 4,391,499 |
| | Schemes Not Started | 1,561,492 | |

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