

**LOUGHBOROUGH AREA COMMITTEE  
15TH DECEMBER 2021**

**Report of the Head of Finance**

**Part A**

**ITEM 6      LOUGHBOROUGH SPECIAL EXPENSES DRAFT BUDGET 2022/23**

Purpose of Report

To advise Loughborough Area Committee of the draft Loughborough Special Expense budget for 2022/23.

Recommendation

That the Loughborough Area Committee note the draft Loughborough Special Expense budget for 2022/23 set out in Appendix 1 to this report.

Reason

To enable the views of the Committee to be sought on the draft Loughborough Special Expenses for 2022/23 in accordance with its terms of reference, prior to the final Cabinet budget report on the 10th February 2022 and Council 21st February 2022.

Policy Justification and Previous Decisions

At the Budget Scrutiny meeting on 8th December, it was recommended that the Loughborough Special expenses Budget and Levy 2022/23 be endorsed for the consultation period from 17th December 2021 to 15th January 2022.

The Council's Budgets are fundamental to the delivery of all services. The Draft General Fund, HRA and Loughborough Special Expenses Budgets were approved for consultation by the Cabinet on 9th December 2021.

One of this Committee's functions, set out in its terms of reference, is to carry out a consultative role in relation to budgetary and financial issues which either solely or predominantly affect the Loughborough town area.

Report Implications

The following implications have been identified for this report.

It is planned that the proposals on the Council's General Fund, HRA and Loughborough Special Expenses Budgets and Council Tax will be submitted to the Cabinet on the 10th February 2022 for recommendation to Council on 21st February 2022.

### *Financial Implications*

There are no specific financial implications associated with this decision but could impact on the financial implications of other policies and decisions.

### *Risk Management*

There are no specific risks associated with this decision.

Appendices: Appendix 1 Draft Loughborough Special Expenses Budget and Levy 2022/23

Background Papers: None

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## **Part B**

### Loughborough Special Levy

1. Appendix 1 shows the Loughborough Special Expense Budget and Levy for 2022/23. There is a proposed increase of 1.99% increase on the Loughborough Special Rate from 77.98 in 2021/22 to 79.53 in 2022/23 per Band D Property.

There are ongoing service savings and a one-off pressure within the General Fund, which form part of the Loughborough Expenses, these savings will cover any future overspends that are incurred and maintain the rate increase at 1.99%. Savings are identified as follows:

- Thorpe Acre Hub- £9.8k saving
- Gorse Covert/Fearon Hall - £2.5k saving
- Cemetery Fee Increase - £10k saving
- CCTV Salaries - £10k Saving
- Carillion Income - £4.5k One off Pressure

2. Detailed explanations of the differences between the 2021/22 and 2022/23 budgets are also provided in Appendix 1.

## LOUGHBOROUGH SPECIAL EXPENSES

2021/22		2022/23			
Loughborough Special Expenses	Service	Loughborough Special Expenses	2021/22 to 2022/23 Difference	% Variance	Note
£		£	£		
78,900	Loughborough CCTV	74,300	-4,600	-6.2%	1
66,800	Community Grants - General / Fearon Hall / Gorse Covert	64,300	-2,500	-3.9%	2
45,800	Marios Tinenti Centre / Altogether Place / Community Hubs	36,300	-9,500	-26.2%	3
6,300	Charnwood Water Toilets	6,300	0	0.0%	4
35,700	Voluntary & Community Sector Dev Officer post (75% LSX)	36,600	900	2.5%	5
122,400	Contribution towards Lough Open Spaces Grounds Maintenance	124,200	1,800	1.4%	6
-2,700	November Fair	-5,800	-3,100	53.4%	7
	<u>Parks:</u>				
353,200	Loughborough - including Loughborough in Bloom	345,100	-8,100	-2.3%	8
70,300	Gorse Covert and Booth Wood	70,700	400	0.6%	9
	<u>Sports Grounds:</u>				
115,600	Derby Road	117,400	1,800	1.5%	10
43,100	Lodge Farm	43,100	0	0.0%	11
75,400	Nanpantan	77,100	1,700	2.2%	12
19,100	Park Road	18,200	-900	-4.9%	13
23,800	Shelthorpe Golf Course	23,000	-800	-3.5%	14
47,700	Loughborough Cemetery	36,500	-11,200	-30.7%	15
49,200	Allotments - Loughborough	47,800	-1,400	-2.9%	16
16,600	Carillon Tower	11,600	-5,000	-43.1%	17
55,800	Festive Decorations and Illuminations	55,100	-700	-1.3%	18
112,600	Town Centre Management	99,600	-13,000	-13.1%	19
1,335,600		1,281,400	54,200	-4.2%	
	Adjustments from Year 2020/21	82,600			
-24,335	Adjustments from Year 2019/20				
1,311,265	AMENDED SUB TOTAL	1,364,000			
Divided by 16,815.40	Council Tax Base	Divided by 17,150.76			
<u>77.98</u>	Special Council Tax	<u>79.53</u>			

### Loughborough Special Expense Notes

1. An option for change saving of £10k to reduce the casual salaries has been included in the 2022/23 budgets. 24% of the total costs of CCTV have been charged to the Loughborough Special Rate compared to 25% in 2021/22. There has been an increase of 45 additional cameras in the Borough overall, 9 of these are on the Warwick Way Estate Loughborough, as part of the safer streets project.

2. An option for change saving to reduce the grant awards by 5% to both Fearon Hall and Gorse Covert as part of the strategic partner grant process have been included in the 2022/23 budgets, however this will be subject to approval by Cabinet in January 2022.
3. An option for change saving £6.5k with regard to Thorpe Acre Hut/Hub, which will now not be progressed and £3.3k saving on the Community hub co-ordinator payments have been included in the 2022/23 budgets.
4. No comment required.
5. The increased costs are due to estimated pay award & additional pension/NI contributions for the Voluntary and Community Sector Development post M298, 75% of which is funded by Loughborough Special Expenses.
6. This increase is due to contract inflation. Future years funding via the Loughborough Special Rate is to be reviewed each subsequent year, as approved by Cabinet 16/02/17 (min 88).
7. The Environmental Services contract budget has increased by inflation £0.3k. Offset by reduced Support Services £3.5k, mainly due to less time being spent in this area by the Head of Leisure and Culture and the Admin team.
8. The metered water budget has increased £1.4k, this is based on previous year actuals increased by inflation. Both the Environmental Services contract and the Management of Open Spaces contract budgets including variations have increased by inflation £1.9k and £4.4k respectively. These are offset by reduced Support Services recharges £15.7k, mainly from the Policy and Green Spaces Development Team following a service review carried out summer 2021.
9. No comment required.
10. Both the Environmental Services contract and the Management of Open Spaces contract budgets have increased by inflation £0.4k and £0.9k respectively. Support Service recharges have also increased slightly overall by £0.3k.
11. No comment required.
12. The metered water budget has increased £1.2k, this is based on previous year actuals increased by inflation, this is part offset by a £1k reduction to the electricity budget, which is based on previous year underspends. Both the Environmental Services contract and the Management of Open Spaces contract budgets have increased by inflation £0.2k and £0.3k respectively. Support Service recharges have also increased £0.8k, this is mainly due to slightly more time being spent in this area by the Cleansing team.
13. Support Service recharges have reduced, mainly from the Policy and Green Spaces Development team following a service review.

14. The metered water budget has increased £0.4k, this is based on previous year actuals increased by inflation. Both the Environmental Services contract and the Management of Open Spaces contract budgets have increased by inflation £0.2k and £0.5k respectively. These are part offset by increased income £0.6k from Golf Course fees, this is part of the Management of Open Spaces contract whereby CBC receive a guaranteed income amount, pre-set by Idverde and increased by inflation each year. Support Service recharges have reduced £1.3k, this is mainly from the Policy and Green Spaces Development Team following a service review.
15. The NNDR and the metered water budgets have increased by £0.9k and £0.3k respectively for inflation. The Management of Open Spaces contract budget has increased by inflation £0.6k. The provision of the cemetery service budget has been increased by £5k based on previous year actuals & increased ongoing costs mainly due to additional standby payments, this was funded by increasing the expected income due from the crematorium agreement with Dignity Funerals based on previous year and current income levels. An option for change saving of £10k has been included to increase the fees and charges budget, a review of the burial charges will be carried out February 2022. Support Service recharges have reduced £8.5k, this is mainly from the Policy and Green Spaces Development team following a service review.
16. Support Service recharges have reduced £1.6k, mainly from the Policy and Green Spaces Development team following a service review.
17. The Carillon will not be open to the public in 2022/23, a pressure for the loss of income £4.5k has been included and the recharge for staffing the building by the museum staff has reduced by £9.5k for this reason. Support service recharges have reduced slightly, namely the insurance charge £2.1k, the premium for the building and terrorism has reduced. 50% of the total cost of the Carillon is charged to the Loughborough Special Rate.
18. Support Service recharges have reduced, this is mainly due to slightly less time being spent in this area by the Head of Leisure and Culture.
19. The employee budget has increased £1.7k due to estimated pay award & additional pension/NI contributions. The income budget has increased by £10.8k, taking it back to normal pre-covid19 levels, this was a one-off service pressure in 2021/22 to reduce the income budget to allow the number of street traders to improve following covid19 restrictions. Support Service recharges have reduced £3.9k, this is mainly due to less time being spent in this area by the Head of Leisure and Culture and the ICS team.