

additional papers 1



Executive Committee

Tue 12 Jan
2021
6.30 pm

Microsoft Teams



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**If you have any queries on this Agenda please contact
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Executive

Tuesday, 12th January, 2021

6.30 pm

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Agenda

Membership:

Cllrs:

Matthew Dormer
(Chair)
Mike Rouse (Vice-
Chair)
Greg Chance
Brandon Clayton
Bill Hartnett

Anthony Lovell
Nyear Nazir
David Thain
Craig Warhurst

- 10.** Medium Term Financial Plan 2021/22 to 2024/25 - Update - Presentation (Pages 1 - 8)

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Redditch Borough Council

MTFP 2021/22 – 2023/24

Redditch Borough Council – 2021/2-2023/24

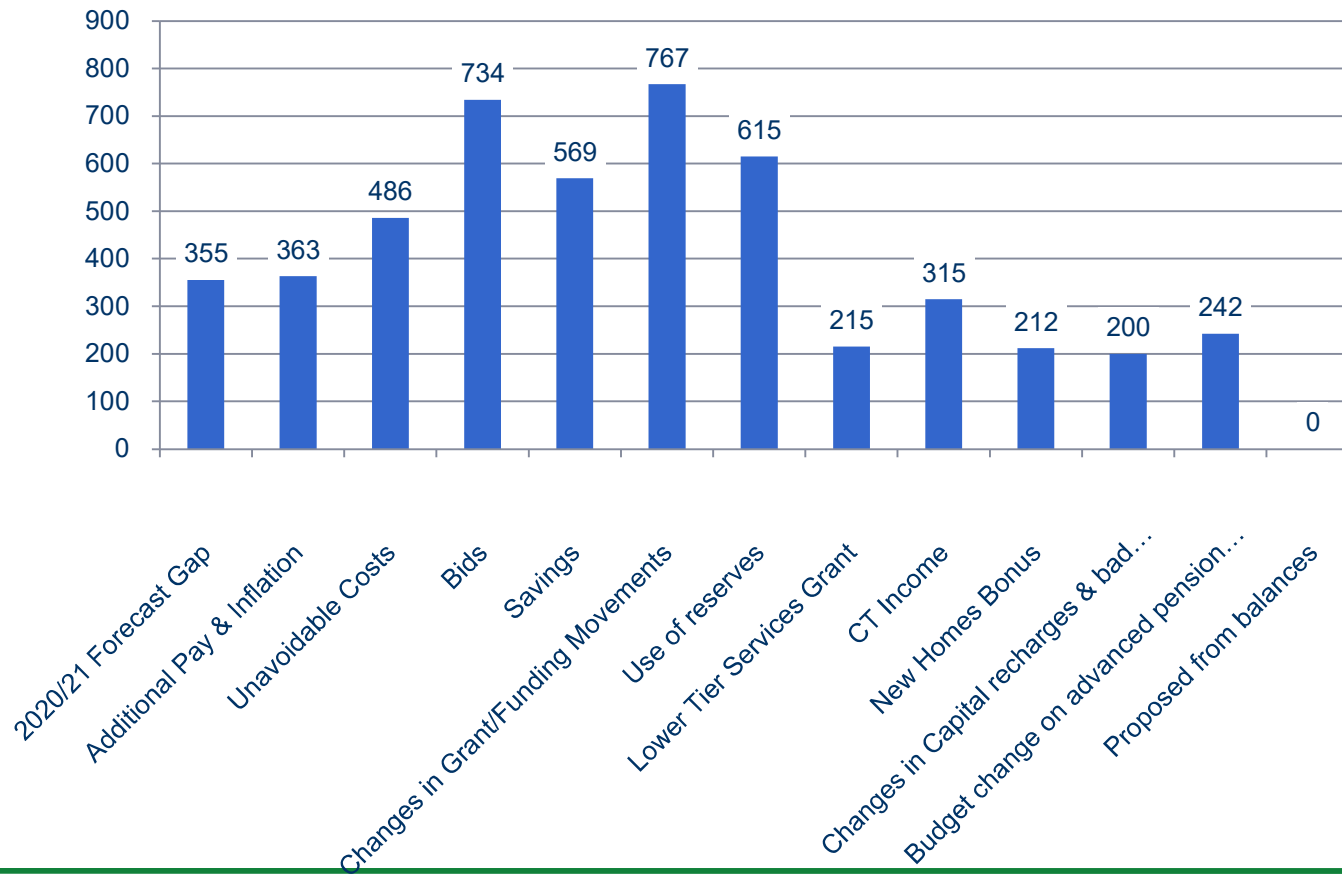
Improvements to budget position :

- Extra New Homes Bonus (one year only)
- New Lower Tier Services Grant
- Reduction in cost of borrowing (having reviewed what we need to spend)
- Some service savings and additional income realised

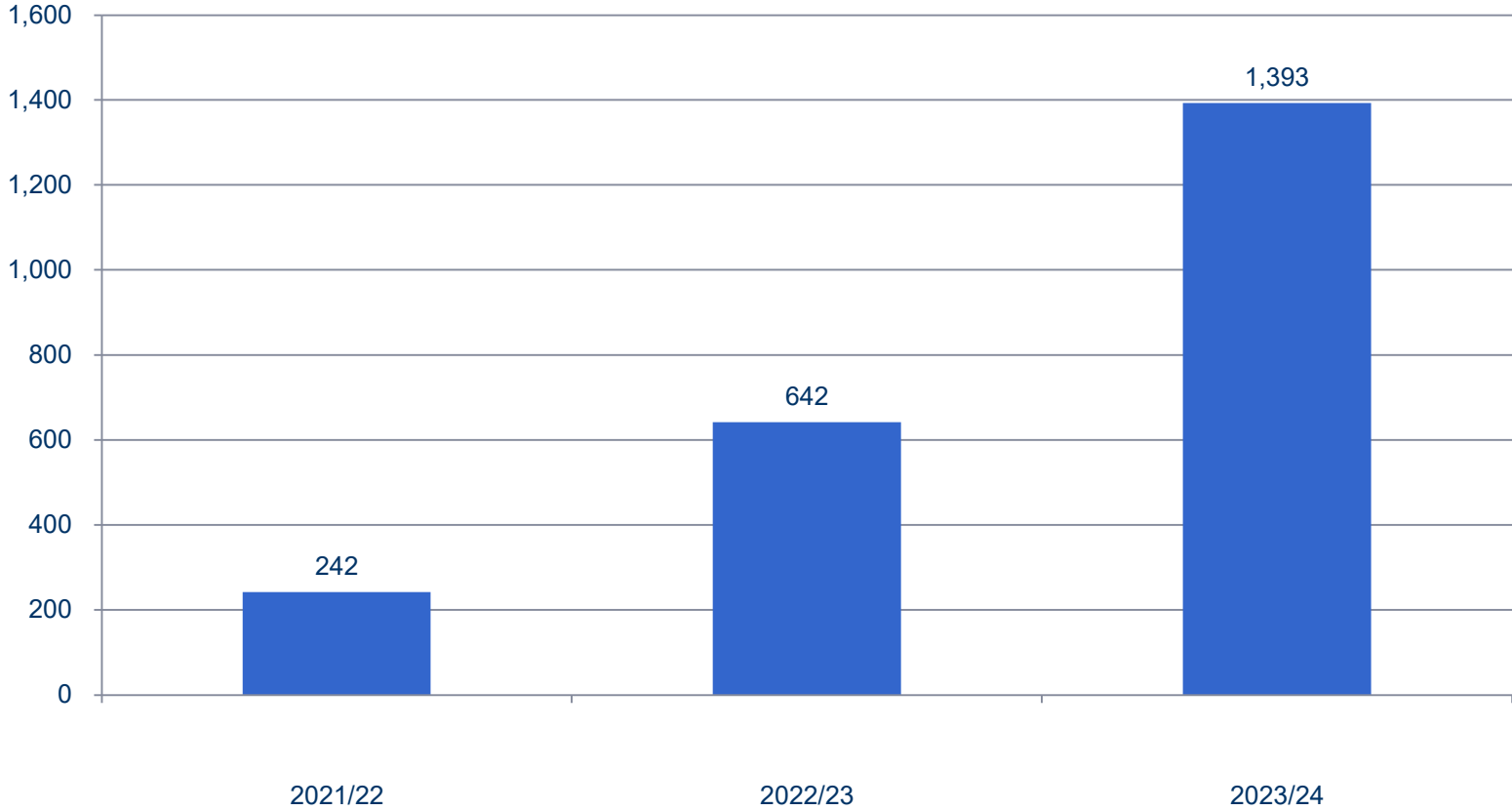
Additional costs:

- Government capped the maximum Council Tax % increase we could make
- Pay award proposed more than anticipated
- Additional service pressures

Redditch Borough Council – General Fund Revenue - Changes to 2020/21 Budget Gap



Redditch Borough Council Medium Term Budget Gap



Redditch Borough Council – General Fund MTFP 2021-22/2023-24

	2021-22 £000	2022-23 £000	2023-24 £000
Departmental base budget	9,907	10,142	10,358
Incremental Progression/HRA recharge	8	-41	-137
Unavoidable Pressures	123	41	41
Revenue Bids/Revenue impact of capital bids	248	267	231
Savings and Additional income	-165	-124	-113
Changes in Specific Grant/Funding Movements	198	200	304
Net Revenue Budget Requirement	10,319	10,486	10,685
FINANCING			
Reserve release	-152	-100	0
Lower Tier Services Grant	-400	0	0
Business Rates Net Position	-2,940	-2,985	-2,985
Council Tax	-6,517	-6,746	-6,941
New Homes Bonus	-334	-209	0
Investment Income	-899	-967	-1,035
MRP (Principal)	969	1,028	1,282
Interest payable	375	436	448
Discount on advanced pension payment	-179	-301	-60
Funding Total	-10,077	-9,843	-9,291
General Balances	2021-22 £000	2022-23 £000	2023-24 £000
Estimated opening balances 21/22 (projected)	1,599	1,356	712
Contribution (from) / to General Balances as per Budget 21/22	-243	-643	-1,395
Estimated return to Balances			
Closing Balances	1,356	712	-682

Redditch Borough Council - Savings 2021/22

Department	Description of saving	2021-22 £'000	2022-23 £'000	2023-24 £'000
Environmental	Hedgecutting Vehicle Hire	-20	-20	-20
Environmental	Land Drainage Furniture & Equipment	-1	-1	-1
Environmental	Land Drainage Other Fees	-1	-1	-1
Environmental	Stores Vehicle Hire	-1	-1	-1
Environmental	Waste Collection Vehicle Hire	-14	-14	-14
CCTV/Lifeline	various amendments overall budgets	-16	-16	-16
Lottery	Income budget	-5	-5	-5
Development Management	Mileage savings	-1	-1	-1
Development Management	Employee Expenses/Print/Stationery savings	-1	-1	-1
Building Control	Shared service recharge changes	-2	0	0
Sports development	Mileage savings	-1	-1	-1
Parks and open spaces	Play areas and playing fields	-1	-1	-1
Parks and open spaces	Grounds maintenance	-14	-14	-14
Parks and open spaces	Allotments	-4	-4	-4
Parks and open spaces	Parks and open spaces	-11	-11	-11
ICT	ICT costs	-18	-18	-18
Corporate Services	Loss of sales, fees and charges income from MHCLG	-39	0	0
Policy	Reduction in hours on post	-3	-3	0
Equalities	Reduction in hours on post	-7	-7	0
Parks and open spaces	Apprentice post saving	-4	-4	-4
		-165	-124	-113

Redditch Borough Council - Pressures

2020/21

Department	Description of Pressure	2021-22 £'000	2022-23 £'000	2023-24 £'000
Environmental Services	Footpath maintenance budget	25	25	25
Environmental Services	Sreet lighting budget	3	3	3
Environmental Services	Funding of Joint Role as part of Joint Herefordshire and Worcestershire Waste Strategy to influence and implement changes to services arising from proposed Environment Bill.	8	8	8
Democratic Services	Members Allowances	27	0	0
Democratic Services	Members NI	5	5	5
Shopmobility	loss of income at shopmobility due to Covid	26	0	0
Dial-A-Ride	loss of income at Dial-A-Ride due to Covid	29	0	0
TOTAL		123	41	41

HRA - MTFP 2021-22/2023-24

	2021/22	2022/23	2023/24
	Budget	Budget	Budget
	£'000	£'000	£'000
<u>INCOME</u>			
Dwelling Rents	23,494	23,953	24,391
Non-Dwelling Rents	545	556	567
Tenants' Charges for Services & Facilities	677	691	704
Contributions towards Expenditure	45	46	46
Total Income	24,760	25,246	25,709
<u>EXPENDITURE</u>			
Repairs & Maintenance	6,044	6,103	6,187
Supervision & Management	8,165	8,232	8,298
Rent, Rates, Taxes & Other Charges	208	214	219
Provision for Bad Debts	186	189	193
Depreciation & Impairment of Fixed Assets	5,845	5,941	6,131
Interest Payable & Debt Management Costs	4,179	4,179	4,179
Total Expenditure	24,628	24,858	25,208
Net Operating Expenditure	-133	-388	-501
Interest Receivable	-30	-27	-23
Transfer to/(from) general reserves	163	415	524
<u>HOUSING REVENUE ACCOUNT BALANCE</u>			
Forecast Balance as at beginning of year	947	1,110	1,525
Surplus/(deficit) for year	163	415	524
Forecast Balance as at end of year	1,110	1,525	2,049