

CABINET – 10TH FEBRUARY 2022

Report of the Head of Finance

Lead Member: Councillor Tom Barkley

Part A

ITEM GENERAL FUND AND HRA REVENUE BUDGETS 2022/23

Purpose of the Report

This report sets out the proposed General Fund and Housing Revenue Account (HRA) Revenue Budgets for 2022/23, which together, represent the financial spending plans for all services of the Council. It is a legal requirement to set a balanced budget each financial year. The report also incorporates the proposed Council Tax levy which must be set by Council at its meeting on 21st February 2022. The indicated Council Tax for Charnwood Borough Council as a whole is based on the budget to be recommended to Council and it is proposed that there is equivalent to an overall increase of £5.00 (3.52%) per band D property per annum in 2022/23 including Loughborough Special Levy. This is the allowable increase for the Council based upon the Council's current band D charge being in the lowest quartile across England.

The report also presents the 2022/23 proposals to increase rent and service charges within the ring fenced Housing Revenue Account.

Finally, the report incorporates the latest iteration of the Medium Term Financial Strategy which uses the 2022/23 budget as a base for financial projections into 2023/24 and 2024/25

Recommendations

That Council are recommended:

1. To approve the Original General Fund Revenue Budget for 2022/23 at £17,862,933 as set out in Appendix A1.
2. To set a base Council Tax at £135.69 at Band D, an increase of £4.61 on the 2021/22 rate as set out in Appendix A2.
3. To set the Loughborough Special Levy at £79.53, a 1.99% increase on 2021/22 rate, as set out in Appendix A3 and to approve the following ongoing savings and one off pressure which are included in the General Fund and also form part of Loughborough Special Budget
 - Thorpe Ace Hub - £9.8k saving

- Gorse Covert/Fearon Hall- £1.3k saving
 - Cemetery Fee Increase - £10k saving
 - CCTV Salaries - £10k saving
 - Carillon Income - £4.5k One off Service Pressure
4. To approve the Original HRA Budget for 2022/23 as set out in Appendix A5.
 5. To amend the HRA weekly rents in line with the Ministry of Housing, Communities and Local Government (MHCLG) guidance.
 6. To amend the non-HRA dwelling properties in line with the Ministry of Housing, Communities and Local Government (MHCLG) guidance.
 7. To approve the HRA service charges in accordance with the MHCLG Guidance.
 8. To approve that the shop rents retain their current rents in accordance with an assessment by the Valuation Office.
 9. To approve that garage rents increase to £10 per week (52 weeks) in accordance with an assessment by the Valuation Office.
 10. To approve that the Leasehold Management and Administration charge increases to £138.33 per annum Leasehold flats, and £138.32 for Leasehold shops.
 11. That the Lifeline weekly charge is increased in line with MHCLG Guidance.
 12. To determine that the basic amount of Council Tax for 2022/23 is not excessive according to the principles set out by the Secretary of State.
 13. That delegation be given to the s151 Officer, in conjunction with the Lead Member for Finance, to amend this report for Council in line with the final updated NNDR figures.
 14. That the Medium Term Financial Strategy 2022-2025 as set out at Appendix B be noted and recommended to Council for approval.

Reasons

1. That the necessary finance is approved to carry out services in 2022/23.
2. That the Council Tax can be set in accordance with legal and statutory requirements.

3. That a Loughborough Special Levy can be set in accordance with legal and statutory requirements.
4. To ensure sufficient funding for the Housing Revenue Account in 2022/23.
5. To comply with social housing rents guidance.
6. To be consistent with the other council house stock.
7. To ensure the correct alignment of costs and service charges for tenants in accordance with best practice.
8. That shop rents follow the assessment and guidance provided by the Valuation Office.
9. To increase the rent generated for garages in line with the guidance from the Valuation Office.
10. That there is sufficient recovery of the costs associated with operating the leasehold flat and shop services.
11. That there is sufficient recovery of the costs associated with operating the Lifeline service.
12. To comply with the requirements of the Local Government Finance Act 1992.
13. To update the budget report in line with final settlement figures once these are received.
14. To inform members of the future financial outlook for the Council.

Policy Justification and Previous Decisions

The budget is essential to all policies of the Council and the setting of a Council Tax levy is a legal requirement of the Council. The rents are set in accordance with MHCLG Guidelines.

Implementation Timetable including Future Decisions and Scrutiny

This report will be available for consideration by the Scrutiny on 8th February 2021 and, if approved by Cabinet, will be tabled for agreement by Full Council on 21st February 2022. The actual budget will then come into effect on 1st April 2022.

The draft budget was also considered by the Budget Scrutiny Panel on 5th January 2022 and their comments are due to be considered separately by Cabinet at the 10th February meeting and are also referred to later in this report.

Report Implications

Financial Implications

The effects of the adoption of these budgets are explained in Part B of the report.

Risk Management

Risks identified in respect of the Original Budget are tabulated below:

<i>Risk Identified</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Overall Risk</i>	<i>Risk Management actions planned</i>
Failure to take account of the spending plans of the Council.	Unlikely (2)	Minor (1)	Very Low (2)	Robust budget planning and Budget Monitoring process are in place.
Further exceptional spending being required during the financial year.	Likely (3)	Major (3)	Moderate (9)	It is considered that the Working Balance reserve (and other revenue reserves) remain sufficient to manage normal and one-off events for 2022/23.

Equality and Diversity

There are no specific Equalities and Diversity issues affecting the recommendation in this report, although any such issues arising from particular service pressures and savings will be considered and subject to an equalities impact assessment prior to proposals being implemented.

Key Decision: Yes

Background Papers: None

Officer to Contact: Lesley Tansey
Head of Finance
01509 634828
lesley.tansey@charnwood.gov.uk

Simon Jackson
Strategic Director of Environmental & Corporate Services
01509 634699
simon.jackson@charnwood.gov.uk

Part B

General Fund Revenue Budget 2022/23

1. Appendix 1 shows the General Fund summary position and includes a variance column comparing the Original budget being recommended to Council with the draft one reported to Cabinet on 9th December 2021. The changes are set out below.
2. Net Service Expenditure has increased from the draft budget by £227k, being a reduction in the additional savings target of £250k being an achievable target and a small budget reduction of £23k.
3. The precept Income has reduced by £277k compared to the draft, this being the net impact of a one year settlement for 2022/23. The settlement includes the Lower Tier Services Grant of £1,112k which is lower than the draft budget by £1,616k, and a small services grant of £296k. It is envisaged that these grant will continue in some form based on core spending power.
4. At the date of drafting this report the NNDR1 Budget (National Non-Domestic Rates), income figure has not yet been finalised. Whilst this has the potential to alter the Council's projected funding position it is not anticipated that any changes would be material in the context of the General Fund budget, however If material, an update will be provided to Cabinet at the date of the meeting and for the purposes of the Council meeting updated figures will be provided.
5. It was envisaged that the national business rate retention scheme would be in place (with a headline 75% retention rate compared to the current 50% retention scheme currently in place), as the new funding regime derived from the Fair Funding review. However, no announcements have been made and it is unlikely that this scheme will happen as it does not fit the 'levelling up' agenda.

The council is currently part of the Leicestershire business rate pool which means that they do not have to pay this balance over to Central Government and payments instead are directed to the Local Enterprise Partnership (LLEP) via the business rates pool for re-distribution back to Councils.

6. Due to timing differences between years in finalising amounts due to other parties, e.g. the County, Police and Fire in respect of Council Tax and the County, Fire and central government in respect of NNDR, the authority operates a Collection Fund. This acts like a trust account where amounts are paid in/out during the year and surpluses/deficits are retained at the year end and then paid out/recovered in following years once final figures are known. The final report to Council on 21st February 2022 will include the final figures, the figures for County, Fire and Police in this report are provisional.
7. The amount due to the Council from Council Tax receipts has decreased by £74k compared with the draft report, this reflects the Council Tax by charging permitted £5 per band D property, which is the sixth year in a row. (Loughborough Special Levy will increase by 1.99%, with the Borough precept calculated to ensure that the overall increase remains within the £5 limit)
8. The New Homes Bonus (NHB) Grant figure for 2022/23 shows an increase of £643k since the draft report. It is not yet known what the financial scheme will be in future years this stream of funding remains volatile for future financial planning.

9. The working balance shows a net use of General Fund reserves of £189k to balance the budget, this is after including an additional in year savings target of £250k.
10. Service Pressures, Savings and additional income generation are summarised at Appendix 6. These include unavoidable Service Pressures of £311k, of which £184k are ongoing pressures and £127k One Off. The ongoing service savings are £1,010k (£576k Reductions in Expenditure and £434k increase in Income) and a one off saving of £80.6k. In addition a figure of £250k Service savings are to be identified as part of additional service reviews in 2022/23.

Consultation on the Budget

11. A programme of consultation commenced following the consideration of the draft budget by Cabinet 10th December 2021. This has involved members of the public, partner organisations, scrutiny (especially the Budget Scrutiny Panel), unions and businesses.

Results of public consultation

12. An on-line public consultation (16 responses) was undertaken. The key themes emerging from these exercises were:
 - Of the proposals within the budget, the most contentious (all comments negative) was around the increase in garden waste collection charges – this has been justified because of the general financial pressures faced by the Council and a benchmarking exercise that demonstrates that the proposed charges are in line with other local authorities
 - Other comments suggested Council Tax was too high – again this has been justified because of the general financial pressures faced by the Council and Charnwood being in the lowest quartile for Council Tax.
 - There were also comments on matters such as highways and the rateable value of business premises which did not relate to Council services

Budget Scrutiny Panel

13. A Budget Scrutiny Panel has undertaken scrutiny of the draft budget for 2022/23. The recommendations of the Panel are set out in a separate report to this Cabinet meeting (item 6 on the agenda).

Comments of the Industrial and Commercial Ratepayers Meeting

14. A consultation meeting with representatives of Industrial and Commercial Ratepayers was held on 12th January 2022. In summary:
 - The Council's proposed budget and capital plan were discussed
 - The attendees raised questions around HMOs and public realm works in Loughborough
 - There were no specific comments on the budget arising

Comments of the Loughborough Area Committee

15. This Committee met on 15th December 2021 where the agenda included an opportunity to provide feedback on the draft budget. Principal matter raised was the reduction in the grant awards by approximately 5% to both Fearon Hall and Gorse Covert Community Centre as part of the strategic partner grants budget savings for 2022/23 in the General Fund and has impacted on Loughborough Special Budget. The draft saving was £2.5k however this saving has now been reduced further to £1,300 in line with the Strategic Partner Grants Cabinet report 13th January 2022.
16. We would like to take this opportunity to thank all those who responded to the consultation. Further of the consultation discussions and responses referred to above are available as background documents to this report (public consultation results) or as meeting minutes, published on the Council's website.

Loughborough Special Expenses (Appendix 3)

17. The budget position for Loughborough Special Expense and Levy for 2022/23. The increase to the Loughborough Special Levy is 1.99% to a rate of £79.53 per Band D property (2021/22: £77.98). The savings and pressures included in the General Fund that impact the Loughborough Special are as follows:

- Thorpe Acre Hub/Community Coordinator payment - £9.8k saving
- Gorse Covert/Fearon Hall - £1.3k saving
- Cemetery Fee Increase - £10k saving
- CCTV Salaries - £10k saving
- Carillion - Loss of income £4.5k one off pressure

Council Tax Base

18. The tax base, as approved by a decision delegated to the s151 Officer, has been used in the relevant calculations.

Precept Amount

19. The NNDR figures are not yet available, and the settlement figures have been used in these calculations. Appendix 2 shows an equivalent overall increase of £4.61 on the Base Band D Council Tax plus the Loughborough Special Levy. The band D rate for 2022/23 is set at £135.69 for the base precept.

Parish and Town Councils and Other Precepts

20. All Parish and Town Council precepts have been received and are detailed in Appendix 4. Approved precept information is still to be received from the County Council, the Police and Fire Authorities and the figures therefore shown in Appendix 2 are provisional. These will be updated in time for the main Council meeting on 21st February 2022.

General Fund Revenue Balances and Reserve

21. The General Fund Balances are included in Appendix A1. The budget shows a net £189k use of Working Balance is required to balance this year's budget, with a Working Balance estimated to be £4.613m as at March 2023.

It is a requirement to ensure that the level of balances is appropriate for the Council's commitments and current level of expenditure. The recommended minimum working balance set by the Section 151 Officer is £2m, representing six weeks net expenditure, in line with good practice. The original budget balance on this fund at the end of March 2023 is projected to be above this limit.

The Reinvestment Reserve This is used for three purposes, these being:

- For items that produce a payback to the Council;
- To fund costs that lead to appreciable service improvements;
- To fund one-off costs.

The Reinvestment reserve has a balance of £500k to be used for the above purpose. This may be topped up should this be operationally justified and financially feasible.

The Capital Plan Reserve is estimated to be £2.233m at the end of March 2023. This revenue reserve is used to finance General Fund capital expenditure, also the reserve can be used for revenue expenditure and there is no minimum balance for this reserve.

There are thirteen specific Earmarked Reserves which may be used in line with the purpose of the reserve fund or for general purposes totaling £2.215m.

The overall total General Fund reserve balances estimated as at March 2023 is £9.561m.

The new Commercialisation Reserve was set up in 2021/22, to cover any future losses on the Commercial Property Income; by the end of 2022/23 we estimate that the balance on this reserve to be £808k.

Housing Revenue Account (Appendix A5)

19. The HRA budget position for 2022/23 is a breakeven. The overall position of the balances is an increase of £367k from the draft budget.

20. The principal change to the final budget compared with the draft budget that was presented to Cabinet on 9th December 2021 is a reduction in £367k revenue contribution to capital from the Housing Financing Fund. This is due to an adjustment to planned Capital spend in 2022/23. The proposed increase in Garage Rents is anticipated to add £39k of rental income. Rents and Service charges have been recalculated since the draft budget to reflect anticipated void levels and the final level of proposed charges. The £15k increase in Supervision and Management includes an anticipated higher increase in voids for lifeline service.

HRA Balances

22. The HRA Balances have been budgeted at £110 per property at approximately £604k. At 31 March 2023, the HRA Financing Fund balance is forecast as being £10,049k.

HRA Service Pressures and Savings

22. It may be noted that no savings or pressures are associated with the HRA. A detailed exercise was performed to realign the HRA budgets in the previous year and that exercise is considered still valid.

Report of the Chief Finance (Section 151) Officer under Section 25 of the Local Government Finance Act, 2003

23. Section 25 of the Local Government Act 2003 requires the Chief Finance Officer (Section 151 Officer) of a local authority to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. This report must be considered by Cabinet and full Council as part of the budget approval and council tax setting process.
24. The proposed budget is set against the context of continued reductions in core Government funding and significant uncertainty as to future funding levels. The budget proposed, in the light of the ongoing impact of the COVID-19 pandemic, is appropriately prudent and, if delivered, will leave the Council's Working Balance at £4.6m at 31st March 2023, above the £2m minimum set by the s151 Officer.
25. The Council's S151 Officer is required to report to Cabinet and full Council the key risks facing the Council in relation to current and future budget provision. The short term impact of COVID-19 can be regarded as the principal budget threat in 2022/23. In subsequent years the lack of certainty around Government funding combined with inflationary pressures and the medium and longer term impact of COVID-19 are the key budgetary risks.
26. The Medium-Term Financial Strategy (MTFS) provided at Appendix B of this report considers the medium term financial outlook for the Council in more detail.

Robustness of Estimates

27. The Local Government Finance Act 1992 also requires an authority to take due consideration before setting the budget as there is no recourse to setting a further levy during the year, and any unexpected financial event would have to be met from reserves, or by cutting expenditure on services.
28. This budget has been drawn up using the best estimates of the cost of service delivery by those officers delivering the services, under the overall management of the Chief Financial Officer and with professional advice and guidance from the Financial Services team. The basis of estimation has been to take account of all known costs in delivering a set level of service together with any new or amended services that have been approved by Members.

29. It is recognised that during the eighteen months period, from the start of the budget process until the end of that financial year, there are likely to be budgets that have pressures on spending; equally there are budgets that will under spend. The key is to ensure that the position is under control at all times and that timely, effective action is taken where budget issues are identified in year. Financial procedures are in place to ensure that all decisions that affect spending are fully considered before committing the authority, and that effective monitoring is in place.
30. All spending plans are based on the service planning process and the proposed use of reserves and balances conforms to the approach set out in the Financial Strategy.

Adequacy of Reserves

31. The Chief Financial Officer can confirm that the levels of reserves for both the General Fund and HRA are considered to be adequate to fund the planned expenditure identified by the Council as presented in this report. However, they will need to be monitored and reviewed in the future to ensure that they can be maintained at an adequate level.

Assurance Statement of the Council's Section 151 Officer

32. The Chief Financial Officer confirms that this budget, as set out above and in the attached appendices, is robust and meets the requirements of the Council for its current spending plans and conforms with the procedures agreed for the use of balances.

Appendices

- A1 - General Fund Budget Summary 2022/23
 - A2 - Council Tax Analysis 2022/23
 - A3 - Loughborough Special Expenses 2022/23
 - A4 - Council Tax Town and Parish Council Precepts 2022/23
 - A5 - HRA Revenue Budget Summary 2022/23
 - A6 - General Fund Service Pressures and Savings 2022/23
- B - Medium Term Financial Strategy 2022 - 2025

General Fund Budget Summary

Appendix A1

Actual 2020/21 £000		Original Budget 2021/22 £000	Draft Original Budget 2022/23 £000	Final Budget 2022/23 £000	Variance Final vs Draft £000
19,426	General Fund Service Expenditure	19,026	19,163	19,141	23
0	Less MRP & Interest & Commercial Reserve	(1,262)	(929)	(929)	0
0	Service (Ongoing Savings)	(2,059)	(1,010)	(1,010)	0
0	Service (One Off Saving)	0	(81)	(81)	0
0	Savings to be determined	0	(500)	(250)	(250)
0	Service Pressures Ongoing	1,859	184	184	0
0	Service Pressures One Off	106	127	127	0
19,426	Net Service Expenditure	17,670	16,955	17,182	(227)
182	Revenue Contributions to Capital	0	0	0	0
0	MRP/Interest /Charge	1,262	729	729	0
240	Interest Paid	240	240	240	0
(342)	Less: Interest on Balances	(300)	(300)	(300)	0
19,506	Total Borough Expenditure	18,872	17,624	17,851	(227)
(292)	Contribution (from)/to Reinvestment Reserve	0	0	0	0
1,175	Contribution(from)/to Working Balance	(849)	(224)	(311)	87
143	Contribution (from)/to Collection Fund	2	(15)	122	(137)
453	Contribution(from)/ to Capital Plan Reserve	0	0	0	0
0	Contribution(from)/to Commercialisation Reserve	0	200	200	0
756	Contribution (from)/to Other Reserves	(106)	0	0	0
21,741	Precept Requirement	17,919	17,585	17,862	(277)
4,947	NNDR	4,379	4,465	5,200	(735)
0	RSG	168	0	174	(174)
7,288	Council Tax Receipts	7,640	8,055	7,981	74
1,271	Loughborough Special Levy	1,311	1,364	1,346	18
4,122	New Homes Bonus	3,000	988	1,631	(643)
0	Lower Tier Services Grant/Tranche 5 one off	1,418	2,728	1,112	1,616
3,962	General Government Grants (Covid)/Services	0	0	296	(296)
(173)	Collection Fund Surplus/(Deficit)	2	(15)	122	(137)
21,417	Precept Income	17,919	17,585	17,862	(277)
£000	<u>REVENUE BALANCES</u>	£000	£000	£000	£000
Actual 2020/21		Original Budget 2021/22	Draft Original Budget 2022/23	Final Budget 2022/23	Variance
4,498	<u>Working Balance at 1 April</u>	1,820	4,969	4,969	0
1,318	Transfer from/(to) General Fund	(847)	(239)	(189)	(50)
0	Transfer from/(to) Reinvestment Reserve	0	(167)	(167)	0
1,224	Contribution to the LLEP Enterprise Zone	0	0	0	0
(1,224)	Business Rates Appeals Adjustment	1,561	0	0	0
5,816	Balance at 31 March	2,534	4,563	4,613	(50)
883	<u>Reinvestment Reserve Balance at 1 April</u>	357	333	333	0
(292)	Transfers from/(to) General Fund	0	167	167	0
591	Balance at 31 March	357	500	500	0
1,980	<u>Capital Plan Reserve Balance at 1 April</u>	1,819	1,763	2,233	(470)
453	Transfer from/(to) General Fund	0	0	0	0
2,433	Balance at 31 March	1,819	1,763	2,233	(470)
7,346	NDR Deficit COVID Reserve	0	7,346	7,346	0
0	Funding of NDR COVID Deficit	0	(7,346)	(7,346)	0
7,346	Balance at 31 March	0	0	0	0
1,158	<u>Other Revenue Reserve Balances at 1 April</u>	1,113	2,015	2,015	0
857	Transfers from/(to) General Fund	(106)	200	200	0
2,015	Balance at 31 March	1,007	2,215	2,215	0
18,201	TOTAL BALANCES	5,717	9,041	9,561	(520)

COUNCIL TAX ANALYSIS 2022/23					
2021/22			2022/23		%
58,286.9		TAX BASE (at CBC collection rate)	58,819.0		Change Per Band D
16,815.4		LOUGHBOROUGH TAX BASE	16,923.1		0.91
£	£ p		£	£ p	%
17,919,418	307.43	TOTAL BUDGET REQUIREMENT	17,862,933	303.69	(1.22)
(1,311,265)	(22.50)	Less: Loughborough Special Levy	(1,345,894)	(22.88)	1.70
16,608,153	284.94		16,517,039	280.81	(1.45)
		Less:			
(3,000,484)	(51.48)	New Homes Bonus	(1,631,447)	(27.74)	(46.11)
(4,379,000)	(75.13)	NNDR	(5,200,000)	(88.41)	17.68
(1,417,924)	(24.33)	Government Grants/S.31 Compensation	0	0.00	0.00
0	0.00	Lower Tier Services Grant	(1,111,902)	(18.90)	0.00
0	0.00	Services Grant	(295,932)	(5.03)	0.00
(168,489)	(2.89)	Revenue Support Grant	(174,268)	(2.96)	2.40
7,642,256	131.11		8,103,490	137.77	5.08
(2,009)	(0.03)	Collection Fund (Surplus)/Deficit	(122,340)	(2.08)	5,934.68
7,640,247	131.08	BASIC BOROUGH PRECEPT	7,981,150	135.69	3.52
		Other Precepts			
4,051,639	69.51	Parishes	4,250,109	72.26	3.95
82,230,122	1,410.78	Leicestershire County Council	82,230,122	1,398.02	(0.90)
4,038,699	69.29	Combined Fire Authority	4,038,699	68.66	(0.91)
14,468,569	248.23	Police & Crime Commissioner for Leics	14,468,569	245.98	(0.91)
104,789,029	1,797.81		104,987,499	1,784.92	(0.72)
1,311,265	77.98	SPECIAL LEVY (LOUGHBOROUGH)	1,345,894	79.53	1.99
113,740,541	1,951.39	TOTAL REQUIREMENT	114,314,543	1,943.50	(0.40)
112,429,276	1,928.89	AVERAGE PARISH PRECEPT	112,968,649	1,920.61	(0.43)
109,688,902	1,937.36	LOUGHBOROUGH PRECEPT	110,064,434	1,927.88	(0.49)

Final figures still awaited – to be included in report presented to Council on 21 February

LOUGHBOROUGH SPECIAL EXPENSES

2021/22		2022/23			
Loughborough Special Expenses Budget	Service	Loughborough Special Expenses Budget	2021/22 to 2022/23 Difference	% Variance	Note
£		£	£		
78,900	Loughborough CCTV	74,300	(4,600)	-6%	1
66,800	Community Grants - General / Fearon Hall / Gorse Covert	65,500	(1,300)	-2%	2
45,800	Marios Tinenti Centre / Altogether Place / Community Hubs	36,300	(9,500)	-26%	3
6,300	Charnwood Water Toilets	6,300	0	0%	4
35,700	Voluntary & Community Sector Dev Officer post (75% LSX)	36,600	900	2%	5
122,400	Maintenance	124,200	1,800	1%	6
(2,700)	November Fair	(5,800)	(3,100)	53%	7
	<u>Parks:</u>				
353,200	Loughborough - including Loughborough in Bloom	345,100	(8,100)	-2%	8
70,300	Gorse Covert and Booth Wood	70,700	400	1%	9
	<u>Sports Grounds:</u>				
115,600	Derby Road	117,400	1,800	2%	10
43,100	Lodge Farm	43,100	0	0%	11
75,400	Nanpantan	77,100	1,700	2%	12
19,100	Park Road	18,200	(900)	-5%	13
23,800	Shelthorpe Golf Course	23,000	(800)	-3%	14
47,700	Loughborough Cemetery	36,500	(11,200)	-31%	15
49,200	Allotments - Loughborough	47,800	(1,400)	-3%	16
16,600	Carillon Tower	11,600	(5,000)	-43%	17
55,800	Festive Decorations and Illuminations	55,100	(700)	-1%	18
112,600	Town Centre Management	99,600	(13,000)	-13%	19
1,335,600		1,282,600	(53,000)	-4%	
	Adjustments from Year 2020/21	63,294			
-24,335	Adjustments from Year 2019/20				
1,311,265	AMENDED SUB TOTAL	1,345,894			
Divided by 16,815.40	Council Tax Base	Divided by 16,923.10			
<u>77.98</u>	Special Council Tax	<u>79.53</u>			

Loughborough Special Expense Notes

- 1 The savings include £10k to reduce the CCTV casual salaries budget. 24% of the total costs of the CCTV service has 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 Saving to reduce the grant awards by approximately 5% to both Fearon Hall and Gorse Covert as part of the strategic partner grant process have been included in the 2022/23 budgets, the amount has been reduced to £1.3k in line with the Partnership Grants Cabinet report 13th 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 options 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.

Appendix A4

2022/2023 Council Tax - Parish Precepts

Parish/ Meeting/ Town Council	Precept Requirement £	Council Tax Base	Parish/ Special Requirements at Band B £
Anstey	320,284.00	2,666.70	120.10
Barkby / Barkby Thorpe	13,794.00	158.50	87.03
Barrow-Upon-Soar	232,595.00	2,523.10	92.19
Beeby	0.00	42.00	0.00
Birstall	458,343.00	4,587.10	99.92
Burton-on-the-Wolds, Cotes, & Prestwold	32,500.00	554.40	58.62
Cossington	15,225.00	217.30	70.06
East Goscote	63,000.00	937.80	67.18
Hamilton Lee	0.00	280.50	0.00
Hathern	48,500.00	894.50	54.22
Hoton	12,127.00	146.20	82.95
Mountsorrel	524,201.09	3,022.90	173.41
Newtown Linford	56,779.00	534.90	106.15
Queniborough	63,713.00	1,222.60	52.11
Quordon	297,368.30	2,452.80	121.24
Ratcliffe-on-the-Wreake	3,000.00	89.90	33.37
Rearsby	23,010.00	486.80	47.27
Rothley	199,132.00	2,314.80	86.03
Seagrave	18,984.00	278.40	68.19
Shepshed	367,000.00	5,009.40	73.26
Sileby	239,585.00	2,835.20	84.50
South Croxton	11,751.00	133.70	87.89
Stonebow Village	0.00	5.20	0.00
Swithland	4,880.00	160.90	30.33
Syston	570,941.00	4,368.00	130.71
Thrussington	12,000.00	256.50	46.78
Thurcaston & Cropston	43,186.58	942.70	45.81
Thurmaston	480,492.00	2,865.90	167.66
Ulverscroft	0.00	60.00	0.00
Walton-on-the-Wolds	5,000.00	131.70	37.97
Wanlip	4,000.00	100.70	39.72
Woodhouse	85,620.00	988.70	86.60
Wymeswold	43,098.00	626.10	68.84
	4,250,108.97	41,895.90	
Loughborough (Special Expenses)	1,345,894.00	16,923.10	79.53

Total	5,596,002.97	58,819.00	
Average			95.14

Appendix A5

2020/21 Actual	Housing Revenue Account	2021/22 Original Budget	2022/23 Draft Original Budget	2022/23 Final Original Budget
£000		£000	£000	£000
	Expenditure			
5,421	Supervision and Management	5,393	5,423	5,438
6,427	Repairs and Maintenance	6,752	6,803	6,803
261	Rents, Rates and Other Charges	225	291	291
175	Provision for Bad Debts & Other Charges	383	318	318
3,464	Depreciation	3,409	3,641	3,641
(14,077)	Net Revaluation non-current assets increase	0	0	0
18	Debt Management Expenses	10	9	10
1,689	Expenditure Sub-total	16,172	16,485	16,501
	Income			
(20,597)	Dwelling Rent Income	(21,100)	(21,366)	(21,368)
(412)	Shops, Land and Garages Rent	(355)	(351)	(390)
(52)	Warden Service Charges	(53)	(54)	(51)
(286)	Central Heating, Cleaning and Communal Charges	(309)	(303)	(310)
(143)	Leasehold Flat and Shop Service Charges	(143)	(143)	(143)
(28)	Hostel Service Charges	(24)	(25)	(25)
(9)	Council Tax Recharged	(10)	(10)	(9)
(21,527)	Income Sub-Total	(21,994)	(22,252)	(22,296)
(19,838)	Net (income)/Cost of service	(5,822)	(5,767)	(5,795)
(82)	Transfer from General Fund – Grounds Maintenance	(85)	(85)	(85)
2,701	Interest Payable	2,709	2,698	2,698
(45)	Investment Income and Mortgage Interest	(27)	(15)	(15)
(17,264)	Net Operating Expenditure/(Income)	(3,225)	(3,169)	(3,197)
0	Revenue Contribution to Capital	3,225	3,169	3,197
(96)	Pension Adjustment	0	0	0
(112)	Accumulated Absence Adjustment	0	0	0
14,077	Reversal of Gain on Revaluation	0	0	0
13,869	Appropriations	3,225	3,169	3,197
(3,395)	(Surplus)/Deficit for the year	0	0	0
HRA Balances:				
(610)	HRA Balance at beginning of year	(609)	(609)	(609)
(3,395)	(Surplus)/Deficit for the year	0	0	0
3,396	Transfer to/from Reserves	0	5	5
(609)	HRA Balance at end of year	(609)	(604)	(604)
(8,235)	HRA Financing Fund beginning of year	(11,631)	(11,631)	(11,631)
(3,396)	Transfer to/from Reserves	0	(5)	(5)
0	Revenue Contribution to Capital	0	1,954	1,587
(11,631)	HRA Financing Fund at end of year	(11,631)	(9,682)	(10,049)
(3,210)	Major Repairs Reserve at end of year	(3,210)	(3,210)	(3,210)
(15,450)	Overall HRA balances end of the year	(15,450)	(13,496)	(13,863)

General Fund Service Savings 2022/23

Appendix A6

£	Service	Details
£16,500	Neighbourhood Services	Efficiency savings - various
£11,900	Neighbourhood Services	Deletion of vacant hours – various posts, correction to establishment position and various expenditure budgets
£10,000	Neighbourhood Services	Reduction in CCTV casuals' budget – underspend for last 2 years
£22,900	Neighbourhood Services	Reduction in Neighbourhood Development Officer Vacant Hours 18.5hrs
£14,700	Neighbourhood Services	Reduction of 5% to Strategic Partner Grants budget
£2,500	Planning and Regeneration	Delete the Plans Committee Site Visit Bus Budget
£32,800	Customer Experience	Delete current vacant post within the service
£20,000	Customer Experience	Additional Lagan software budget no longer required
£4,000	Customer Experience	Efficiency saving - re postal contract
£85,200	Customer Experience	Reduce the Contact Centre opening hours
£35,700	Customer Experience	Reduce face to face Customer Service Centre opening hours in line with Contact Centre
£24,900	Strategic Support	Remove budget for internal Audit Contingency – not required since inception of shared service arrangements with NWL and Blaby DC
£32,400	Strategic Support	Delete vacant hrs within legal services – saving arising following organisational restructure
£5,000	Strategic Support	Reduce scope of Mayor making event
£2,300	Strategic Support	Reduce budget for Mayoral visits
£10,000	Improv Org & Development	Efficiency savings - various
£18,000	Improve Org & Development	Delete Vacant hours – various posts, correction to establishment position
£41,400	Finance	Restructure of Financial Services incorporating Commitment Accounting Systems
£45,000	Cleansing & Open Spaces	Changes to Garden Waste Processes (principally stationery savings)
£5,400	Leisure and Culture	Efficiency savings - various
£17,100	Leisure and Culture	Reduce the annual SLA Grant to Charnwood Arts by 50%
£33,800	Leisure and Culture	Shopmobility and review of Market and Town Centre Service
£45,000	Property Services	Delete Vacant Facilities Manager post
40,000	Strategic & Private Sector Housing	Reduction in Contribution to The Bridge Independent Housing Advisory Service to £75.1k
£576,500	Reductions in Expenditure	
£1,500	Regulatory Services	Food Hygiene Rating Scheme – Re-scoring charges.
£28,000	Property Services	Increased Commercial Income -Rent review
£30,000	Property Services	Additional Income Southfields Offices
£14,000	Cleansing & Open Spaces	New income from the Outwoods Visitor Centre/Café
£300,000	Cleansing & Open Spaces	Increase the Garden Waste charges
£50,000	Cleansing & Open Spaces	Increase Bulky Waste charges
£10,000	Cleansing & Open Spaces	Increase in Burial charges
£433,500	Increases in Income	
£1,010,000	Total Ongoing Savings	
80,600	Strategic & Private Sector Hsg	One Off Saving Mandatory HMO Licence Fee for new and renewals 2022/23

General Fund Service Pressures 2022/23

£	Ongoing/One Off	Details
2,300	Ongoing	Local Resilience Forum contract cost increase.
10,000	ongoing	The Public Conveniences service saving approved for 2021/22 £20k will not be made in full reduce to £10K

4,500	ongoing	Economic Development Team leader increase in salary costs
31,100	ongoing	Planning Increase in hours Planning Assistant Post by 22hrs & Increase in Senior Planning Officer 8 hours
19,800	ongoing	Increase in Post A015 0.60 to 1 FTE Sustainable Development Officer to Deliver Carbon Neutral Strategy
41,900	ongoing	S01 37 hrs New Systems Administrator Post Northgate System
32,300	ongoing	Register of Electors New Burdens Grant no longer available
42,000	Ongoing	Harborough Contact Centre Contract £42k, 5 Mths 2022/23 and £100k ongoing
183,900	Ongoing	
51,600	One off	Strategic Growth Plan Partnership Contribution with City/County & cost in 2023/2024 - (£60,500)
64,000	One-Off	Loughborough Markets income - reduction in line with the MTFS
7,000	One-Off	Leisure centre utility rate contract adjustment
4,500	One-Off	Carillon Tower will remain closed in 2022/23, no income expected. Re-opening April 2023/24
127,100	One Off	