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<b>Key Decision:</b>	<b>No</b>
<b>Report Track:</b>	<b>Cabinet: 30/01/20 Council: 12/02/20</b>

**CABINET**  
**30 JANUARY 2020**  
**GENERAL FUND BUDGET AND CAPITAL PROGRAMME 2019-20 TO 2022-23**

**1 Purpose of Report**

- 1.1 To consider the current position of the General Fund Revenue Budget for 2019-20 to 2022-23 and the updated Capital Programme 2019-20 to 2022-23.

**2 Recommendation(s)**

- 2.1 That the following be recommended to Council as part of the formal budget setting process:-
- (a) the level of net spending for the General Fund Revenue Budget for 2020-21 be set at £13.476 million; with indicative net spending for 2021-22 and 2022-23 of £13.709 million and £13.584 million respectively;
  - (b) the detailed portfolio budgets as set out in **Appendix 2**;
  - (c) the forecast outturn net budget of £13.295 million be approved;
  - (d) the use of Government Grants in 2020-21 of £1.575 million;
  - (e) To note that although indicative figures exist for the use of Governments Grants for 2021-22 and 2022-23 they cannot be accurately determined at this stage with each element of Government funding being subject to review;
  - (f) the working balances be set at £1.0 million; £1.007 million and £1.257 million for 2020-21 to 2022-23 respectively;
  - (g) that a Council Tax of £221.32 be recommended to the Council for 2020-21; with indicative increases of 1.95% to the level of Council Tax for 2021-22 and 2022-23;
  - (h) the Council's Tax base be set at 29,242.54;

- (i) the revised capital programme, including new schemes and CIL Allocations, as set out in **Appendices 3, 4 and 5**.

2.2 To note that the Recommended Budget reflects the Financial Implications arising from other Reports included elsewhere on the agenda and hence may be subject to change subject to Cabinet's recommendation differing from that as included in the report.

### **3 Key Issues and Reasons for Recommendations**

#### Key Issues

3.1 The report sets out a draft standstill budget for 2020-21 as well as indicative budgets for 2021-22 and 2022-23 and associated issues and also includes current indications of the impact that this will have on Council Tax. It also sets out the updated capital programme, and it sets out the capital resources available to the authority to finance the capital programme.

#### Reasons for Recommendations

3.2 The Council is required to set a balanced budget for 2020-21 set in the context of a sustainable medium term financial plan. Detailed figures are only available for 2020-21 nevertheless the level of Working Balances maintained by the Council will enable a Balanced Budget to be set for the duration of the Financial Plan.

### **4 Relationship to Corporate Priorities**

4.1 The revenue budget and capital programme reflect the Council's priorities.

### **5 Report Detail**

5.1 As a precursor to the consideration of the overall General Fund Revenue Budget, Cabinet approved the General Fund Financial Plan for the period 2019-20 to 2022-23 on 13 November 2019.

5.2 The General Fund Revenue Budget for the period 2020-21 to 2022-23 has now been compiled following the principles agreed in the Financial Plan.

5.3 The detailed Portfolio Budgets together with Variation Statements as compared with the Budget Approved by Council last year are attached as **Appendix 2** to the report. The following paragraphs highlight the background to the compilation of the Revenue Budget.

#### **5.4 Budget issues**

##### **Inflation**

5.4.1 No material changes have been made to the inflation assumptions with the provision for CPI and pay awards remaining at 2% for the duration of the budget

period. Business Rates income for 2020-21 has been adjusted to reflect details contained in the Provisional Local Government and in particular the NNDR multiplier based upon CPI as at September 2019

### **Spending pressures**

- 5.4.2 The detailed budgets have been refreshed to reflect the outturn for 2018-19 and latest spending patterns.
- 5.4.3 In determining the 2022-23 budget additional provision has been made for Employer Contributions to increase by a further 2% as a result of the 2019 triennial Actuarial Valuation of the Pension Fund (provision already existing within the indicative budgets for 2020-21 and 2021-22 as determined in 2019-20); the Management Fee profile for the Leisure Management Contract and additional costs of demographic growth.
- 5.4.4 The Leisure Management Contract initial term concludes on the 31 December 2021 and Cabinet at its meeting of the 15 December 2016 agreed in principle to trigger the two five year extensions to the contract subject to the agreement of the Management Fee. Detailed discussions with Inspiring Healthy Lifestyles (IHL) have recently been completed enabling the savings from the initial contract to be sustained and the necessary life time maintenance costs of the Council's assets reflected in this management fee.
- 5.4.5 In addition, following the outcome of the 2019 Actuarial Valuation for IHL and the reduction in their Employers Contribution rate, the Concession Agreement has been amended to reflect a 50/50 risk share agreement in relation to contribution rates. The management fee is based upon the 2019-20 contribution rates with any saving /additional cost from the actual contribution rate being subject to the risk share agreement.
- 5.4.6 The Council has also reviewed its Health & Safety / Maintenance compliance requirements for its assets with additional costs in maintaining the Civic Centre and the continuation of security arrangements and mothballing costs in relation to the town centre Multi Storey Car Park being reflected in the 2020-21 and 2021-22 Budget pending a further report to Cabinet on options for demolition.
- 5.4.7 Provision exists for the adoption of the Cannock Chase Can (Health Improvement Programme) to tackle Obesity; the approved costs of the Climate Emergency Motion and the anticipated increase in the Non-Constituent Member Fee to the West Midlands Combined Authority from 2021-22 (The current fee being frozen at £25,000 for 2020-21).

### **Main streams of income**

- 5.4.8 Income from fees and charges is mainly in line with the overall budget although the Council continues to face income pressures in relation to its Markets. Cannock Market Fees are down by a further £27,000 and Rugeley Market Rents by £3,600. Income from the new Civic Centre car park is reflecting the time a new car park in this vicinity takes to become established.
- 5.4.9 Details of Provisional funding allocations for Housing Benefit Administration Subsidy and Local Council Tax Support are still awaited.

Assumptions have been made in the Budget in relation to such allocations and any variation will be accommodated from an equivalent transfer from the equalisation earmarked reserves for Housing Benefit/LCTS.

5.4.10 The 2022-23 Budget also includes the final year of the reduction in Green Waste Recycling Credits which have been phased in over a four year period

### **Business Rates Income**

5.4.11 A key issue in the Risk Analysis of the Budget (Appendix 1) is the Council's exposure to volatility in Business Rates with a reduction in income business rates due to the failure or temporary closure of a key industry and successful appeals against Rateable Values and back dated refunds.

5.4.12 In order to mitigate this risk as much as possible provision is made in both the budget and final accounts for reduction in rates due to appeals with the latter enabling the estimated level of back dated refunds to be catered for.

5.4.13 There are still a relatively high number of appeals outstanding against the 2010 valuation list and these by their outstanding nature cause concern. As an example the poplars landfill site, subject to an annual assessment rather than periodic revaluations as in the 2005/2010 and 2017 revaluations, has seen a backdated assessment to the 1 April 2013.

5.4.14 The Council has however been subject to the impact of successful appeal(s), full details are still awaited, being made to the Valuation Office Agency in relation to 2010 Rating List for the Warehouse and Premises at Gazeley Park currently occupied by Amazon. The warehouse has the largest Rateable Value in the District at £3.4 million and it is believed is subject to three reductions in relation to original basis (actual rent for building); Mezzanine floors rating (High Court decision – not rateable) and from a survey of building. The Council has been formally notified that actual RV as at 1/4/2010 is to be reduced by 5.7%, the RV from 2011 by 16% and from 2012 by 18%. RV's from October 2014 are however set to reduce by 26%.

5.4.15 The Council had included a prudent provision of 11% for the 2010 valuation nevertheless this still leaves a shortfall of nearly £1 million with £0.367 million to be met by CCDC.

5.4.16 No appeals have been received to date against the 2017 Valuation however the Mezzanine issues will be pass ported through with an unfunded liability arising for the three years 2017/18 to 2019/20. The loss in business rates amounting to £1.3 million with this Council's liability/loss of income amounting to £0.496 million.

5.4.17 The exact impact on the current year and shortfall in relation to backdated refunds is dependant on a review of the overall provision as at 31 March 2020. However the changes to Poplars and Gazeley Park will have material impact on the 2020-21 and 2021-22 budgets, currently estimated to be £0.138 million per annum.

## 5.5 Monitoring of the 2019-20 Revenue Budget

- 5.5.1 The Budget for 2019-20 is monitored each month against the profiled budget. The position based on the December figures, reflecting the downturn in income and updated for known changes in the forecast outturn is set out in the following table:

<b>Table 1: Budget Monitoring re 2019-20 as at 31 December 2019</b>					
	<b>Approved Budget</b>	<b>Profiled Budget</b>	<b>Actual to date</b>	<b>Variance</b>	<b>Forecast Outturn</b>
	£000	£000	£000	£000	£000
Portfolio Budgets	12,254	10,536	10,346	(190)	12,396
Investment income	(177)	(133)	(262)	(129)	(262)
Technical Adjs.	1,015	0	0	0	1,118
<b>Net Spending</b>	<b>13,092</b>	<b>10,403</b>	<b>10,084</b>	<b>(319)</b>	<b>13,252</b>

- 5.5.2 The monitoring statement includes a projection to the financial year-end of the forecast outturn position. It is currently expected that there will be an overall net increase of £141,000 on Portfolio Budgets,

## 5.6 Local Government Finance Settlement 2020-21

- 5.6.1 The Provisional Local Government Finance Settlement for 2020-21 was received by the Council on 20 December 2019. The Provisional Settlement is for one year only with the changes to the Local Government Finance Regime now set to be introduced in 2021-22. No details are available from 2021-22 onwards with Local Government funding expected to be subject to considerable change, arising from the planned implementation of Fair Funding and a revised 75% Business Rates Retention Scheme in that year.

- 5.6.2 The funding assumptions as contained within the Draft Budget therefore purely reflect the extrapolations as contained in the Financial Plan.

- 5.6.3 Provision existed within the Financial Plan as approved by Cabinet in November 2019 for Core Government Support to represent the 2019-20 Settlement as uplifted for inflation.

## 5.7 New Homes Bonus

- 5.7.1 Provisional allocations for the New Homes Bonus Grant for 2020-21 were also announced by the Ministry of Housing, Communities and Local Government on the 20 December 2019.

- 5.7.2 The provisional allocations therefore show an increase in funding resources of £0.123 million for New Homes Bonus for 2020-21 as compared to the original budget and £96,000 to the Financial Plan, with no changes being made to the Deadweight allowance and the funding stream per unit for net new properties increasing by 4.469% compared to the 2% originally budgeted.

- 5.7.3 The New Homes Bonus grant will, in 2020-21, represent the final year of the current four year rolling programme, with no legacy payments arising from the

2020-21 allocation. The cumulative level of grant for the 4 years included in the overall settlement total £1.478 million of which £0.233 million relates to 2020-21 performance.

- 5.7.4 A new housing incentive scheme is due to be implemented in 2021-22 and reference was made in the provisional settlement to “*moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance*”. A 2020 Spring Consultation has been announced in relation to a new scheme with the budget assuming, at this stage, a prudent approach with no additional grant income from the new scheme and that existing legacy payments re the 2017-18 to 2019-20 will fall out at the end of their respective four year entitlement

## **5.8 Business Rates Retention Scheme**

### **Business Rates Pilot 2019-20 / Business Rates Pool 2020-21**

- 5.8.1 The Government’s one year Spending Review in 2019 indicated that Business Rates pilots, other than Devolution areas, would cease as at 31 March 2020 and this was reiterated as part of the Technical Consultation on the 2020-21 Settlement.
- 5.8.2 Representations were made to the Secretary of State for the Staffordshire & Stoke-on-Trent to continue in 2020-21, and to safeguard the non-payment of a Levy to the Government, pilot members have agreed that pooling arrangements will remain in place for 2020-21 even if the request was unsuccessful.
- 5.8.3 The provisional settlement has confirmed that the Staffordshire & Stoke-on-Trent Pilot would terminate on the 31 March 2020 but pooling arrangements would come into effect for 2020-21.

### **Growth generated**

- 5.8.4 2020-21 is therefore the last year of the current 50% Business Rates Retention Scheme with a 75% scheme due for implementation in 2021-22. The funding regime incentivises councils to promote economic growth in their area as they are entitled to retain a share of business rates growth above its baseline.
- 5.8.5 In determining the amount of overall Government funding allocated to the Council, a baseline figure for 2020-21 of £3.054 million has been set which is used in determining the amount of Business Rates to be retained by the Council. The Baseline is updated each year to reflect inflation.
- 5.8.6 The draft budget for 2020-21 assumes that the Council will receive additional funding of £1.541 million from the Business Rates Retention Scheme in respect of “growth” compared with the Government’s baseline.

### **Proposed Changes to existing Regimes from 2021-22**

- 5.8.7 The Business Rates Retention Scheme now represents the core form of Government Support. The scheme incentivises councils to promote economic

growth in their area as they are entitled to retain a share of business rates growth. At present, local government retains 50% retention of growth and a new scheme was intended to be in place for 2020-21. The new scheme, although enabling local government to retain 75% of Business Rates, would be fiscally neutral across the sector. This would be achieved by incorporating existing grants, with Revenue Support Grant and Public Health Grant in particular, to be absorbed within Business Rates funding.

5.8.8 The current Business Rates scheme is particularly complicated and contains a number of individual components such as: Appeals Provision; Tier Splits; Central /Local Rating Lists; Section 31 Grants; Resets and Pooling. Each element of the scheme has been examined, however a proposal exists to completely simplify the system, whereby the income of appeals and other variables would be excluded and core income determined and set in advance of the year with growth being separately determined.

5.8.9 Nevertheless, in reviewing the work undertaken by the Working Groups established to Steer, Design and Implement this scheme, the following key issues have been identified for this Authority:

- Core Funding/Fair Funding Baseline
- Tier Splits
- Transitional Funding
- Resets.

5.8.10 It is, however, envisaged that the latter item of Resets will have the major /material impact on this authority. The forecast growth above baseline for the District for 2020-21 excluding the Mill Green DOV is estimated to be £6.4 million and in accordance with a 50% scheme £3.2 million is retained within Staffordshire. Cannock Chase Council retains £1.783 million (or 28% of overall growth) and the balance is distributed to the County Council and Fire and Recue Service based upon tier splits and Pooling arrangements with the Council receiving an additional £0.215 million from the Business Rates Pool.

5.8.11 The reset is effectively about how much of this £1.783 million growth generated between resets (in this case 2013-14 to 2020-21) is retained by the local authority and how much is redistributed in the sector.

5.8.12 How resets are to be implemented is still to be determined. Consultation documents produced to date indicate that a Full Reset would take place in 2020-21 (now 2021-22) but thereafter a partial or phased reset would take place. Initial feedback from the government suggests that a phased reset, where authorities retain each year's growth (or loss) in rates for a number of years and thereafter that growth is redistributed with a minimum 5 year reset period is the preferred option.

5.8.13 No details are however available for how the Reset at the start of the scheme will be determined and the Consultation document stated that the approach to the reset in 2020-21 and future resets need not be the same.

5.8.14 At worst, a full reset would be implemented with a loss of £1.783 million. The reset is particularly complicated since the Full Reset in 2021-22 will follow the opening of Mill Green Designer Outlet Village in the year before. The Council have sought assurances from the Government, response awaited, that MGDOV is not part of the initial reset. Gross rates for the Outlet Village are estimated to be in the region of £3.3 million and how long the additional net growth of £1-1.2 million can be retained by this Council is key to its Financial Planning.

5.8.15 Pending the determination of the basis of the reset and any transitional arrangements a variety of scenarios exist and a middle ground 50% Partial Reset has been assumed in financial projections.

5.8.16 More robust figures will be determined as further details become available from the Government however actual details for this Council will not be known until the late autumn of 2020.

## **6. General Fund Revenue Draft Budget 2020-21 to 2022-23**

6.1 The table below sets out the Council's current draft General Fund Revenue Budget position for 2020-21 and indicative budgets for 2021-22 and 2022-23.

6.2 As stated previously, Government Funding for 2021-22 cannot be determined at this stage with figures representing this Council's interpretation of the new funding regime.

<b>Table 2: General Fund Draft Budget 2020-21 to 2022-23</b>			
	<b>Budget 2020-21</b>	<b>Budget 2021-22</b>	<b>Budget 2022-23</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Net Expenditure</b>			
Portfolio budgets	13,177	13,437	13,864
Investment interest	(270)	(250)	(249)
Technical items	569	522	(31)
<b>Net Spending</b>	<b>13,476</b>	<b>13,709</b>	<b>13,584</b>
<b>Less: Government Grants</b>			
NNDR Multiplier	(97)	(97)	(97)
New Homes Bonus	(1,478)	(1,090)	(611)
<b>Budget Requirement</b>	<b>11,901</b>	<b>12,522</b>	<b>12,876</b>
<b>Financing</b>			
Business Rates – Contingency		(452)	
Business Rates – Retained Income	(5,430)	(5,295)	(5,413)
Revenue Support Grant			
Council Tax Income	(6,471)	(6,682)	(6,879)
<b>Total Financing</b>	<b>(11,901)</b>	<b>(12,429)</b>	<b>(12,292)</b>
<b>Transfer to Working Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfer from Working Balances</b>	<b>-</b>	<b>(93)</b>	<b>(584)</b>

6.3 The material changes occurring since the Financial Plan can be summarised as follows:-

<b>Table 3: Revenue Budget (Surplus) / Deficit Reconciliation</b>			
	<b>Budget 2020-21</b>	<b>Budget 2021-22</b>	<b>Budget 2022-23</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Financial Plan Original</b>	<b>12</b>	<b>(41)</b>	<b>468</b>
Climate Change	60		
Obesity – Cannock Chase CAN	22	10	10
Combined Authority	(10)		
Business Rates Amazon	138	138	138
Settlement -New Homes Bonus	(96)		
Markets Income	30	30	30
Off Street Car Parking	26	6	8
Waste Contract	(16)	(17)	(19)
Utilities	29	34	32
Leisure Contract	(90)	(90)	(41)
Economic Prosperity Strategy	110	180	135
IT Infrastructure	29	29	29
Floral Decorations	15	15	15
MSCP Mothballing		100	
Cannock Market Provision	10	(19)	(22)
Other	4	13	18
Council Tax Growth			(67)
Budget Support Reserve	(273)	(295)	(150)
<b>Revised (Surplus) / Deficit</b>	<b>-</b>	<b>93</b>	<b>584</b>

6.4 Growth items included in the Draft Budget include the financial implications of the Economic Prosperity Strategy. (Included elsewhere on the Agenda) and the continuation of the enhancement to Floral Decorations provision within the district. Additional costs also arise from the upgrading of IT infrastructure with annual licenses now being required for Office 365 (replacing the Microsoft Office suites)

6.5 The proposed changes to the indoor market service for Cannock Town Centre as detailed in the Cannock Indoor Market Consultation Report have been reflected in the medium term budget.

6.6 The additional costs arising from the mothballing of the MSCP are considered to be short term costs pending the Town Centre Redevelopment. Whereas the funding of the Economic Prosperity Strategy represents interim funding pending the service review outcome and the realignment of resources. The proposed budget therefore utilises the Budget Support Reserves, generated by the policy to reduce dependency on Business Rates and New Homes Bonus, to fund such one off costs.

6.7 A Balanced Budget is in place for 2020-21 with potential deficits existing in 2021-22 (£93,000) and 2022-23 (£584,000) The Financial Position for these two years

is however subject to the caveats that exist in relation to the funding levels for New Homes Bonus and Business Rates Retention.

- 6.8 It should be noted that the position outlined above for 2020-21 is draft, reflecting a provisional settlement, and could marginally change between now and the Council Tax being set by Council in late February. Costs relating to capital charges and the allocation of departmental and support services recharges have been disregarded as they do not affect the level of expenditure to be met from Council Tax.

**7. Council Tax Base and Collection Fund**

- 7.1 The final part of the consideration of the Budget is the Council Tax base. This is the number of properties in the district expressed in terms of Band D equivalents. The amount of money that the Council can raise per £1 charge for a Band D equivalent property can be established from the tax base.

- 7.2 The Council's gross tax base for budget purposes will see an increase of 1.3% in 2020-21 reflecting new properties being built in the district

- 7.3 The Council's Tax Base is now calculated on the following basis:

Council Tax base for budget setting purposes	32,688.89
Less: impact of Local Council Tax Reduction Scheme	<u>(3,446.35)</u>
	29,242.54

- 7.4 Council at its meeting on the 8 January 2020 approved amendments to the Schedule of Charges and Discounts arising from the Empty Homes Strategy and at its meeting on the 12 February 2020 will consider a new Banded Local Council Tax Reduction Scheme (LCTR). The overall impact of the changes is financially neutral and no amendments have been made to the Council Tax Base for each parish, with the empty homes strategy aimed at bringing empty homes back into use. Details of the tax base, broken down over parishes are set out in **Appendix 8.**

- 7.5 The Council's Collection Fund has been reviewed as part of the budget process and is expected to break even in 2020-21.

**8. Council Tax 2020-21**

- 8.1 In determining the level of Council Tax for 2020-21 Cabinet will need to take into account the medium term financial position and the Council Tax Referendum Thresholds.

- 8.2 The Localism Act 2011 contains provisions to veto excessive Council Tax increases by means of a referendum. The Council Tax Referendum threshold principles for 2019-20 were amended as part of the 2019-20 Provisional Settlement to reflect the prevailing level of inflation. The provisional settlement for 2020-21 has been reduced to 2% or £5 whichever is the greater

- 8.3 Authorities planning to set excessive council tax increases would be required to draw up shadow budgets with both budgets being approved as part of the budget process and a referendum held in May. If the rise in Council Tax is

rejected the shadow budget would be adopted immediately and refunds made to residents in accordance with a predetermined timetable.

- 8.4 The Financial Plan as considered by Cabinet in November was based upon the 1.95% increase as assumed as part of the 2019-20 budget. A 1% increase amounts to £63,000 per annum.
- 8.5 In light of the above considerations Cabinet are proposing that the Band D Council Tax for 2020-21 will increase to £221.32 as proposed last year.
- 8.6 The final level of Council Tax levied will be determined by Council on 20 February 2020. The figures set out in this report may require minor amendment if any further information emerges before then.
- 8.7 The total Council Tax for the District will reflect the spending decision made by the County Council, the Office of the Police and Crime Commissioner and the Fire Authority. In addition, in certain areas, parish council precepts are also added to the overall bill.

## 9. Reserves and Balances

- 9.1 Reserves and Balances comprise General Reserves, the Working Balance and Earmarked Reserves. The general strategy for using unallocated reserves is that they are used to meet shortfalls in the net budget during the year. This is particularly important in the current economic circumstances when sources of income, at both national and local level, are particularly volatile.
- 9.2 In accordance with the recommendations contained in the report the level of Working Balances as at 31 March each year is as follows:

<b>Table 4: Level of Working Balances</b>				
	<b>31/03/20</b>	<b>31/03/21</b>	<b>31/03/22</b>	<b>31/03/23</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Balance B/fwd	2,916	2,689	2,689	2,596
Applied in Year	(227)		(93)	(584)
<b>Balance C/fwd</b>	<b>2,689</b>	<b>2,689</b>	<b>2,596</b>	<b>2,012</b>
<b>Minimum</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>1,007)</b>	<b>(1,250)</b>
<b>Surplus to Support Budget</b>	<b>1,689</b>	<b>1,689</b>	<b>1,589</b>	<b>762</b>

- 9.3 The Council's General Fund working balance currently stands at £2.916 million and was expected to increase by £0.102 million during 2019-20. The latest forecast indicates a transfer from Working Balances of £0.227 million with a Working Balance of £2.689 million forecast as at 31 March 2020. The prudent level of Working Balance for 2020-21 is recommended to be £1.000 million as set out in **Appendix 1**, but rising to £1.257 million in 2022-23. In light of the great deal of uncertainty that exists thereafter in relation to the proposed changes to the Government's Funding Regime for local government, and in particular Business Rates and New Homes Bonus it is envisaged that only £1.689 million is available to support the budget from 2020-21 onwards

9.4 The Council holds a number of earmarked reserves for specific purposes. In light of the challenges facing the Council last year a comprehensive review of all reserves was undertaken. Reserves continue to be reviewed on an annual basis and any, which are identified to be no longer required, are incorporated within the Budget Support working balance.

9.5 A summary of earmarked reserves incorporating their planned use over the next four years is detailed below

<b>Table 5: General Fund Reserves</b>				
	<b>31/03/20</b>	<b>31/03/21</b>	<b>31/03/22</b>	<b>31/03/23</b>
<b>Revenue</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Building Maintenance Reserve	-	-	-	-
Bond	246	246	246	246
Budget Support	1,292	1,440	1,642	1,274
Contingency	903	903	903	1,104
Corporate	337	331	325	319
Partner	133	121	123	126
Ring-fenced	48	37	33	29
Service Grant	62	62	62	62
Rollovers	81	81	81	81
Shared Services	512	512	512	512
Pension Reserve	72	72	72	72
Other	1,391	1,318	1,315	1,291
Donations	6	6	6	6
Grants	675	581	500	427
Trading	8	8	8	8
Section 106	1,941	1,813	1,737	1,664
<b>Sub-Total</b>	<b>7,707</b>	<b>7,531</b>	<b>7,565</b>	<b>7,221</b>
<b>Capital</b>				
Capital	761	412	412	412
CIL	1,929	1,564	1,401	1,401
RCCO	207	207	207	5
Reclassified Capital Exp	696	455	364	273
<b>Sub-Total</b>	<b>3,593</b>	<b>2,638</b>	<b>2,384</b>	<b>2,091</b>
<b>Grand Total</b>	<b>11,300</b>	<b>10,169</b>	<b>9,949</b>	<b>9,312</b>

9.6 **Appendix 7** sets out the required report on the robustness of the budget estimates and the adequacy of the Council's reserves

## 10. Medium Term Outlook

10.1 There is currently great uncertainty over how a Government will fund councils into the future via Business Rates and New Homes Bonus. The Business Rates Scheme in particular carries the greatest uncertainty with a 75% Retention Scheme to be designed; Fair Funding taken into account and a Reset of

baselines all due. In light of the uncertainty as reflected in various sections of this report it is difficult to identify the true overall position going forward.

- 10.2 The forecast deficit in 2022-23, based upon prudent assumptions re the new funding regime, together with the level of Working Balances to support the budget, will enable the Council to adjust to its new funding resource level over the next three years.

## **11. Capital Programme 2019-20 to 2022-23**

- 11.1 On 7 February 2019, Council approved a capital programme to 2021-22. This programme has been updated to include approved changes, re-profiled to reflect current spend estimates reflecting slippage in schemes and more up to date information on costs. The updated programme is attached at **Appendix 3** with anticipated expenditure and resources as reflected by the Capital Budget included at **Appendix 4**.
- 11.2 In addition to the above the programme now includes the rolling programme of expenditure requirements for the new programme year 2022-23 together with a breakdown of replacement vehicles and equipment over the various services.
- 11.3 New Schemes include
- The replacement of the Finance System
  - Replacement of IT infrastructure
  - CCTV Replacement Programme
  - Modernisation of Car Parking Ticket Machines
  - Rugeley ATP
- 11.4 The Financial Management System forms part of shared services arrangements with Stafford Borough Council and a shared replacement system is now required with software support being withdrawn by the provider for 2021-22. It is not possible to identify at this stage whether an upfront capital cost will be required or whether the system costs are to be recovered as part of an annual license charge. Draft provision for this Council's share of indicative capital costs have been included in the capital programme to be financed from earmarked reserves pending the outcome of the procurement process.
- 11.5 There is also a need to replace IT infrastructure with Windows 7 no longer being supported in 2020. A review of Thin Clients / Personal Computers and Laptops is currently being undertaken to determine the most appropriate device to promote agile and smart working as reflected in the recommendations from the Environmental Services Review.
- 11.6 Provision also exists for the replacement of the remaining CCTV Cameras as part of a programme agreed by Cabinet in October 2018 whereas it is proposed to modernise Car Park Ticket Machines to accept non-cash payments.
- 11.7 The Extension of the ATP at Rugeley Leisure Centre to a full size pitch and lighting upgrade is included in the programme. The project is estimated to cost £844,000 and is dependant upon external funding sources including the Football

foundation; Inspiring Healthy Lifestyles with the Council contribution being funded from the CIL and Section 106 allocations.

- 11.8 Further project support is to be provided to assist with the implementation of the existing programme later and the advancement of new schemes. Provision has therefore been made in the revenue budget for a project / development officer, to be funded from existing reserves, to support their delivery over an initial two year timeframe.

<b>Table 6: Uncommitted Capital Resources</b>		
	<b>General Fund</b>	<b>Section 106</b>
	<b>£000</b>	<b>£000</b>
<b>Capital resources brought forward at 1 April 2019</b>	<b>7,686</b>	<b>1,299</b>
Capital Receipts	2,491	
Section 106/CIL		365
Capital Grants	4,396	
Joint Investment Fund	228	
Revenue contribution to Capital Outlay		
Use of Reserves	452	
Draft Capital Programme 2019-20 to 2022-23	(14,686)	(1,189)
<b>Remaining resources at 31 March 2023</b>	<b>567</b>	<b>475</b>

- 11.6 The resources position currently identifies a surplus of £0.567 million of General Fund resources. However it should be noted that this position includes capital receipts forecast from the sale of residual property of £1.7 million which are yet to be received.

## **12 Implications**

### **12.1 Financial**

The potential loss of income in relation to New Homes Bonus; the Fair Funding Review combined with the Reset of business rates growth represents key risks which will undoubtedly impact on the Council's ability to deliver services in the future. The impact can be reduced (or increased) dependant upon the actual schemes introduced as a result of the New Financial Regime and the growth opportunities / risks associated with the Business Rates Retention scheme.

### **12.2 Legal**

The legal implications are set out throughout the report including the statutory requirement for the Council to set a balanced budget.

### **12.3 Human Resources**

None.

### **12.4 Section 17 (Crime Prevention)**

None.

**12.5 Human Rights Act**

None.

**12.6 Data Protection**

None.

**12.7 Risk Management**

Risk management issues have been covered in the report detail.

**12.8 Equality & Diversity**

None.

**12.9 Best Value**

In preparing a balanced budget for consultation Cabinet will need to ensure that due regard is made to Equality and Diversity implications as well as financial considerations. The standstill budget will reflect the Council's current Equality and Diversity policy whereas changes to service provision will need to be addressed as part of the Delivering Change process.

**13 Appendices to the Report**

Appendix 1: Risks considered in determining the Working Balance

Appendix 2: Detailed Portfolio Budgets and Variation Statements

Appendix 3: Capital Programme 2019-20 to 2022-23

Appendix 4: General Fund and Section 106 Capital Budgets  
2019-20 to 2022-23

Appendix 5: Community Infrastructure Levy (CIL) Allocations Process and  
Recommendations 2019

Appendix 6 Business Rates Retention – Retained Income

Appendix 7: Robustness of the Budget Estimates and the Adequacy of the  
Council's Reserves

Appendix 8 Council Tax Base – Parishes

**Previous Consideration**

Financial Plan 2019-20 to 2022-23

Cabinet

13 November, 2019

**Background Papers**

None.

**ITEM NO. 6.**

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
Resources								
Business Rates Baseline (Revenue Support Grant)	Medium	N/A	+0.300	+0.600		+0.150	+0.300	The Provisional Settlement has been received for 2020-21 and represents the 2019-20 settlement uplifted for inflation. The Council is no longer in receipt of Revenue Support Grant and a new funding regime comes into place from 2021-22 based upon a Fair Funding Assessment. It is likely that the new regime will result in a rebalancing of support to local authorities with social care responsibilities. In accordance with the 75% Business Rates System, any amendment to the Councils overall funding assessment will be actioned via a reduction in the Business Rates Baseline. A 10% reduction in core funding amounts to £0.300 million.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
Resources								
75% Business Rates	Med	N/A	+1.582	+1.582		+0.700	+0.700	A new 75% Business Rates Retention Scheme is to be introduced in 2021-22. The design of a 75% scheme will be subject to detailed consultation and hence at this stage its implications cannot be determined. In reviewing the work undertaken nationally in designing a scheme the following key issues, in addition to the : Core Funding/Fair Funding Baseline have been identified notably; Tier Splits; Transitional Funding and Resets. The latter provides the greatest threat with at present a 5 year rolling programme similar to New Homes Bonus being favoured. Existing growth will therefore be eliminated on a 5 year cycle unless replaced by new growth, Existing growth amounts to £1.4 million and a reduction of £0.7 million is included in the budget .If the existing growth is greater than 5 years old a full reset will occur. In addition to existing growth the Designer Outlet Village is due to open in autumn 2020.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
75% Business Rates (ctd)								The Autumn of 2020. Provision exists for additional Growth from MGDOV in 20-21 with a full year effect in 21-22. The basis of determining the Business Rates Baseline is still to be determined and hence a major risk exists that this growth effectively is included in the Initial Full reset. The risk of a Full Reset in 21-22 therefore amounts to £0.7 million on existing growth increasing to £1.6 million with Mill Green
- Volatility in Business Rates	Med/ Low	+0.358	+0.852	+0.852	+0.358			The Council will be exposed to volatility or reduction in its business rates due to the failure or temporary closure of a key industry, delay in the implementation of new schemes (MGDOV; the impact of Appeals against Rateable Values and increased void periods. Government proposals for the new system attempt to mitigate the impact of appeals and a new Safety Net or guarantee of core funding of 95% with an exposure of £0.15 million. A delay in MGDOV is estimated to be £0.07 million per month.

**RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE**

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
<b>Council Tax Base</b>	Med		+/- 0.063	+/- 0.063		+/- 0.015	+/- 0.015	The Council Tax base for 2020-21 is based upon a cut off point each year and although figures are up to date at November 2019 they will vary as properties become occupied /unoccupied etc. and the impact of new properties coming in line during the next financial year. The major risk relates to whether the forecast increase in Council Tax base can be achieved. The budget assumes a 1.25 % increase in 2021-22 and 2022-23. A 1% variation amounts to approximately £64,700.
<b>Council Tax</b>	Low	0.270						Council Tax increases will be subject to a referendum if considered excessive by the Government. Current assumptions are within the referendum criteria

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
<b>New Homes Bonus</b>	Med		+ 1.1/(-0.25)	+0.6/(-0.5)		-0.250	-0.250	<p>The government have stated for a number of years that they intend to review the current scheme, (reiterated as part of 2020-21 Technical Consultation), however details are still awaited.</p> <p>The Budget at this stage post 2020-21 reflects only the continuation of legacy payments for the period 2017-18 to 2019-20 with legacy payments not applying to the 2020-21 allocation.</p> <p>A discontinuation of legacy payments from 2021-22 would result in a loss of funding of £1.1 million in 21-22 and £0.6 million 22-23. Incentives from the new scheme could however amount to £0.250 million</p>

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
<u>Realism of standstill budget</u>								The budget is based upon realistic estimates with the strategy assuming all budgets will be controlled within agreed levels. However, a number of budgets are not within the control of the Council or involve a risk element.
Staff Turnover	Low	+0.350	+0.360	+0.370		+0.035	+0.035	The budget contains annual savings of approximately £0.350m due to staff turnover. The current economic climate restricts the opportunities for external migration however corporate budgetary control exists to ensure that the employee budget is contained within the overall budget.
Provision for Bad Debts	Med	+0.100	+0.100	+0.100	+0.050	+0.050	+0.050	

**RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE**

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
<b><u>Realism of standstill budget</u></b>								
<b><u>Customer &amp; Client Receipts</u></b>								
Car Park Income	Med	+0.090	+0.110	+0.110	+0.020	+0.027	+0.027	Car park income for 2019-20 is forecast to be down by £0.92 million as the new Civic Centre pay and display car park becomes established. Income could therefore increase however there remains a degree of volatility in demand for use of car parks in general that could impact on income.
Planning Fees	Med/ High	+/- 0.055	+/- 0.160	+/- 0.160	+ /- 0.027	+/- 0.080	+/- 0.080	Planning fees income continues to show a downturn with the base budget showing ongoing reductions of £126,000 as compared to five years ago. In particular any downturn in major applications will impact on planning fee income. The Council have elected to increase planning fees by 20% with the additional income to be invested in the planning department. Any downturn in applications will therefore be further enhanced by the additional investment incurred.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
<b><u>Customer &amp; Client Receipts</u></b>								
<b><u>Inflation</u></b>	Low							Annual inflation of 2% for prices and 2% for pay and 2% income have been included within the standstill budget.
Pay Awards	Low /Med		+0.200	+0.300		+0.050	+0.150	The current 2 year pay settlement terminates on 31 March 2020. A 1% variation amounts to £100,000 net of recharges. Provision of 2% has been budgeted for 2020/21 onwards at this stage.
Interest Rates	Med	- 0.018	- 0.090	- 0.090		-0.030	-0.030	The amount earned depends on the prevailing interest rates and the level of cash balances held.
Rates	Low		+0.024	+0.036				Variations to the budget will arise if the NNDR multiplier increases are in excess of the Council inflation assumption. Recent Government announcements suggest that increases will be lower than the September inflation levels.

RISKS CONSIDERED IN DETERMINING THE WORKING BALANCE

ASSUMPTION	RISK	MAXIMUM COST			REQUIRED BALANCES			COMMENTS
		20-21 £m	21-22 £m	22-23 £m	20-21 £m	21-22 £m	22-23 £m	
Energy	Low/ Med							Energy prices are subject to volatility and although a time lag exists between changes in wholesale food and energy costs and actual charges, the budget reflects the latest contracts for energy supply.
General Contingency					+0.200	+0.150	+0.150	Future year's budgets reflect the ongoing aggregate implications of assumptions that have a high risk identified unless separately identified. Provision will however be required for unforeseen events
<b>Maximum</b>					0.655	1.227	1.477	
<b>Minimum</b>					0.601	0.787	1.037	
<b>Average</b>					0.628	<b>1.007</b>	<b>1.257</b>	
<b>Audit Commission</b>					<b>0.790</b>	0.800	0.789	

ITEM NO. 6.

Corporate Improvement

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>1 Legal Services</b>				
Third Party Payments	245,770	254,230	263,420	273,270
<b>Total Expenditure</b>	<b>245,770</b>	<b>254,230</b>	<b>263,420</b>	<b>273,270</b>
Income	(162,180)	(168,730)	(175,480)	(182,510)
<b>Total Income</b>	<b>(162,180)</b>	<b>(168,730)</b>	<b>(175,480)</b>	<b>(182,510)</b>
<b>Legal Services Net Expenditure</b>	<b>83,590</b>	<b>85,500</b>	<b>87,940</b>	<b>90,760</b>
<b>2 Technology</b>				
Supplies & Services	67,870	76,940	77,510	78,220
Third Party Payments	725,620	741,030	757,270	777,150
<b>Total Expenditure</b>	<b>793,490</b>	<b>817,970</b>	<b>834,780</b>	<b>855,370</b>
Income	(196,060)	(182,500)	(189,810)	(197,400)
<b>Total Income</b>	<b>(196,060)</b>	<b>(182,500)</b>	<b>(189,810)</b>	<b>(197,400)</b>
<b>Technology Net Expenditure</b>	<b>597,430</b>	<b>635,470</b>	<b>644,970</b>	<b>657,970</b>
<b>3 Governance</b>				
Employee Expenses	104,890	104,600	107,930	111,350
Transport Related Expenditure	1,050	1,060	1,070	1,080
Supplies & Services	31,020	30,720	30,720	30,720
<b>Total Expenditure</b>	<b>136,960</b>	<b>136,380</b>	<b>139,720</b>	<b>143,150</b>
Income	(30,290)	(29,900)	(29,930)	(30,430)
<b>Total Income</b>	<b>(30,290)</b>	<b>(29,900)</b>	<b>(29,930)</b>	<b>(30,430)</b>
<b>Governance Net Expenditure</b>	<b>106,670</b>	<b>106,480</b>	<b>109,790</b>	<b>112,720</b>
<b>4 Human Resources</b>				
Employee Expenses	5,220			-
Third Party Payments	237,890	245,710	255,920	264,960
<b>Total Expenditure</b>	<b>243,110</b>	<b>245,710</b>	<b>255,920</b>	<b>264,960</b>
Income	(142,860)	(143,200)	(148,920)	(154,870)
<b>Total Income</b>	<b>(142,860)</b>	<b>(143,200)</b>	<b>(148,920)</b>	<b>(154,870)</b>
<b>Human Resources Net Expenditure</b>	<b>100,250</b>	<b>102,510</b>	<b>107,000</b>	<b>110,090</b>
<b>5 Customer Services</b>				
Employee Expenses	236,250	244,850	253,550	262,430
Supplies & Services	78,960	105,250	106,320	107,180
Third Party Payments	7,000	7,000	7,000	7,140
<b>Total Expenditure</b>	<b>322,210</b>	<b>357,100</b>	<b>366,870</b>	<b>376,750</b>
Income	(88,410)	(91,970)	(95,650)	(99,470)
<b>Total Income</b>	<b>(88,410)</b>	<b>(91,970)</b>	<b>(95,650)</b>	<b>(99,470)</b>
<b>Customer Services Net Expenditure</b>	<b>233,800</b>	<b>265,130</b>	<b>271,220</b>	<b>277,280</b>

**Corporate Improvement**

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>6 Corporate Services</b>				
Employee Expenses	122,060	126,630	130,970	135,520
Supplies & Services	105,580	87,100	87,870	88,740
<b>Total Expenditure</b>	<b>227,640</b>	<b>213,730</b>	<b>218,840</b>	<b>224,260</b>
Income	(39,240)	(35,180)	(36,430)	(37,760)
<b>Total Income</b>	<b>(39,240)</b>	<b>(35,180)</b>	<b>(36,430)</b>	<b>(37,760)</b>
<b>Corporate Services Net Expenditure</b>	<b>188,400</b>	<b>178,550</b>	<b>182,410</b>	<b>186,500</b>
<b>7 Communications</b>				
Employee Expenses	250,130	252,150	261,800	271,720
Transport Related Expenditure	3,110	3,130	3,140	3,170
Supplies & Services	37,510	33,850	32,770	33,150
<b>Total Expenditure</b>	<b>290,750</b>	<b>289,130</b>	<b>297,710</b>	<b>308,040</b>
Income	(23,720)	(23,880)	(24,040)	(24,600)
<b>Total Income</b>	<b>(23,720)</b>	<b>(23,880)</b>	<b>(24,040)</b>	<b>(24,600)</b>
<b>Communications Net Expenditure</b>	<b>267,030</b>	<b>265,250</b>	<b>273,670</b>	<b>283,440</b>
<b>8 Policy &amp; Performance</b>				
Employee Expenses	91,100	108,190	113,510	118,960
Transport Related Expenditure	310	320	320	320
Supplies & Services	11,130	11,230	11,330	11,450
<b>Total Expenditure</b>	<b>102,540</b>	<b>119,740</b>	<b>125,160</b>	<b>130,730</b>
<b>Policy &amp; Performance Net Expenditure</b>	<b>102,540</b>	<b>119,740</b>	<b>125,160</b>	<b>130,730</b>
<b>9 Land Charges</b>				
Employee Expenses	31,870	30,810	31,840	32,880
Supplies & Services	41,220	41,080	41,500	41,920
<b>Total Expenditure</b>	<b>73,090</b>	<b>71,890</b>	<b>73,340</b>	<b>74,800</b>
Income	(80,090)	(71,890)	(73,340)	(74,800)
<b>Total Income</b>	<b>(80,090)</b>	<b>(71,890)</b>	<b>(73,340)</b>	<b>(74,800)</b>
<b>Land Charges Net Expenditure</b>	<b>(7,000)</b>	-	-	-
<b>10 Audit</b>				
Employee Expenses	203,330	211,940	221,610	231,770
Transport Related Expenditure	1,340	1,360	1,370	1,380
Supplies & Services	53,980	37,100	37,480	37,860
<b>Total Expenditure</b>	<b>258,650</b>	<b>250,400</b>	<b>260,460</b>	<b>271,010</b>
Income	(128,910)	(114,400)	(117,660)	(121,180)
<b>Total Income</b>	<b>(128,910)</b>	<b>(114,400)</b>	<b>(117,660)</b>	<b>(121,180)</b>
<b>Audit Net Expenditure</b>	<b>129,740</b>	<b>136,000</b>	<b>142,800</b>	<b>149,830</b>

Corporate Improvement

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>11 Risk</b>				
Employee Expenses	146,810	154,400	161,390	167,160
Transport Related Expenditure	4,140	4,170	4,210	4,250
Supplies & Services	636,270	642,210	646,980	653,870
<b>Total Expenditure</b>	<b>787,220</b>	<b>800,780</b>	<b>812,580</b>	<b>825,280</b>
Income	(687,030)	(705,350)	(727,840)	(751,230)
<b>Total Income</b>	<b>(687,030)</b>	<b>(705,350)</b>	<b>(727,840)</b>	<b>(751,230)</b>
<b>Risk Net Expenditure</b>	<b>100,190</b>	<b>95,430</b>	<b>84,740</b>	<b>74,050</b>
<b>12 Resilience</b>				
Employee Expenses	16,510	17,280	18,070	18,880
Premises Related Expenditure	140	140	140	140
Supplies & Services	65,260	61,810	63,360	63,990
<b>Total Expenditure</b>	<b>81,910</b>	<b>79,230</b>	<b>81,570</b>	<b>83,010</b>
Income	(50,710)	(51,700)	(52,930)	(54,260)
<b>Total Income</b>	<b>(50,710)</b>	<b>(51,700)</b>	<b>(52,930)</b>	<b>(54,260)</b>
<b>Resilience Net Expenditure</b>	<b>31,200</b>	<b>27,530</b>	<b>28,640</b>	<b>28,750</b>
<b>13 Customer Serv Mgmt (incl Social Alarms)</b>				
Employee Expenses	88,110	93,190	98,390	103,750
Transport Related Expenditure	1,050	1,060	1,070	1,080
Supplies & Services	8,050	8,090	8,140	8,230
Third Party Payments	49,950	50,950	51,970	53,010
<b>Total Expenditure</b>	<b>147,160</b>	<b>153,290</b>	<b>159,570</b>	<b>166,070</b>
Income	(97,010)	(101,750)	(104,840)	(108,820)
<b>Total Income</b>	<b>(97,010)</b>	<b>(101,750)</b>	<b>(104,840)</b>	<b>(108,820)</b>
<b>Customer Serv Mgmt (incl Social Alarms) Net Expenditure</b>	<b>50,150</b>	<b>51,540</b>	<b>54,730</b>	<b>57,250</b>
<b>Corporate Improvement Net Expenditure</b>	<b>1,983,990</b>	<b>2,069,130</b>	<b>2,113,070</b>	<b>2,159,370</b>

**Corporate Improvement Portfolio****Variation Statement 2020/2021 to 2022/2023**

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	1,368	- 24	1,344	1,421	- 22	1,399	25	30	1,454
Premises Related Costs	-	-	-	-	-	-	-	-	-
Transport Related Costs	11	-	11	11	-	11	-	-	11
Supplies and Services	1,044	91	1,135	1,053	91	1,144	11	-	1,155
Third Party Payments	1,292	7	1,299	1,328	8	1,336	27	13	1,376
<b>Total Expenditure</b>	<b>3,715</b>	<b>74</b>	<b>3,789</b>	<b>3,813</b>	<b>77</b>	<b>3,890</b>	<b>63</b>	<b>43</b>	<b>3,996</b>
Income	- 1,721	1	- 1,720	- 1,777	-	- 1,777	- 58	- 2	- 1,837
<b>Net Expenditure</b>	<b>1,994</b>	<b>75</b>	<b>2,069</b>	<b>2,036</b>	<b>77</b>	<b>2,113</b>	<b>5</b>	<b>41</b>	<b>2,159</b>

**Corporate Improvement Portfolio**

**Proposed Real Terms / Efficiency Variations**

**2020/21 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Civil contingencies - External Provision of function		
Employees	-31	
Supplies	<u>31</u>	0
Customer services - budget transferred from E-government (Leader portfolio)		21
Customer service - additional telephone charges		7
Information governance (budget realignment)		
Employees	4	
Supplies	<u>-4</u>	0
Increased insurance premiums		10
Supplies	7	
Income (recharge)	<u>-5</u>	2
Increased postage costs		9
Technology software licences		29
minor variations		-3
		<u><u>75</u></u>

**2021/22 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Civil contingencies - External Provision of function		
Employees	-31	
Supplies	<u>31</u>	0
Customer services - budget transferred from E-government (Leader portfolio)		21
Customer service - additional telephone charges		7
Information governance (budget realignment)		
Employees	6	
Supplies	<u>-6</u>	0
Increased insurance premiums		10
Supplies	7	
Income (recharge)	<u>-5</u>	2
Increased postage costs		9
Technology software licences		29
minor variations		-1
		<u><u>77</u></u>

**2021/22 to 2022/23 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Increase in Superannuation		28
Shared service payments to SBC		13
		<u><u>41</u></u>

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**Crime & Partnerships**

	<b>Outturn 2019-2020 £</b>	<b>Budget 2020-2021 £</b>	<b>Budget 2021-2022 £</b>	<b>Budget 2022-2023 £</b>
<b>1 Partnerships</b>				
Employee Expenses	205,710	192,850	191,890	199,570
Premises Related Expenditure	17,780	17,850	18,210	18,580
Transport Related Expenditure	2,370	2,390	2,420	2,450
Supplies & Services	128,120	8,250	8,340	8,430
<b>Total Expenditure</b>	<b>353,980</b>	<b>221,340</b>	<b>220,860</b>	<b>229,030</b>
Income	(148,650)	(9,890)	.	-
<b>Total Income</b>	<b>(148,650)</b>	<b>(9,890)</b>	.	-
<b>Partnerships Net Expenditure</b>	<b>205,330</b>	<b>211,450</b>	<b>220,860</b>	<b>229,030</b>
<b>2 CCTV</b>				
Employee Expenses	138,210	135,270	140,180	145,000
Premises Related Expenditure	4,700	9,500	9,690	9,880
Supplies & Services	83,000	83,860	84,730	85,580
<b>Total Expenditure</b>	<b>225,910</b>	<b>228,630</b>	<b>234,600</b>	<b>240,460</b>
Income	(49,140)	(50,240)	(51,370)	(52,550)
<b>Total Income</b>	<b>(49,140)</b>	<b>(50,240)</b>	<b>(51,370)</b>	<b>(52,550)</b>
<b>CCTV Net Expenditure</b>	<b>176,770</b>	<b>178,390</b>	<b>183,230</b>	<b>187,910</b>
<b>Crime &amp; Partnerships Net Expenditure</b>	<b>382,100</b>	<b>389,840</b>	<b>404,090</b>	<b>416,940</b>

**Crime & Partnerships Portfolio****Variation Statement 2020/2021 to 2022/2023**

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	322	6	328	334	- 2	332	6	7	345
Premises Related Costs	18	9	27	18	10	28	1	- 1	28
Transport Related Costs	2	-	2	2	-	2		-	2
Supplies and Services	95	- 3	92	97	- 4	93	1	-	94
<b>Total Expenditure</b>	<b>437</b>	<b>12</b>	<b>449</b>	<b>451</b>	<b>4</b>	<b>455</b>	<b>8</b>	<b>6</b>	<b>469</b>
<b>Income</b>	<b>- 50</b>	<b>- 10</b>	<b>- 60</b>	<b>- 51</b>	<b>-</b>	<b>- 51</b>	<b>- 1</b>	<b>-</b>	<b>- 52</b>
<b>Net Expenditure</b>	<b>387</b>	<b>2</b>	<b>389</b>	<b>400</b>	<b>4</b>	<b>404</b>	<b>7</b>	<b>6</b>	<b>417</b>

**Crime & Partnerships Portfolio**

**Proposed Real Terms / Efficiency Variations**

**2020/21 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Anti Social Behaviour Key worker funded by grant		
Employees	9	
Income	-9	0
CCTV additional electricity charges		9
CCTV reduced telephone charges		-3
minor variations		-4
		<u>2</u>

**2021/22 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Anti Social Behaviour Key worker funded by grant		
Employees	9	
Income	-9	0
CCTV additional electricity charges		9
CCTV reduced telephone charges		-3
minor variations		-2
		<u>4</u>

**2021/22 to 2022/23 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Increase in Superannuation		5
minor variations		1
		<u>6</u>

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Culture and Sport

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>1 Parks &amp; Open Spaces</b>				
Employee Expenses	500,390	523,340	483,050	483,530
Premises Related Expenditure	395,330	416,670	430,460	428,190
Transport Related Expenditure	20,110	20,420	20,790	18,840
Supplies & Services	230,000	185,050	173,790	135,300
Third Party Payments	176,210	181,230	186,370	191,770
<b>Total Expenditure</b>	<b>1,322,040</b>	<b>1,326,710</b>	<b>1,294,460</b>	<b>1,257,630</b>
Income	(191,820)	(172,420)	(122,150)	(83,280)
<b>Total Income</b>	<b>(191,820)</b>	<b>(172,420)</b>	<b>(122,150)</b>	<b>(83,280)</b>
<b>Parks &amp; Open Spaces Net Expenditure</b>	<b>1,130,220</b>	<b>1,154,290</b>	<b>1,172,310</b>	<b>1,174,350</b>
<b>2 Stadium</b>				
Employee Expenses	16,990	41,810	42,540	43,290
Premises Related Expenditure	48,470	49,990	50,030	50,760
Supplies & Services	20,730	20,730	20,730	20,730
<b>Total Expenditure</b>	<b>86,190</b>	<b>112,530</b>	<b>113,300</b>	<b>114,780</b>
<b>Stadium Net Expenditure</b>	<b>86,190</b>	<b>112,530</b>	<b>113,300</b>	<b>114,780</b>
<b>3 Cemeteries</b>				
Employee Expenses	104,910	107,880	112,890	117,490
Premises Related Expenditure	52,130	49,010	50,370	51,430
Transport Related Expenditure	19,340	5,460	5,580	5,700
Supplies & Services	58,380	19,190	19,450	19,660
<b>Total Expenditure</b>	<b>234,760</b>	<b>181,540</b>	<b>188,290</b>	<b>194,280</b>
Income	(198,630)	(178,470)	(181,970)	(185,530)
<b>Total Income</b>	<b>(198,630)</b>	<b>(178,470)</b>	<b>(181,970)</b>	<b>(185,530)</b>
<b>Cemeteries Net Expenditure</b>	<b>36,130</b>	<b>3,070</b>	<b>6,320</b>	<b>8,750</b>
<b>4 Contract Monitoring</b>				
Employee Expenses	189,550	197,620	204,310	211,200
Premises Related Expenditure	14,300	10,910	11,020	11,130
Transport Related Expenditure	9,720	9,920	10,090	10,260
Supplies & Services	3,220	3,240	3,260	3,280
<b>Total Expenditure</b>	<b>216,790</b>	<b>221,690</b>	<b>228,680</b>	<b>235,870</b>
Income	(44,710)	(46,510)	(48,370)	(50,310)
<b>Total Income</b>	<b>(44,710)</b>	<b>(46,510)</b>	<b>(48,370)</b>	<b>(50,310)</b>
<b>Contract Monitoring Net Expenditure</b>	<b>172,080</b>	<b>175,180</b>	<b>180,310</b>	<b>185,560</b>
<b>5 Leisure Management Contract</b>				
Premises Related Expenditure	175,490	179,010	182,590	186,240
Supplies & Services	1,727,610	1,766,480	1,661,560	1,826,000
<b>Total Expenditure</b>	<b>1,903,100</b>	<b>1,945,490</b>	<b>1,844,150</b>	<b>2,012,240</b>
Income	(175,370)	(268,960)	(182,420)	(208,650)
<b>Total Income</b>	<b>(175,370)</b>	<b>(268,960)</b>	<b>(182,420)</b>	<b>(208,650)</b>
<b>Leisure Management Contract Net Expenditure</b>	<b>1,727,730</b>	<b>1,676,530</b>	<b>1,661,730</b>	<b>1,803,590</b>

Culture and Sport

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>6 Leisure, Planning &amp; Marketing</b>				
Employee Expenses	121,570	201,880	207,520	163,330
Transport Related Expenditure	2,090	2,100	2,110	2,120
Supplies & Services	29,150	26,770	25,090	16,580
<b>Total Expenditure</b>	<b>152,810</b>	<b>230,750</b>	<b>234,720</b>	<b>182,030</b>
Income	(61,510)	(88,930)	(89,550)	(124,420)
<b>Total Income</b>	<b>(61,510)</b>	<b>(88,930)</b>	<b>(89,550)</b>	<b>(124,420)</b>
<b>Leisure, Planning &amp; Marketing Net Expenditure</b>	<b>91,300</b>	<b>141,820</b>	<b>145,170</b>	<b>57,610</b>
<b>7 Allotments</b>				
Premises Related Expenditure	2,560	3,930	4,000	4,070
<b>Total Expenditure</b>	<b>2,560</b>	<b>3,930</b>	<b>4,000</b>	<b>4,070</b>
Income	(4,640)	(4,640)	(4,640)	(4,640)
<b>Total Income</b>	<b>(4,640)</b>	<b>(4,640)</b>	<b>(4,640)</b>	<b>(4,640)</b>
<b>Allotments Net Expenditure</b>	<b>(2,080)</b>	<b>(710)</b>	<b>(640)</b>	<b>(570)</b>
<b>Culture and Sport Net Expenditure</b>	<b>3,241,570</b>	<b>3,262,710</b>	<b>3,278,500</b>	<b>3,344,070</b>

Culture & Sport PortfolioVariation Statement 2020/2021 to 2022/2023

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	971	102	1,073	976	74	1,050	19	- 50	1,019
Premises Related Costs	697	13	710	716	13	729	14	- 11	732
Transport Related Costs	35	3	38	35	4	39	1	- 3	37
Supplies and Services	2,026	- 5	2,021	2,002	- 98	1,904	33	84	2,021
Third Party Payments	181	-	181	186	-	186	4	2	192
<b>Total Expenditure</b>	<b>3,910</b>	<b>113</b>	<b>4,023</b>	<b>3,915</b>	<b>- 7</b>	<b>3,908</b>	<b>71</b>	<b>22</b>	<b>4,001</b>
<b>Income</b>	<b>- 628</b>	<b>- 132</b>	<b>- 760</b>	<b>- 621</b>	<b>- 8</b>	<b>- 629</b>	<b>- 10</b>	<b>- 18</b>	<b>- 657</b>
<b>Net Expenditure</b>	<b>3,282</b>	<b>- 19</b>	<b>3,263</b>	<b>3,294</b>	<b>- 15</b>	<b>3,279</b>	<b>61</b>	<b>4</b>	<b>3,344</b>

**Culture & Sport Portfolio**

**Proposed Real Terms / Efficiency Variations**

**2020/21 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
HLF Budget realignment		
Employees	37	
Premises	-21	
Transport	2	
Supplies	3	
Income	-21	0
Leisure management contract		
Inflation	-13	
Equalisation reserve	-90	-103
Stadium (realignment of spend)		
Premises	18	
Supplies	-18	0
In house parks team (new post)		
Employees	10	
Supplies	-10	0
Leisure planning & marketing (equipment and pension bond)		
Supplies	21	
Income	-21	0
Additional grounds recharge		15
Floral displays		15
Project management		50
minor variations		4
		<b><u>-19</u></b>

**2021/22 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
HLF Budget realignment		
Employees	6	
Premises	-22	
Transport	2	
Supplies	3	
Income	11	0
Leisure management contract		
Inflation	-13	
Contract cost	-179	
Equalisation reserve	90	-102
Stadium (realignment of spend)		
Premises	18	
Supplies	-18	0
In house parks team (new post)		
Employees	13	
Supplies	-13	0
Leisure planning & marketing (equipment and pension bond)		
Supplies	19	
Income	-19	0
Project management		50
Additional grounds recharge		16
Floral displays		15
minor variations		6
		<u>-15</u>

**2021/22 to 2022/23 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Increase in Superannuation		10
Increased recharges following pay award		
Streetcleansing	1	
Grounds	7	8
Leisure Management contract equalisation reserve		110
Project management post falling out		-50
Leisure management contract		-41
Heritage Lottery Fund (HLF) falling out		
Employees	-11	
Premises	-17	
Transport	-2	
Supplies	-40	
Income	40	-30
Leisure planning & marketing pension bond falling out		
Supplies	-9	
Income	9	0
minor variations		-3
		<u>4</u>

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**Economic Development and Planning**

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>1 Economic Development</b>				
Employee Expenses	221,910	203,600	270,270	272,070
Premises Related Expenditure	860			-
Transport Related Expenditure	2,920	2,710	2,740	2,770
Supplies & Services	482,240	139,870	115,050	70,230
<b>Total Expenditure</b>	<b>707,930</b>	<b>346,180</b>	<b>388,060</b>	<b>345,070</b>
Income	(519,140)	(40,670)	(5,500)	-
<b>Total Income</b>	<b>(519,140)</b>	<b>(40,670)</b>	<b>(5,500)</b>	<b>-</b>
<b>Economic Development Net Expenditure</b>	<b>188,790</b>	<b>305,510</b>	<b>382,560</b>	<b>345,070</b>
<b>2 Management &amp; Support</b>				
Employee Expenses	358,120	420,840	435,460	450,500
Transport Related Expenditure	10,490	10,590	10,690	10,790
Supplies & Services	271,260	110,270	86,460	68,650
<b>Total Expenditure</b>	<b>639,870</b>	<b>541,700</b>	<b>532,610</b>	<b>529,940</b>
Income	(266,230)	(138,280)	(66,020)	(49,980)
<b>Total Income</b>	<b>(266,230)</b>	<b>(138,280)</b>	<b>(66,020)</b>	<b>(49,980)</b>
<b>Management &amp; Support Net Expenditure</b>	<b>373,640</b>	<b>403,420</b>	<b>466,590</b>	<b>479,960</b>
<b>3 Development Control</b>				
Employee Expenses	336,340	266,350	277,810	288,360
Transport Related Expenditure	5,830	5,890	5,950	6,010
Supplies & Services	178,270	94,710	95,050	95,450
<b>Total Expenditure</b>	<b>520,440</b>	<b>366,950</b>	<b>378,810</b>	<b>389,820</b>
Income	(508,550)	(373,610)	(374,140)	(374,680)
<b>Total Income</b>	<b>(508,550)</b>	<b>(373,610)</b>	<b>(374,140)</b>	<b>(374,680)</b>
<b>Development Control Net Expenditure</b>	<b>11,890</b>	<b>(6,660)</b>	<b>4,670</b>	<b>15,140</b>
<b>4 Building Control</b>				
Employee Expenses	505,810	561,640	581,750	601,380
Transport Related Expenditure	24,540	21,640	21,860	22,080
Supplies & Services	66,210	66,810	67,480	68,150
<b>Total Expenditure</b>	<b>596,560</b>	<b>650,090</b>	<b>671,090</b>	<b>691,610</b>
Income	(492,970)	(525,340)	(539,860)	(554,180)
<b>Total Income</b>	<b>(492,970)</b>	<b>(525,340)</b>	<b>(539,860)</b>	<b>(554,180)</b>
<b>Building Control Net Expenditure</b>	<b>103,590</b>	<b>124,750</b>	<b>131,230</b>	<b>137,430</b>
<b>5 Industrial Sites</b>				
Premises Related Expenditure	6,980	7,150	7,260	7,380
Capital Financing Costs	1,610	1,610	1,610	1,610
<b>Total Expenditure</b>	<b>8,590</b>	<b>8,760</b>	<b>8,870</b>	<b>8,990</b>
Income	(122,000)	(122,000)	(122,000)	(122,000)
<b>Total Income</b>	<b>(122,000)</b>	<b>(122,000)</b>	<b>(122,000)</b>	<b>(122,000)</b>
<b>Industrial Sites Net Expenditure</b>	<b>(113,410)</b>	<b>(113,240)</b>	<b>(113,130)</b>	<b>(113,010)</b>

Economic Development and Planning

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>6 Public Buildings</b>				
Employee Expenses	225,220	240,360	247,800	255,520
Premises Related Expenditure	571,400	594,410	532,910	540,260
Transport Related Expenditure	3,370	3,400	3,430	3,460
Supplies & Services	53,070	51,980	52,290	52,800
<b>Total Expenditure</b>	<b>853,060</b>	<b>890,150</b>	<b>836,430</b>	<b>852,040</b>
Income	(329,110)	(348,510)	(355,920)	(361,970)
<b>Total Income</b>	<b>(329,110)</b>	<b>(348,510)</b>	<b>(355,920)</b>	<b>(361,970)</b>
<b>Public Buildings Net Expenditure</b>	<b>523,950</b>	<b>541,640</b>	<b>480,510</b>	<b>490,070</b>
<b>7 Civic Ballroom</b>				
Premises Related Expenditure	610	620	630	640
<b>Total Expenditure</b>	<b>610</b>	<b>620</b>	<b>630</b>	<b>640</b>
Income	(13,700)	(13,700)	(13,980)	(14,260)
<b>Total Income</b>	<b>(13,700)</b>	<b>(13,700)</b>	<b>(13,980)</b>	<b>(14,260)</b>
<b>Civic Ballroom Net Expenditure</b>	<b>(13,090)</b>	<b>(13,080)</b>	<b>(13,350)</b>	<b>(13,620)</b>
<b>8 Caretakers and Cleaners</b>				
Employee Expenses	236,960	253,960	264,980	276,230
Premises Related Expenditure	12,760	12,760	12,890	13,020
Transport Related Expenditure	2,160	2,160	2,210	2,260
Supplies & Services	3,990	3,990	4,020	4,060
<b>Total Expenditure</b>	<b>255,870</b>	<b>272,870</b>	<b>284,100</b>	<b>295,570</b>
<b>Caretakers and Cleaners Net Expenditure</b>	<b>255,870</b>	<b>272,870</b>	<b>284,100</b>	<b>295,570</b>
<b>Economic Development and Planning Net Expenditure</b>	<b>1,331,230</b>	<b>1,515,210</b>	<b>1,623,180</b>	<b>1,636,610</b>

**Economic Development Portfolio****Variation Statement 2020/2021 to 2022/2023**

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	1,915	31	1,946	1,980	98	2,078	37	29	2,144
Premises Related Costs	546	69	615	555	- 1	554	9	- 1	562
Transport Related Costs	52	- 6	46	53	- 6	47	-	-	47
Supplies and Services	292	176	468	374	46	420	2	- 63	359
Capital Financing	2	-	2	2	-	2	-	-	2
<b>Total Expenditure</b>	<b>2,807</b>	<b>270</b>	<b>3,077</b>	<b>2,964</b>	<b>137</b>	<b>3,101</b>	<b>48</b>	<b>- 35</b>	<b>3,114</b>
Income	- 1,469	- 93	- 1,562	- 1,518	40	- 1,478	- 17	18	- 1,477
<b>Net Expenditure</b>	<b>1,338</b>	<b>177</b>	<b>1,515</b>	<b>1,446</b>	<b>177</b>	<b>1,623</b>	<b>31</b>	<b>- 17</b>	<b>1,637</b>

**Economic Development Portfolio**

**Proposed Real Terms / Efficiency Variations**

**2020/21 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Town Centre partnership post funded from S106		
Employees	25	
Income	-25	0
Landlords increased repair and maintenance		70
Building Control (budget realignment)		
Transport	-6	
Income	6	0
Staffing variations		6
Local Plan Review rephasing		
Expenditure	52	
Contribution from Reserves	-52	0
Economic Development - Enterprise Programme		
Supplies	10	
Contribution from Reserves	-10	0
Economic Prosperity Strategy		110
minor variations		-9
		<b><u>177</u></b>

**2021/22 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Town Centre partnership post funded from S106		
Employees	6	
Income	-6	0
Building Control (budget realignment)		
Transport	-6	
Income	6	0
Staffing variations		7
Local Plan Review rephasing		
Expenditure	52	
Contribution from Reserves	-52	0
Economic Prosperity Strategy		
Employees	85	
Supplies	95	180
minor variations		-10
		<b><u>177</u></b>

**2021/22 to 2022/23 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Staffing variations (including increments)		4
Town Centre partnership post funded from S106 falling out		
Employees	-6	
Income	<u>6</u>	0
Local Plan Review rephasing and additional funding		
Expenditure	-18	
Contribution from Reserves	<u>18</u>	0
Increase in Superannuation		30
Economic Prosperity strategy part falling out		-45
Additional shared service contributions		-4
minor variations		-2
		<u><u>-17</u></u>

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Environment

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>1 Waste &amp; Recycling</b>				
Employee Expenses	251,010	263,710	276,900	290,390
Premises Related Expenditure	2,840	2,870	2,900	2,930
Transport Related Expenditure	5,690	5,810	5,900	5,990
Supplies & Services	71,410	73,530	74,260	74,990
Third Party Payments	2,460,470	2,531,360	2,613,550	2,694,510
<b>Total Expenditure</b>	<b>2,791,420</b>	<b>2,877,280</b>	<b>2,973,510</b>	<b>3,068,810</b>
Income	(1,059,440)	(1,010,640)	(979,880)	(949,630)
<b>Total Income</b>	<b>(1,059,440)</b>	<b>(1,010,640)</b>	<b>(979,880)</b>	<b>(949,630)</b>
<b>Waste &amp; Recycling Net Expenditure</b>	<b>1,731,980</b>	<b>1,866,640</b>	<b>1,993,630</b>	<b>2,119,180</b>
<b>2 Regulatory Services</b>				
Employee Expenses	418,740	434,730	451,550	468,620
Premises Related Expenditure	1,000	1,020	1,040	1,060
Transport Related Expenditure	16,600	16,770	16,940	17,110
Supplies & Services	52,100	44,380	44,830	45,290
Third Party Payments	43,100	43,100	43,970	44,850
<b>Total Expenditure</b>	<b>531,540</b>	<b>540,000</b>	<b>558,330</b>	<b>576,930</b>
Income	(56,910)	(25,960)	(26,490)	(27,030)
<b>Total Income</b>	<b>(56,910)</b>	<b>(25,960)</b>	<b>(26,490)</b>	<b>(27,030)</b>
<b>Regulatory Services Net Expenditure</b>	<b>474,630</b>	<b>514,040</b>	<b>531,840</b>	<b>549,900</b>
<b>3 Cleansing Services</b>				
Premises Related Expenditure	5,750	5,810	5,870	5,930
Supplies & Services	5,430	5,480	5,530	5,580
Third Party Payments	407,970	419,590	431,500	443,970
<b>Total Expenditure</b>	<b>419,150</b>	<b>430,880</b>	<b>442,900</b>	<b>455,480</b>
<b>Cleansing Services Net Expenditure</b>	<b>419,150</b>	<b>430,880</b>	<b>442,900</b>	<b>455,480</b>
<b>4 Drainage Services</b>				
Premises Related Expenditure	8,440	8,520	8,610	8,700
<b>Total Expenditure</b>	<b>8,440</b>	<b>8,520</b>	<b>8,610</b>	<b>8,700</b>
<b>Drainage Services Net Expenditure</b>	<b>8,440</b>	<b>8,520</b>	<b>8,610</b>	<b>8,700</b>
<b>5 Street Cleansing</b>				
Employee Expenses	484,090	484,650	501,630	518,840
Premises Related Expenditure	3,250	3,320	3,390	3,460
Transport Related Expenditure	155,060	156,340	157,650	159,900
Supplies & Services	35,820	36,080	36,340	36,620
<b>Total Expenditure</b>	<b>678,220</b>	<b>680,390</b>	<b>699,010</b>	<b>718,820</b>
Income	(662,220)	(680,390)	(699,010)	(718,820)
<b>Total Income</b>	<b>(662,220)</b>	<b>(680,390)</b>	<b>(699,010)</b>	<b>(718,820)</b>
<b>Street Cleansing Net Expenditure</b>	<b>16,000</b>	-	-	-

Environment

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>6 Countryside Management</b>				
Employee Expenses	188,840	177,640	159,940	162,370
Premises Related Expenditure	8,080	8,080	8,220	8,360
Transport Related Expenditure	12,250	12,510	12,770	13,030
Supplies & Services	93,430	42,290	29,950	30,250
<b>Total Expenditure</b>	<b>302,600</b>	<b>240,520</b>	<b>210,880</b>	<b>214,010</b>
Income	(116,220)	(50,260)	(16,940)	(17,610)
<b>Total Income</b>	<b>(116,220)</b>	<b>(50,260)</b>	<b>(16,940)</b>	<b>(17,610)</b>
<b>Countryside Management Net Expenditure</b>	<b>186,380</b>	<b>190,260</b>	<b>193,940</b>	<b>196,400</b>
<b>7 Grounds Maintenance</b>				
Employee Expenses	657,910	673,660	698,270	723,910
Premises Related Expenditure	35,010	35,080	35,390	36,010
Transport Related Expenditure	76,730	62,420	63,620	64,860
Supplies & Services	165,120	153,140	154,680	156,240
<b>Total Expenditure</b>	<b>934,770</b>	<b>924,300</b>	<b>951,960</b>	<b>981,020</b>
Income	(931,770)	(924,300)	(951,960)	(981,020)
<b>Total Income</b>	<b>(931,770)</b>	<b>(924,300)</b>	<b>(951,960)</b>	<b>(981,020)</b>
<b>Grounds Maintenance Net Expenditure</b>	<b>3,000</b>	-	-	-
<b>8 Conservation Areas</b>				
Employee Expenses	149,940	157,590	164,490	171,290
Transport Related Expenditure	4,990	5,040	5,090	5,140
Supplies & Services	2,150	2,170	2,190	2,210
<b>Total Expenditure</b>	<b>157,080</b>	<b>164,800</b>	<b>171,770</b>	<b>178,640</b>
<b>Conservation Areas Net Expenditure</b>	<b>157,080</b>	<b>164,800</b>	<b>171,770</b>	<b>178,640</b>
<b>9 Public Clocks</b>				
Premises Related Expenditure	4,950	5,190	5,310	5,450
<b>Total Expenditure</b>	<b>4,950</b>	<b>5,190</b>	<b>5,310</b>	<b>5,450</b>
<b>Public Clocks Net Expenditure</b>	<b>4,950</b>	<b>5,190</b>	<b>5,310</b>	<b>5,450</b>
<b>10 Off Street Parking</b>				
Premises Related Expenditure	350,690	340,390	347,940	354,500
Transport Related Expenditure	10	10	10	10
Supplies & Services	137,630	124,870	129,280	132,800
Third Party Payments	28,780	29,320	29,870	30,740
<b>Total Expenditure</b>	<b>517,110</b>	<b>494,590</b>	<b>507,100</b>	<b>518,050</b>
Income	(907,950)	(864,000)	(884,520)	(884,660)
<b>Total Income</b>	<b>(907,950)</b>	<b>(864,000)</b>	<b>(884,520)</b>	<b>(884,660)</b>
<b>Off Street Parking Net Expenditure</b>	<b>(390,840)</b>	<b>(369,410)</b>	<b>(377,420)</b>	<b>(366,610)</b>

Environment

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>11 Hawks Green Depot</b>				
Employee Expenses	6,170	6,290	6,420	6,550
Premises Related Expenditure	93,710	96,330	98,120	99,960
Supplies & Services	16,080	17,750	18,280	18,840
<b>Total Expenditure</b>	<b>115,960</b>	<b>120,370</b>	<b>122,820</b>	<b>125,350</b>
Income	(137,190)	(142,710)	(148,400)	(154,320)
<b>Total Income</b>	<b>(137,190)</b>	<b>(142,710)</b>	<b>(148,400)</b>	<b>(154,320)</b>
<b>Hawks Green Depot Net Expenditure</b>	<b>(21,230)</b>	<b>(22,340)</b>	<b>(25,580)</b>	<b>(28,970)</b>
<b>12 Bus Shelters</b>				
Premises Related Expenditure	32,340	31,940	32,560	33,190
<b>Total Expenditure</b>	<b>32,340</b>	<b>31,940</b>	<b>32,560</b>	<b>33,190</b>
Income	(39,290)	(35,400)	(36,120)	(36,840)
<b>Total Income</b>	<b>(39,290)</b>	<b>(35,400)</b>	<b>(36,120)</b>	<b>(36,840)</b>
<b>Bus Shelters Net Expenditure</b>	<b>(6,950)</b>	<b>(3,460)</b>	<b>(3,560)</b>	<b>(3,650)</b>
<b>13 Private Sector Housing</b>				
Employee Expenses	216,700	238,060	245,800	253,630
Transport Related Expenditure	8,210	11,360	11,480	11,600
Supplies & Services	10,450	10,660	10,770	10,880
<b>Total Expenditure</b>	<b>235,360</b>	<b>260,080</b>	<b>268,050</b>	<b>276,110</b>
Income	(43,530)	(44,410)	(45,250)	(46,100)
<b>Total Income</b>	<b>(43,530)</b>	<b>(44,410)</b>	<b>(45,250)</b>	<b>(46,100)</b>
<b>Private Sector Housing Net Expenditure</b>	<b>191,830</b>	<b>215,670</b>	<b>222,800</b>	<b>230,010</b>
<b>14 Vehicles</b>				
Employee Expenses	142,510	139,470	144,180	149,040
Premises Related Expenditure	1,060	1,070	1,080	1,090
Transport Related Expenditure	53,880	53,990	54,430	55,170
Supplies & Services	10,980	11,090	11,200	11,310
<b>Total Expenditure</b>	<b>208,430</b>	<b>205,620</b>	<b>210,890</b>	<b>216,610</b>
Income	(244,010)	(233,710)	(238,130)	(242,940)
<b>Total Income</b>	<b>(244,010)</b>	<b>(233,710)</b>	<b>(238,130)</b>	<b>(242,940)</b>
<b>Vehicles Net Expenditure</b>	<b>(35,580)</b>	<b>(28,090)</b>	<b>(27,240)</b>	<b>(26,330)</b>
<b>Environment Net Expenditure</b>	<b>2,738,840</b>	<b>2,972,700</b>	<b>3,137,000</b>	<b>3,318,200</b>

Environment PortfolioVariation Statement 2020/2021 to 2022/2023

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	2,546	30	2,576	2,616	33	2,649	49	46	2,744
Premises Related Costs	509	31	540	518	33	551	10	-	561
Transport Related Costs	309	15	324	313	15	328	5	-	333
Supplies and Services	549	- 27	522	545	- 28	517	5	3	525
Third Party Payments	3,040	- 17	3,023	3,135	- 16	3,119	58	37	3,214
<b>Total Expenditure</b>	<b>6,953</b>	<b>32</b>	<b>6,985</b>	<b>7,127</b>	<b>37</b>	<b>7,164</b>	<b>127</b>	<b>86</b>	<b>7,377</b>
Income	- 4,053	41	- 4,012	- 4,044	17	- 4,027	- 66	34	- 4,059
<b>Net Expenditure</b>	<b>2,900</b>	<b>73</b>	<b>2,973</b>	<b>3,083</b>	<b>54</b>	<b>3,137</b>	<b>61</b>	<b>120</b>	<b>3,318</b>

**Environment Portfolio**

**Proposed Real Terms / Efficiency Variations**

**2020/21 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Waste		
Calendar delivery costs	12	
Reduced advertising	-10	
Contract inflation	-16	-14
Vehicle workshop (budget realignment)		
Employees	7	
Transport	15	
Income	-22	0
Streetcleansing litter picking and opening at Stadium		
Premises	9	
Income	-9	0
Off Street Parking		
Rates	13	
Contract cost	-15	
Income	81	79
Grounds rent of property		16
Increased grounds recharge		-16
Bus Shelters reduced income		5
minor variations		3
		<b><u>73</u></b>

**2021/22 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Waste		
Calendar delivery costs	13	
Reduced advertising	-10	
Contract inflation	-16	-13
Vehicle workshop (budget realignment)		
Employees	7	
Transport	15	
Income	-22	0
Streetcleansing litter picking and opening at Stadium		
Premises	10	
Income	-10	0
Off Street Parking		
Rates	15	
Contract cost	-15	
Income	60	60
Grounds rent of property		16
Increased grounds recharge		-16
Bus Shelters reduced income		5
minor variations		2
		<b><u>54</u></b>

**2021/22 to 2022/23 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Increase in Superannuation		49
Waste		
Contract costs additional properties	28	
Kerbside gate fees	3	
Green gate fees	2	
Recycling credits	48	81
Street cleansing recharge		
Supplies	4	
Income	-6	-2
Increased Grounds maintenance recharge		-8
		<b><u>120</u></b>

Health and Wellbeing

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>1 Benefits Payments</b>				
Transfer Payments	19,940,490	18,272,200	16,811,730	15,468,090
<b>Total Expenditure</b>	<b>19,940,490</b>	<b>18,272,200</b>	<b>16,811,730</b>	<b>15,468,090</b>
Income	(20,021,810)	(18,353,520)	(16,893,050)	(15,549,410)
<b>Total Income</b>	<b>(20,021,810)</b>	<b>(18,353,520)</b>	<b>(16,893,050)</b>	<b>(15,549,410)</b>
<b>Benefits Payments Net Expenditure</b>	<b>(81,320)</b>	<b>(81,320)</b>	<b>(81,320)</b>	<b>(81,320)</b>
<b>2 Food Safety</b>				
Employee Expenses	303,880	336,900	348,410	360,210
Transport Related Expenditure	9,940	10,040	10,140	10,240
Supplies & Services	40,610	55,100	43,440	43,780
<b>Total Expenditure</b>	<b>354,430</b>	<b>402,040</b>	<b>401,990</b>	<b>414,230</b>
Income	(16,000)	.	.	-
<b>Total Income</b>	<b>(16,000)</b>	.	.	-
<b>Food Safety Net Expenditure</b>	<b>338,430</b>	<b>402,040</b>	<b>401,990</b>	<b>414,230</b>
<b>3 Management &amp; Administration</b>				
Employee Expenses	54,980	55,280	57,710	60,190
Transport Related Expenditure	130	130	130	130
Supplies & Services	850	860	870	880
<b>Total Expenditure</b>	<b>55,960</b>	<b>56,270</b>	<b>58,710</b>	<b>61,200</b>
<b>Management &amp; Administration Net Expenditure</b>	<b>55,960</b>	<b>56,270</b>	<b>58,710</b>	<b>61,200</b>
<b>4 Mortuary</b>				
Employee Expenses	42,400	43,690	45,080	46,520
Premises Related Expenditure	63,610	20,450	20,810	21,190
Supplies & Services	38,170	20,400	20,580	20,760
<b>Total Expenditure</b>	<b>144,180</b>	<b>84,540</b>	<b>86,470</b>	<b>88,470</b>
Income	(155,780)	(93,480)	(93,480)	(93,480)
<b>Total Income</b>	<b>(155,780)</b>	<b>(93,480)</b>	<b>(93,480)</b>	<b>(93,480)</b>
<b>Mortuary Net Expenditure</b>	<b>(11,600)</b>	<b>(8,940)</b>	<b>(7,010)</b>	<b>(5,010)</b>
<b>5 Taxation</b>				
Employee Expenses	2,348,040	2,465,150	2,438,040	2,524,440
Transport Related Expenditure	22,720	22,950	23,180	23,410
Supplies & Services	615,010	496,560	467,170	474,160
Third Party Payments	14,000	14,000	14,000	14,280
<b>Total Expenditure</b>	<b>2,999,770</b>	<b>2,998,660</b>	<b>2,942,390</b>	<b>3,036,290</b>
Income	(2,379,180)	(2,323,710)	(2,225,160)	(2,276,050)
<b>Total Income</b>	<b>(2,379,180)</b>	<b>(2,323,710)</b>	<b>(2,225,160)</b>	<b>(2,276,050)</b>
<b>Taxation Net Expenditure</b>	<b>620,590</b>	<b>674,950</b>	<b>717,230</b>	<b>760,240</b>

**Health and Wellbeing**

	<b>Outturn 2019-2020</b>	<b>Budget 2020-2021</b>	<b>Budget 2021-2022</b>	<b>Budget 2022-2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>6 Licensing</b>				
Employee Expenses	159,420	164,860	170,550	176,360
Transport Related Expenditure	4,580	4,630	4,680	4,730
Supplies & Services	36,500	36,750	37,120	37,500
<b>Total Expenditure</b>	<b>200,500</b>	<b>206,240</b>	<b>212,350</b>	<b>218,590</b>
Income	(267,100)	(271,900)	(277,200)	(282,640)
<b>Total Income</b>	<b>(267,100)</b>	<b>(271,900)</b>	<b>(277,200)</b>	<b>(282,640)</b>
<b>Licensing Net Expenditure</b>	<b>(66,600)</b>	<b>(65,660)</b>	<b>(64,850)</b>	<b>(64,050)</b>
<b>Health and Wellbeing Net Expenditure</b>	<b>855,460</b>	<b>977,340</b>	<b>1,024,750</b>	<b>1,085,290</b>

**Health & Wellbeing Portfolio****Variation Statement 2020/2021 to 2022/2023**

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Employee Costs</b>	2,950	116	3,066	3,058	2	3,060	58	50	3,168
<b>Premises Related Costs</b>	19	1	20	20	1	21	-	-	21
<b>Transport Related Costs</b>	38	-	38	38	-	38	-	1	39
<b>Supplies and Services</b>	588	22	610	559	10	569	8	-	577
<b>Third Party</b>	-	14	14	-	14	14	-	-	14
<b>Transfer Payments</b>	22,403	- 4,131	18,272	20,566	- 3,754	16,812	-	- 1,344	15,468
<b>Total Expenditure</b>	25,998	- 3,978	22,020	24,241	- 3,727	20,514	66	- 1,293	19,287
<b>Income</b>	- 25,056	4,013	- 21,043	- 23,241	3,752	- 19,489	- 40	#VALUE!	
<b>Net Expenditure</b>	942	<b>35</b>	977	1,000	<b>25</b>	1,025	26	<b>#VALUE!</b>	19,287

**Health & Wellbeing Portfolio**

**Proposed Real Terms / Efficiency Variations**

**2020/21 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Local Taxation grant funding		
Employees	116	
Income	-116	0
Change in benefit payments (estimated impact of Universal Credit)		
Expenditure	- 4,131	
Income	4,131	0
Food Safety - Obesity - Cannock Chase CAN		22
Taxation - additional telephone costs		14
minor variations		-1
		<b><u>35</u></b>

**2021/22 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Change in benefit payments (estimated impact of Universal Credit)		
Expenditure	- 3,754	
Income	3,754	0
Food Safety - Obesity - Cannock Chase CAN		10
Taxation - additional telephone costs		14
minor variations		1
		<b><u>25</u></b>

**2021/22 to 2022/23 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Increase in Superannuation		49
Increments		4
Change in benefit payments (estimated impact of Universal Credit)		
Expenditure	- 1,344	
Income	1,344	0
Taxation - additional shared service contributions		-16
minor variations		-3
		<b><u>34</u></b>

Housing General Fund

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>1 Circular 8/95</b>				
Supplies & Services	35,520	35,520	35,520	35,520
<b>Total Expenditure</b>	<b>35,520</b>	<b>35,520</b>	<b>35,520</b>	<b>35,520</b>
<b>Circular 8/95 Net Expenditure</b>	<b>35,520</b>	<b>35,520</b>	<b>35,520</b>	<b>35,520</b>
<b>2 Housing Services</b>				
Employee Expenses	435,810	423,230	430,830	445,380
Premises Related Expenditure	5,150	5,670	5,700	5,810
Transport Related Expenditure	2,540	2,560	2,580	2,600
Supplies & Services	293,550	132,460	133,240	134,170
Third Party Payments	20,500	.	290	300
<b>Total Expenditure</b>	<b>757,550</b>	<b>563,920</b>	<b>572,640</b>	<b>588,260</b>
Income	(388,200)	(189,720)	(190,000)	(194,170)
<b>Total Income</b>	<b>(388,200)</b>	<b>(189,720)</b>	<b>(190,000)</b>	<b>(194,170)</b>
<b>Housing Services Net Expenditure</b>	<b>369,350</b>	<b>374,200</b>	<b>382,640</b>	<b>394,090</b>
<b>Housing General Fund Net Expenditure</b>	<b>404,870</b>	<b>409,720</b>	<b>418,160</b>	<b>429,610</b>

**Housing General Fund Portfolio****Variation Statement 2020/2021 to 2022/2023**

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	425	- 2	423	434	- 3	431	8	6	445
Premises Related Costs	1	5	6	1	5	6	-	-	6
Transport Related Costs	3	-	3	3	- 1	2	-	1	3
Supplies and Services	129	39	168	129	40	169	1	-	170
Third Party	14	- 14	-	15	- 15	-	-	-	-
<b>Total Expenditure</b>	<b>572</b>	<b>28</b>	<b>600</b>	<b>582</b>	<b>26</b>	<b>608</b>	<b>9</b>	<b>7</b>	<b>624</b>
Income	- 165	- 25	- 190	- 165	- 25	- 190	- 4	-	- 194
<b>Net Expenditure</b>	<b>407</b>	<b>3</b>	<b>410</b>	<b>417</b>	<b>1</b>	<b>418</b>	<b>5</b>	<b>7</b>	<b>430</b>

Leader of the Council

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>1 Democratic Services</b>				
Employee Expenses	177,760	186,730	194,820	202,900
Transport Related Expenditure	3,810	3,850	3,890	3,930
Supplies & Services	388,410	394,660	402,280	410,050
<b>Total Expenditure</b>	<b>569,980</b>	<b>585,240</b>	<b>600,990</b>	<b>616,880</b>
Income	(1,220)	.	.	-
<b>Total Income</b>	<b>(1,220)</b>	.	.	-
<b>Democratic Services Net Expenditure</b>	<b>568,760</b>	<b>585,240</b>	<b>600,990</b>	<b>616,880</b>
<b>2 Elections</b>				
Employee Expenses	175,610	169,100	118,680	178,380
Premises Related Expenditure	7,590	4,690	.	4,690
Transport Related Expenditure	250	250	150	250
Supplies & Services	119,590	101,800	54,020	102,630
<b>Total Expenditure</b>	<b>303,040</b>	<b>275,840</b>	<b>172,850</b>	<b>285,950</b>
Income	(38,820)	(1,170)	(1,190)	(1,210)
<b>Total Income</b>	<b>(38,820)</b>	<b>(1,170)</b>	<b>(1,190)</b>	<b>(1,210)</b>
<b>Elections Net Expenditure</b>	<b>264,220</b>	<b>274,670</b>	<b>171,660</b>	<b>284,740</b>
<b>3 Executive Management &amp; Support</b>				
Employee Expenses	247,290	279,380	260,060	268,560
Transport Related Expenditure	2,540	2,590	2,620	2,650
Supplies & Services	88,310	128,930	79,690	80,520
<b>Total Expenditure</b>	<b>338,140</b>	<b>410,900</b>	<b>342,370</b>	<b>351,730</b>
Income	(8,890)	(39,990)	(12,360)	(12,360)
<b>Total Income</b>	<b>(8,890)</b>	<b>(39,990)</b>	<b>(12,360)</b>	<b>(12,360)</b>
<b>Executive Management &amp; Support Net Expenditure</b>	<b>329,250</b>	<b>370,910</b>	<b>330,010</b>	<b>339,370</b>
<b>4 e-Government</b>				
Supplies & Services	20,310	.	.	-
<b>Total Expenditure</b>	<b>20,310</b>	.	.	-
<b>e-Government Net Expenditure</b>	<b>20,310</b>	-	-	-
<b>5 Grants &amp; Contributions</b>				
Supplies & Services	166,240	154,000	148,640	151,630
<b>Total Expenditure</b>	<b>166,240</b>	<b>154,000</b>	<b>148,640</b>	<b>151,630</b>
<b>Grants &amp; Contributions Net Expenditure</b>	<b>166,240</b>	<b>154,000</b>	<b>148,640</b>	<b>151,630</b>
<b>6 Finance</b>				
Employee Expenses	930,570	964,390	997,900	1,035,030
Transport Related Expenditure	3,520	3,560	3,600	3,640
Supplies & Services	124,790	126,050	127,310	128,580
<b>Total Expenditure</b>	<b>1,058,880</b>	<b>1,094,000</b>	<b>1,128,810</b>	<b>1,167,250</b>
Income	(790,750)	(818,860)	(847,160)	(877,800)
<b>Total Income</b>	<b>(790,750)</b>	<b>(818,860)</b>	<b>(847,160)</b>	<b>(877,800)</b>
<b>Finance Net Expenditure</b>	<b>268,130</b>	<b>275,140</b>	<b>281,650</b>	<b>289,450</b>

Leader of the Council

	Outturn 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £	Budget 2022-2023 £
<b>7 Corporate Management</b>				
Supplies & Services	108,520	107,370	108,400	109,490
<b>Total Expenditure</b>	<b>108,520</b>	<b>107,370</b>	<b>108,400</b>	<b>109,490</b>
Income	(37,730)	(39,250)	(40,820)	(42,450)
<b>Total Income</b>	<b>(37,730)</b>	<b>(39,250)</b>	<b>(40,820)</b>	<b>(42,450)</b>
<b>Corporate Management Net Expenditure</b>	<b>70,790</b>	<b>68,120</b>	<b>67,580</b>	<b>67,040</b>
<b>8 Non Distributed Costs</b>				
Employee Expenses	318,290	324,980	331,480	338,110
<b>Total Expenditure</b>	<b>318,290</b>	<b>324,980</b>	<b>331,480</b>	<b>338,110</b>
Income	(40,000)	(40,000)	(40,800)	(41,620)
<b>Total Income</b>	<b>(40,000)</b>	<b>(40,000)</b>	<b>(40,800)</b>	<b>(41,620)</b>
<b>Non Distributed Costs Net Expenditure</b>	<b>278,290</b>	<b>284,980</b>	<b>290,680</b>	<b>296,490</b>
<b>9 Excluded Items</b>				
Employee Expenses	43,500	43,500	43,500	44,370
Supplies & Services	(1,000)			-
<b>Total Expenditure</b>	<b>42,500</b>	<b>43,500</b>	<b>43,500</b>	<b>44,370</b>
Income	(711,590)	(740,270)	(769,880)	(800,670)
<b>Total Income</b>	<b>(711,590)</b>	<b>(740,270)</b>	<b>(769,880)</b>	<b>(800,670)</b>
<b>Excluded Items Net Expenditure</b>	<b>(669,090)</b>	<b>(696,770)</b>	<b>(726,380)</b>	<b>(756,300)</b>
<b>Leader of the Council Net Expenditure</b>	<b>1,296,900</b>	<b>1,316,290</b>	<b>1,164,830</b>	<b>1,289,300</b>

Leader of the Council PortfolioVariation Statement 2020/2021 to 2022/2023

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	1,928	40	1,968	1,932	15	1,947	35	85	2,067
Premises Related Costs	5	-	5	-	-	-	-	5	5
Transport Related Costs	10	-	10	10	-	10	-	-	10
Supplies and Services	978	35	1,013	937	- 17	920	13	50	983
<b>Total Expenditure</b>	<b>2,921</b>	<b>75</b>	<b>2,996</b>	<b>2,879</b>	<b>- 2</b>	<b>2,877</b>	<b>48</b>	<b>140</b>	<b>3,065</b>
<b>Income</b>	<b>- 1,639</b>	<b>- 41</b>	<b>- 1,680</b>	<b>- 1,700</b>	<b>- 12</b>	<b>- 1,712</b>	<b>- 55</b>	<b>- 9</b>	<b>- 1,776</b>
<b>Net Expenditure</b>	<b>1,282</b>	<b>34</b>	<b>1,316</b>	<b>1,179</b>	<b>- 14</b>	<b>1,165</b>	<b>- 7</b>	<b>131</b>	<b>1,289</b>

**Leader of the Council Portfolio**

**Proposed Real Terms / Efficiency Variations**

**2020/21 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Executive management apprenticeships		
Employees	40	
Income	<u>-40</u>	0
Climate change		
Action plan	40	
Citizens assembly	<u>20</u>	60
E-government budget transferred to Customer Services		-21
West Midlands Combined Authority		-10
Corporate management - bank charges		4
Excluded items - apprenticeship levy		-2
minor variations		3
		<u><u>34</u></u>

**2021/22 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Executive management apprenticeships		
Employees	12	
Income	<u>-12</u>	0
E-government budget transferred to Customer Services		-21
Corporate management - bank charges		4
Excluded items - apprenticeship levy		-2
minor variations		5
		<u><u>-14</u></u>

**2021/22 to 2022/23 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Increase in Superannuation		27
Increments		3
District Elections		
Employees	55	
Premises	5	
Supplies	<u>48</u>	108
Increased shared services contributions		-9
minor variations		2
		<u><u>131</u></u>

**Town Centre Regeneration**

	<b>Outturn 2019-2020</b>	<b>Budget 2020-2021</b>	<b>Budget 2021-2022</b>	<b>Budget 2022-2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>1 Markets</b>				
Employee Expenses	137,650	138,980	69,840	72,900
Premises Related Expenditure	234,190	242,800	232,110	156,450
Transport Related Expenditure	2,920	1,800	1,840	1,880
Supplies & Services	83,290	77,160	59,850	38,980
<b>Total Expenditure</b>	<b>458,050</b>	<b>460,740</b>	<b>363,640</b>	<b>270,210</b>
Income	(337,530)	(265,420)	(160,990)	(161,330)
<b>Total Income</b>	<b>(337,530)</b>	<b>(265,420)</b>	<b>(160,990)</b>	<b>(161,330)</b>
<b>Markets Net Expenditure</b>	<b>120,520</b>	<b>195,320</b>	<b>202,650</b>	<b>108,880</b>
<b>2 Town Centre Management</b>				
Premises Related Expenditure	250,570	255,590	260,710	265,750
Supplies & Services	7,210	210	210	210
<b>Total Expenditure</b>	<b>257,780</b>	<b>255,800</b>	<b>260,920</b>	<b>265,960</b>
Income	(182,360)	(178,570)	(182,120)	(182,140)
<b>Total Income</b>	<b>(182,360)</b>	<b>(178,570)</b>	<b>(182,120)</b>	<b>(182,140)</b>
<b>Town Centre Management Net Expenditure</b>	<b>75,420</b>	<b>77,230</b>	<b>78,800</b>	<b>83,820</b>
<b>3 Miscellaneous Properties</b>				
Premises Related Expenditure	6,650	6,140	6,260	6,370
Supplies & Services	520			
<b>Total Expenditure</b>	<b>7,170</b>	<b>6,140</b>	<b>6,260</b>	<b>6,370</b>
Income	(11,130)	(14,150)	(14,170)	(14,190)
<b>Total Income</b>	<b>(11,130)</b>	<b>(14,150)</b>	<b>(14,170)</b>	<b>(14,190)</b>
<b>Miscellaneous Properties Net Expenditure</b>	<b>(3,960)</b>	<b>(8,010)</b>	<b>(7,910)</b>	<b>(7,820)</b>
<b>Town Centre Regeneration Net Expenditure</b>	<b>191,980</b>	<b>264,540</b>	<b>273,540</b>	<b>184,880</b>

Town Centre Regeneration PortfolioVariation Statement 2020/2021 to 2022/2023

	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	2021/22 Indicative	Real Terms / Efficiency Variations	2021/2022 Budget	Inflation	Real Terms / Efficiency Variations	2022/2023 Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Employee Costs	142	- 3	139	149	- 79	70	3	-	73
Premises Related Costs	423	82	505	430	69	499	8	- 78	429
Transport Related Costs	3	- 1	2	3	- 1	2	-	-	2
Supplies and Services	69	8	77	70	- 10	60	1	- 22	39
<b>Total Expenditure</b>	<b>637</b>	<b>86</b>	<b>723</b>	<b>652</b>	<b>- 21</b>	<b>631</b>	<b>12</b>	<b>- 100</b>	<b>543</b>
Income	- 512	54	- 458	- 517	160	- 357	- 1	-	- 358
<b>Net Expenditure</b>	<b>125</b>	<b>140</b>	<b>265</b>	<b>135</b>	<b>139</b>	<b>274</b>	<b>11</b>	<b>- 100</b>	<b>185</b>

**Town Centre Regeneration Portfolio**

**Proposed Real Terms / Efficiency Variations**

**2020/21 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Additional rates and utility costs		21
Reduced markets income		
Cannock Market Hall	34	
Cannock Market Shops	-6	
Prince of Wales Market	3	
Rugeley Market Hall	7	38
Multi Storey car park additional costs		
Premises	78	
Supplies (security)	21	99
Cannock Market Provision		-8
Town Centre Management reduced rent payable		-9
minor variations		-1
		<b><u>140</u></b>

**2021/22 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Additional rates and utility costs		23
Reduced markets income		
Cannock Market Hall	34	
Cannock Market Shops	-6	
Prince of Wales Market	3	
Rugeley Market Hall	7	38
Multi Storey car park additional costs		
Premises	78	
Supplies (security)	21	99
Cannock Market Provision		-14
Town Centre Management reduced rent payable		-9
minor variations		2
		<b><u>139</u></b>

**2021/22 to 2022/23 Change**

	£'000	£'000
<b><u>Real Term Variations</u></b>		
Increase in Superannuation		3
Cannock Market Provision		-3
Multi Storey car park additional costs falling out		
Premises	-78	
Supplies (security)	-21	-99
minor variations		-1
		<b><u>-100</u></b>



<b>Capital Programme 2019-20 to 2022-23</b>			
	<b>Total Programme Revised</b>	<b>General Fund</b>	<b>Section 106</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>HOUSING GF</b>			
Disabled Facilities Grants	4,000	4,000	-
Private Sector Decent Homes	27	27	-
<b>Total Housing General Fund</b>	<b>4,027</b>	<b>4,027</b>	<b>-</b>
<b>ENVIRONMENT</b>			
Home Security Grants	46	46	-
Wheelie Bin Replacement	478	478	-
Replacement Vehicles - cleansing	108	108	-
Replacement Vehicles - countryside	88	88	-
Car Park Improvements	292	292	-
Replacement Vehicles - Grounds	90	90	-
<b>Total Environment</b>	<b>1,102</b>	<b>1,102</b>	<b>-</b>
<b>CRIME AND PARTNERSHIPS</b>			
CCTV	112	112	-
<b>Total Crime &amp; Partnerships</b>	<b>112</b>	<b>112</b>	<b>-</b>
<b>CULTURE AND SPORT</b>			
Additional Cemetery Provision	1,310	1,310	-
Stile Cop Cemetery Phase 2	3	3	-
Stile Cop Cemetery Modular build	60	60	-
Hednesford Park Improvements (part s106)	174	155	19
Stadium Development (Phase 2)	276	276	-
Relocation Arthur Street Play Area (s106)	3	-	3
Multi Use Games Area, Laburnum Avenue (s106)	121	-	121
Heath Hayes Park/Pitch Refurbishment	115	-	115
Additional Car Park 5's Pavillion	98	98	-
Replacement Vehicles - Cemeteries	51	51	-
Play Area and Open Space Rugeley	48	-	48
Play Area and Open Space Penny Cress Green	187	-	187
Rugeley ATP	844	577	267
Cannock East (CIL)	210	-	210
<b>Total Culture and Sport</b>	<b>3,500</b>	<b>2,530</b>	<b>970</b>
<b>ECONOMIC REGENERATION AND PLANNING</b>			
Economic Development & Physical Assets	176	176	-
District Investment	5,745	5,745	-
Lets Grow Grants	48	48	-
Hawks Green Rationalisation	337	337	-
<b>Total Economic Regeneration and Planning</b>	<b>6,306</b>	<b>6,306</b>	<b>-</b>
<b>CORPORATE IMPROVEMENT</b>			
Financial Management System	250	250	-
IT Infrastructure	202	202	-
Civic Centre Car Park	72	72	-
<b>Total Corporate Improvement</b>	<b>524</b>	<b>524</b>	<b>-</b>
<b>TOWN CENTRE REGENERATION</b>			
Anson Street	85	85	-
Rugeley Pedestrian Cycle Linkage (S106)	219	-	219
<b>Total Town Centre Regeneration</b>	<b>304</b>	<b>85</b>	<b>219</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>15,875</b>	<b>14,686</b>	<b>1,189</b>

**ITEM NO. 6.**

<b>General Fund and Section 106 Capital Budgets 2019/20 TO 2022/23</b>				
	2019/20	2020/21	2021/22	2022/23
	Revised			
	£000	£000	£000	£000
<b>HOUSING</b>				
Disabled Facilities Grants	400	1,452	926	926
Private Sector Decent Homes	27	-	-	-
<b>Total Housing General Fund</b>	<b>427</b>	<b>1,452</b>	<b>926</b>	<b>926</b>
<b>ENVIRONMENT</b>				
Home Security Grants	10	18	18	-
Wheelie Bin Replacement	100	108	100	90
Replacement Vehicles - cleansing	93	-	-	-
Replacement Vehicles - countryside	50	-	-	-
Car Park Improvements	-	-	-	-
Replacement Vehicles - Grounds	109	-	-	-
<b>Total Environment</b>	<b>362</b>	<b>126</b>	<b>118</b>	<b>90</b>
<b>CRIME AND PARTNERSHIPS</b>				
CCTV	45	-	-	-
<b>Total Crime &amp; Partnerships</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CULTURE AND SPORT</b>				
Additional Cemetery Provision	50	933	-	-
Stile Cop Cemetery Phase 2	3	-	-	-
Stile Cop Cemetery Modular build	5	55	-	-
Hednesford Park Improvements (part s106 funding)	-	-	-	-
Stadium Development (Phase 2)	-	-	-	-
Relocation Arthur Street Play Area (s106)	-	-	-	-
Multi Use Games Area, Laburnum Avenue (s106)	-	-	-	-
Heath Hayes Park/Pitch Refurbishment	-	-	-	-
Additional Car Park 5's Pavillion	98	-	-	-
Replacement Vehicles - Cemeteries	-	-	-	-
Play Area and Open Space Rugeley	-	48	-	-
Play Area and Open Space Penny Cress Green	-	187	-	-
Rugeley ATP	-	-	-	-
Cannock East (CIL)	-	-	-	-
<b>Total Culture and Sport</b>	<b>156</b>	<b>1,223</b>	<b>-</b>	<b>-</b>
<b>ECONOMIC REGENERATION AND PLANNING</b>				
Economic Development & Physical Assets	-	176	-	-
District Investment	-	-	-	-
Lets Grow Grants	20	28	-	-
Hawks Green Rationalisation	298	39	-	-
<b>Total Economic Regeneration and Planning</b>	<b>318</b>	<b>243</b>	<b>-</b>	<b>-</b>
<b>CORPORATE IMPROVEMENT</b>				
Financial Management System	-	-	-	-
IT Infrastructure	-	-	-	-
Civic Centre Car Park	72	-	-	-
<b>Total Corporate Improvement</b>	<b>72</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOWN CENTRE REGENERATION</b>				
Anson Street	85	-	-	-
Rugeley Pedestrian Cycle Linkage (S106)	-	219	-	-
<b>Total Town Centre Regeneration</b>	<b>85</b>	<b>219</b>	<b>-</b>	<b>-</b>
<b>TOTAL CAPITAL PROGRAMME</b>	<b>1,465</b>	<b>3,263</b>	<b>1,044</b>	<b>1,016</b>

**ITEM NO. 6.**

Community Infrastructure Levy (CIL) Allocations Process and Recommendations 2019

1. Introduction
- 1.1 The Council approved the Community Infrastructure Levy (CIL Charging Schedule and Regulation 123 List (now CIL Infrastructure List – see Cabinet Report 17/10/19) of infrastructure projects eligible to receive funding at its meeting on 15/04/15.
- 1.2 CIL is intended to provide a funding stream for infrastructure needed to support the policies and proposals in the adopted Local Plan. It will partly replace funding previously obtained via Planning Obligations (Section 106 agreements and Unilateral Undertaking). CIL and Section 106 agreements can now be used to fund the same piece of infrastructure, following amendments made to the CIL Regulations in September 2019.
- 1.3 During the 2018/19 financial year £1,427,487 in CIL receipts were received, this was a substantial increase on the level of CIL receipts for 2017/18, which was £211,434. This reflects the nature of CIL i.e. schemes are only liable to pay on commencement of development; so many sites which have obtained planning permission from 2015 onwards are now being implemented and generating CIL receipts. Over 60% of receipts received for 2018/19 are as a result of the McArthur Glen development.
- 1.4 The total amount of CIL receipts retained and available for expenditure at the end of 2018/19 financial year were £1,386,522 (note this figure was £1,546,433 if neighbourhood funds retained for non parish areas are taken into account). A further £480,264 of CIL receipts were received from 1<sup>st</sup> April to 31<sup>st</sup> September 2019. After taking to account neighbourhood funds, administrative expenses and SAC Mitigation payments, this totals £1,718,362 of CIL funds available for allocation.
- 1.5 As set out in previous Cabinet report 23/7/15, the allocation of CIL funds would not begin until a sufficient level of receipts had been received. As reported to Cabinet 12/12/19, given the overall amount of funds retained it was deemed appropriate for the Council to carry out its first CIL allocations process, commencing June 2019.
- 1.6 The protocol for the allocation of CIL funds was approved by Cabinet (23/07/15) sets out the system in which the allocations process must follow. Table 1 shows the approved processes and approximate timescales.

**Table 1**

Date	Action
By 30 <sup>th</sup> June	Invite bids from stakeholders for inclusion in the three year CIL Infrastructure Capital Programme
By 1 <sup>st</sup> September	Deadline for bids for projects submitted to officer
September	Initial assessment of submissions by officers and Cabinet Members
By 30 <sup>th</sup> September	Consultation event to share and review aspirations/priorities with stakeholders who have submitted bids.
By 31 <sup>st</sup> October	Prepare draft programme of projects
By 30 <sup>th</sup> November	Feedback to stakeholders
By 31 <sup>st</sup> December	Prepare recommendations
February	Report to Cabinet/Council

## 2. Invitations to Bid

2.1 'Invitation to Bid' letters were emailed to stakeholders who had projects identified in the CIL Infrastructure List (formerly Regulation 123 List) outlining a 9 week consultation period with the deadline for submissions being 30<sup>th</sup> August 2019. Stakeholders were also invited to make comments on the Councils existing CIL Infrastructure List for any minor amendments i.e. project costs, any alternative funding identified. No new projects were to be included as part of this years update. Accompanying the letter was an 'Expression of Interest' form on which the bids were to be submitted. This letter was emailed to the following stakeholders:

- Staffordshire County Council
- CCDC Head of Environmental and Healthy Lifestyles
- West Midlands Trains
- Environment Agency
- Brereton and Ravenhill Parish Council
- CCDC Waste and Engineering Services Manager

2.2 A 'Community Infrastructure Levy (CIL) Allocations Process Guidance Document' was emailed to stakeholders which was based in the protocol set out in Cabinet Report 23/07/2015.

2.3 Approved protocol outlined that allocation of neighbourhood funds in non-parish areas would be determined via consultation with Ward Members. Members of wards with CIL neighbourhood portions retained were informed that the Council were carrying out their first allocations process. They were made aware of the amount currently retained by Cannock Chase Council for their ward which is demonstrated in Table 2.

**Table 2**

Ward	CIL Funds Retained
Cannock East	£210,326
Cannock South	£9,400
Cannock West	£771
Rawnsley	£3,365

2.4 The views of Members on how they wished to see their neighbourhood portion of CIL funds to be spent were sought. Meetings were arranged for after the deadline for bids, meaning Members could choose to use their funds to support a bid if they wished. The outcomes of these meetings are detailed under Section 5.

### 3. Bids Received

The following bids were received:

#### **Rugeley Train Station Cycle/Pedestrian Access from Horsefair**

Applicant: Will Spencer, Connectivity Strategy Officer, Transport and the Connected, Staffordshire County Council

Summary: New pedestrian/cycle shared-use access route onto platform 2 at Rugeley Town Train Station from Horsefair. New route will formalise an existing unmade route and open up the access to the station. The surface will be sealed, drained and the route will be appropriately lit with associated CCTV and fencing for improved security.

CIL funds requested: £240,000 (74% of overall costs)

Delivery: By June 2021

Third Parties: West Midlands Trains, Network Rail, CCDC and Lea Hall Miners Welfare Centre and Social Club. .

#### **Rugeley Leisure Centre ATP Extension**

Applicant: Mike Edmonds, Environment and Healthy Lifestyles, Cannock Chase District Council

Summary: Development of a fenced full-sized floodlit 3G Artificial Grass Pitch (AGP), plus goal recesses and spectator area. Refresh of changing facilities at Rugeley Leisure Centre, creation of internal and external equipment storage and additional parking provision.

CIL funds requested: £310,000 (40% of overall costs)

Delivery: By Q1 2021/22

Third Parties: Inspiring Healthy Lifestyles & Football Association

### **Rugeley SuDS Retrofit**

Applicant: Jamie Cooper, Staffordshire Country Council as Lead Local Flood Authority

Summary: Retrofitting SuDS to alleviate surface water flooding in Sandy Lane and Rugeley Town Centre. At least 50 properties are affected. Works primarily consists of landscaping with underground pipework and surface water collection infrastructure.

CIL funds requested: £100,000 (50% of overall cost)

Delivery: Started and delivered in 2020/21

Third Parties: Trent Rivers Trust, CCDC, Environment Agency, Highways

### **Hob Hill Primary School Expansion**

Applicant: Andrew Marsden, County Commissioner for Access to Learning, Staffordshire County Council

Summary: Expansion of Hob Hill Primary School to provide an additional 105 school places. This project has already been delivered, meaning this bid is to reimburse funds Staffordshire County Council have front loaded from the 'Additional School Places Programme'.

CIL funds requested: £1,758,047 (66% of overall cost)

Delivery: Already delivered

Third Parties: Entrust, Ben Preston (Head teacher), Mrs A Ely (Chair of Governors), Diocese of Lichfield & the Methodist Church

### **West Hill Primary School Expansion**

Applicant: Andrew Marsden, County Commissioner for Access to Learning, Staffordshire County Council

Summary: Expansion of West Hill Primary School to provide an additional 105 school places. This project has already delivered, meaning this bid is to reimburse funds Staffordshire County Council have front loaded from the 'Additional School Places Programme'.

CIL funds requested: £172,376 (43% of overall cost)

Delivery: Already delivered

Third Parties: Entrust, Miss Bracebridge (Head teacher), Board of Governors

4. Assessment of Bids & Recommendations

4.1 The approved protocol sets out that a group of both officers and members will assess bids received and come to a conclusion as to whether they recommend that CIL funds are allocated to the project or not based on the following criteria:

- The connection to relevant Local Plan (Part 1) policies will be considered together with an overall assessment of the economic, social and environmental benefits of the project.
- The amount of CIL requested and its relationship to other sources of funding will be considered, including potential leverage of match funding and use of Section 106 funds.
- Evidence of deliverability and arrangements for ongoing maintenance/management
- Priority will be given to Capital schemes, although revenue funding via maintenance of associated assets will also be eligible.

4.2 The membership of the CIL Joint Member/Officer Working Group consisted of the following:

- Head of Economic Prosperity – Chair
- Head of Finance
- Cabinet Member Leader for Economic Development and Planning
- Planning Services Manager and/or Planning Policy Manger

4.3 Initial assessments of the bids received were carried out on 12<sup>th</sup> September 2019. This was an opportunity for the group to highlight any questions they may have for stakeholders or matters they think require further clarification before the consultation meetings that would take place before the end of September 2019.

4.4 The issues raised for further clarification for each bid were emailed to the relevant stakeholder in advance of the consultation meetings arranged. The items set out in these emails were the main basis for the discussion at the meetings.

4.5 Notes from these meetings were taken to present to the CIL Joint Member/Officer Working Group at the final assessment of bids arranged on 18<sup>th</sup> October 2019, along with any further evidence/information stakeholders had provided after the consultation meetings.

4.6 The outcome and recommendations to Council are set in Table 3. The total amount of CIL monies recommended to be allocated to each project is:

Rugeley Leisure Centre ATP Extension	Maximum of £310,000
Rugeley Town Train Station Access Route	Maximum of £162,500
<b>TOTAL</b>	<b>£472,500</b>

**Table 3**

Bid	Recommendation	Conditions	Reasons for Recommendations
Rugeley Train Station cycle/pedestrian route from Horsefair	Up to £162,500 of CCDC CIL funds are allocated to this project.	<ul style="list-style-type: none"> <li>▪ Additional capital funding is sought and secured from an alternative source e.g. Staffordshire County Council.</li> <li>▪ To consult the intended users of the route to provide evidence the route would be well used if it were to be provided.</li> <li>▪ To liaise with the Police Services to address potential security and safety issues.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strong links to several Local Plan policies – Project is within Rugeley Town Centre Area Action Plan &amp; Infrastructure Delivery Plan.</li> <li>▪ Some economic, social and environmental benefits demonstrated. Addresses social exclusion and existing antisocial behaviour. Links to town centre and Chase Line electrification. Links to Chase Heritage routes.</li> <li>▪ Provides some leverage of match funding – 26% from Staffordshire County Council capital funds.</li> <li>▪ Other sources of funding unlikely to be found within the next 5 years (if CIL funds are not made available).</li> <li>▪ Constraints identified that appear to be readily overcome, but with some concerns. Letters of support from third parties provided, some land/licence issues.</li> </ul>
Rugeley Leisure Centre ATP extension plus goal recesses, a spectator area, refresh of changing facilities and additional parking provision	CIL funds are allocated to this project.	<ul style="list-style-type: none"> <li>▪ Additional capital funding is sought from CCDC Council for this project. If further funding is provided by Council then the amount of CIL funds allocated will be reduced, dependant on the additional funding approved.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Moderate links to several Local Plan policies demonstrated – supports Local Plan (Part 1) and Local Plan evidence base.</li> <li>▪ Strong economic, social and environmental benefits demonstrated. Supports recreation, links to health, antisocial behaviour education. Links to Corporate Plan.</li> <li>▪ Potentially provides significant leverage of match funding – 50% potentially from Football Association (FA). Letters of support provided from FA. If funding from FA is not secured, there are funds available from Section 106 agreements from Former Ultra Electronics Site and Wharf Road.</li> <li>▪ Constraints identified that appear to be readily overcome. Planning permission for slightly amended scheme (additional car parking) required. Reliant on FA funding but has a reduced scheme (which would also require an alternative planning permission).</li> <li>▪ Risks identified that appear to be readily overcome, but with some concerns.</li> </ul>
Rugeley SuDS Retrofit	CIL funds are not allocated to this project on this round of allocations.		<ul style="list-style-type: none"> <li>▪ Moderate links to Local Plan policies in terms of reducing flood risk. Insufficient evidence to demonstrate that the project would have clear benefits for future developments schemes in the town centre, not only existing businesses, therefore encouraging economic growth within the District. The group did not consider the economic, social and environmental benefits to be well demonstrated.</li> <li>▪ Potential match funding from Local Levy (30%), CIL funding would facilitate the release of this. No funding has been sought or provided from Staffordshire County Council for the project.</li> </ul>
Hob Hill Primary School Expansion	Bid considered ineligible.		The bid submitted is to reimburse a project that has already been funded and delivered. The decision has been made not to allocate funding to projects that have already been completed.
West Hill Primary School Expansion	Bid considered ineligible.		The bid submitted is to reimburse a project that has already been funded and delivered. The decision has been made not to allocate funding for projects that have already been completed.

- 4.7 Letters were emailed on 6<sup>th</sup> November 2019, informing bidders of the outcome of their application. Successful applicants were informed that this was only support in principle and would be subject to Council approval and the conditions outlined in Table 3. If Council approves the recommendations made, successful stakeholders will be asked to enter into a grant agreement, which will stipulate the conditions attached to the grant and how funds are released.
- 4.8 Payment of funding will be in arrears therefore evidence of the projects delivery will need to be provided before funds are released.
- 4.9 It is recommended that delegated authority is given to the Head of Economic Prosperity and the Head of Finance to approve whether the conditions attached to the grant agreement have been met before funds are released.

5. Non-parished Neighbourhood Funds

5.1 In parished areas, 15% of CIL funds (25% when a neighbourhood plan has been made) are transferred to Parish Councils in respect of that area. In areas that are unparished, it was agreed by Council (see Cabinet report 23/7/15) that these funds would be retained by Cannock Chase District Council and spent in consultation with ward members.

5.2 CIL neighbourhood funds can be spent on projects on the CIL Infrastructure List, projects in which bids have been received or local projects that fall within the following definition:

‘The Local Council have a duty to spend CIL income on providing, improving, replacing, operating or maintaining infrastructure that supports the development of the Local Council area or anything else concerned with addressing the demands that development places on the area.’

5.3 Meetings were held with ward members to discuss potential projects in which their funds could be spent on.

5.4 Considering the amount of CIL funds retained for Cannock West (£771), Councillors decided to bank their funds for future projects and discuss projects again when there is a significant amount of funds retained.

5.5 Cannock East ward have £210,326 retained. Ward members wish to spend their funds on local projects. The following projects were raised as a priority and the most suitable for CIL expenditure-

- Improvements to open space between John Street/Cannock Road/Burgoyne Street including clear and re-establish existing pathways, new fencing or removal of fencing, signage – with historic information, maintenance tree works, picnic benches, and junior goalposts.

- Barnard Way open space – upgrade to play equipment.
  - Flower troughs and baskets throughout Chadsmoor high street on Cannock Road, particularly around the war memorial.
- 5.6 Cannock South ward have £9,400 of CIL funds retained. Ward members outlined the following projects as a priority –
- Clean up of Cannock Town Centre war memorial
  - Laburnum Avenue Park – planting wild flowers, replacement of barrier surrounding car park, reinstate allotments.
  - Cannock Park – replace existing and additional benches near play area.
- 5.7 Rawnsley ward has £3,365 funds retained. Members expressed an interest in supporting the Hednesford-Rawnsley mineral line, which is currently on the CIL Infrastructure List. However, considering the funds retained in comparison to the project cost (£100,000) members thought it may be more appropriate to use their funds for the following:
- Hazelslade Nature Reserve – new fishing stations and benches
- 5.8 These projects were passed onto the Parks and Open Spaces team and will be delivered in consultation with Members dependant on team capacity and resources.
- 5.9 In relation to the spend of Cannock South and Rawnsley wards funds, given the value of the funds available further authority to spend will not be required. In relation to Cannock East ward, dependant on the value of the project to be funded, a further report for the authority to spend may be necessary.

**Business Rates Retention – Retained Income**

		2020-21	2021-22	2022-23
		50% £m	75% £m	75% £m
<b><u>A. Business Rates Collection Fund</u></b>				
<b>Gross Rates</b>		43.732	46.817	47.749
Less	<b><u>Reliefs etc.</u></b>			
	Mandatory Relief	(5.786)	(5.902)	(6.020)
	Discretionary Relief	(0.118)	(0.121)	(0.123)
	Exemptions	(0.889)	(1.476)	(1.494)
	Cost of Collection	(0.138)	(0.140)	(0.143)
	Losses on Collection	(1.171)	(1.190)	(0.967)
<b>Business Rates Collectable</b>		35.630	37.988	39.002
Less	<b><u>Amount due to</u></b>			
	Government	(17.815)	(9.497)	(9.750)
	County	(3.207)	(12.916)	(13.260)
	Fire	(0.356)	(0.380)	(0.390)
<b>Net Business Rates attributable to CCDC</b>		14.252	15.195	15.602

<b><u>B. General Fund Determination of Retained Business Rates</u></b>				
Net Business Rates attributable to CCDC		14.252	15.195	15.602
Less	Tariff	(9.495)	(9.685)	(9.879)
	Reset		(0.891)	(0.909)
	Core Funding	(3.054)	(3.116)	(3.178)
	Growth	1.703	1.503	1.636
Plus	New Burdens funding subject to Levy			
	Small Business Rates Relief	1.384	1.364	1.304
Amount subject to S&SOT Levy		3.087	2.867	2.940
	Levy	(1.544)		
	County Growth		(0.688)	(0.705)
Business Rates Growth		1.543	2.179	2.235
Business Rates Pool Distribution		0.617		
Retained Business Rates				
	Core Funding	3.054	3.116	3.178
	Growth	1.543	2.179	2.235
	Business Rates Pool - Distribution	0.617		
	- Supplement	0.216		
<b>Total Retained</b>		5.430	5.295	5.413

**ITEM NO. 6.**

## **Report of the Chief Finance Officer on the Robustness of the Budget Estimates and the Adequacy of the Council's Reserves**

### **Introduction**

Section 25 of the Local Government Act 2003 places a duty on the Chief Financial Officer (Head of Finance) to make a report to the Council on the robustness of budget estimates and the adequacy of the Council's reserves. The Council must have regard to this report when making its decisions about budgets and council tax for the forthcoming year. This is because the Council is setting the council tax before the commencement of the year and cannot increase it during the year. An understanding of the risks of increased expenditure during the year in terms of likelihood and impact is therefore important.

### **Robustness of Budget Estimates**

The Council's budget estimates for 2020-21 to 2022-23 have been prepared by appropriately qualified and experienced staff in consultation with service managers. Budgets have been discussed and fully managed by the Leadership Team. The budgets are considered to accurately reflect likely expenditure in 2020-21, being based on historic information, experience of expenditure in previous years and latest projections where appropriate. The indicative budgets for 2021-22 and 2022-23 are similarly based upon the best information available at this moment in time.

A full risk assessment of the Council's Budget 2020-21 has been carried out - APPENDIX 1).

Provision for Pay Award Inflation has been made in accordance with the projected level of inflation and affordability reflecting the level of council tax increase for 2020-21. The impact of the National Living Wage has been incorporated into the Allowance has also been made for staff incremental progression. Sufficient provision has been built in for current employer pension contributions, in line with the 2019 actuarial valuation. Different vacancy rates have been assumed for Council services based on past experience.

Inflation on contractor costs has been allowed based on the projected retail / consumer prices index increases and on energy budgets based on anticipated tariff increases.

Inflation has been provided on fees and charges, but excluding Car Parks and Allotments. Given the demand led nature of some of the more significant income budgets, such as for parking, development control and land charges, prudent but realistic assumptions have been made about estimated income. The current economic climate is expected to continue to have a significant impact on fees and charges generally during 2020-21. Major sources of income will continue to be closely monitored throughout the year with a view to protecting overall income to the Council as far as possible.

Investment income of £270,000 has been included within 2020-21 budgets. This has been based on current projections of bank rate increasing to 1% during the second half of 2020-21 from its current rate of 0.75%. Investment income also includes the saving arising from the prepayment of the fixed cash lump sum element of the 2020-21 Employers Superannuation Contribution. Prudent assumptions about cash flow have

been made and the advice of the Council's treasury management consultants has been taken into account in determining the average rate of return.

No specific contingency budget is provided in 2020-21 as it is considered that the Council's overall revenue balances are sufficient to act as an overall contingency (see below). However, robust budget monitoring arrangements are in place and will continue throughout the year. These arrangements also include Business Rates Monitoring and the potential new Housing Incentive Scheme (New Homes Bonus) forecasts. In addition to budget monitoring by officers, all Cabinet members will receive a monthly update and there will be quarterly reports to the Cabinet and relevant Scrutiny Committees.

Significant expenditure and income budgets will be monitored closely during the year. Any projected variances will be addressed in a timely manner.

The Council has a Risk Management Strategy and has identified its key corporate risks. Significant financial risks will be managed appropriately. In addition, some financial risks will be mitigated by the Council's insurance arrangements.

**I can therefore confirm that the budget estimates as presented are robust.**

### **Adequacy of the Council's Reserves**

The Chartered Institute of Public Finance and Accountancy (CIPFA) have issued guidance on local authority reserves and balances. It sets out three main purposes for which reserves are held:-

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing;
- A contingency to cushion the impact of unexpected events or emergencies;
- A means of building up funds to meet known or predicted liabilities, known as earmarked reserves.

The Council held General Fund revenue balances of £2.916 million at 31 March 2019. In addition to this, earmarked revenue reserves amounting to £6.3million were also held as at 31 March 2019.

The Council also has a planned four year capital programme which is financially sustainable based on current capital resources and a prudent assessment of future capital resources. The financial strategy includes the use of unallocated reserves and a Revenue Contribution to Capital Outlay to supplement capital resources and mitigate any borrowing requirement; nevertheless Prudential Borrowing to finance the Council's capital programme will be used where there is a robust business case.

*The Council has set a policy of a minimum level of 5.5% of net expenditure or the amount calculated by the risk analysis. The Budget for 2020-21 has been constructed on the basis that there will be a level of general reserves at 31 March 2019 in excess of the £0.704 million risk analysis requirement.*

**I can therefore confirm that the Council's reserves are adequate.**

Bob Kean  
Head of Finance  
January 2020

Council Tax Base 2020-21

<b>Parish</b>	<b>Band D Equivalents</b>
Brereton and Ravenhill	1,960.09
Bridgtown	592.37
Brindley Heath	250.23
Cannock Wood	393.90
Heath Hayes and Wimblebury	4,047.36
Hednesford	5,502.18
Norton Canes	2,331.18
Rugeley	5,263.66
Unparished	8,901.57
	<b>29,242.54</b>