

**To: Deputy Leader and Members of the Resources Board**

**Councillors Symonds, A Clews, D Clews, Davey, Deakin, Dirveiks, D Humphreys, Lees, Morson, Moss, O Phillips and Simpson**

**For the information of other Members of the Council**

**For general enquiries please contact Democratic Services on 01827 719237 or via email – [democraticservices@northwarks.gov](mailto:democraticservices@northwarks.gov).**

**For enquiries about specific reports please contact the Officer named in the reports.**

**This document can be made available in large print and electronic accessible formats if requested.**

## **RESOURCES BOARD AGENDA**

**24 January 2022**

The Resources Board will meet on Monday 24 January 2022 at 7.00pm in the Council Chamber at The Council House, South Street, Atherstone, Warwickshire.

The meeting can also be viewed on the Council's YouTube channel at [NorthWarks - YouTube](#).

### **AGENDA**

- 1 Evacuation Procedure.**
- 2 Apologies for Absence / Members away on official Council business.**
- 3 Disclosable Pecuniary and Non-Pecuniary Interests.**

4 **Minutes of the Resources Board held on 8 November 2021** – copy herewith, to be approved as a correct record and signed by the Chairman.

5 **Public Participation**

Up to twenty minutes will be set aside for members of the public to put questions to elected Members.

Members of the public wishing to address the Board must register their intention to do so by 9:30am two working days prior to the meeting. Participants are restricted to five minutes each.

If you wish to put a question to the meeting, please register by email to [democraticservices@northwarks.gov.uk](mailto:democraticservices@northwarks.gov.uk) or telephone 01827 719221/719226/719237.

Once registered to speak, the person asking the question has the option to either:

- (a) attend the meeting in person at the Council Chamber;
- (b) attend remotely via Teams; or
- (c) request that the Chair reads out their written question.

If attending in person, precautions will be in place in the Council Chamber to protect those who are present however this will limit the number of people who can be accommodated so it may be more convenient to attend remotely.

If attending remotely an invitation will be sent to join the Teams video conferencing for this meeting. Those registered to speak should dial the telephone number and ID number (provided on their invitation) when joining the meeting to ask their question. However, whilst waiting they will be able to hear what is being said at the meeting. They will also be able to view the meeting using the YouTube link provided (if so, they made need to mute the sound on YouTube when they speak on the phone to prevent feedback).

## **ITEMS FOR DISCUSSION AND DECISION (WHITE PAPERS)**

6 **Shuttington Wildflower Meadow** – Report of the Director of Leisure and Community Development

### **Summary**

This report informs the Board of the use of the Chief Executive's urgent business powers to grant a Licence to Shuttington Parish Council, through which it has assumed responsibility for the management and maintenance of a wildflower meadow on Borough Council-owned land in Milner Drive, Shuttington.

The Contact Officer for this report is Simon Powell (719352).

- 7 **General Fund Fees and Charges 2022/23** – Report of the Chief Executive, Corporate Director – Streetscape, Corporate Director – Resources and Director of Housing

**Summary**

The report covers the fees and charges for 2021/22 and the proposed fees and charges for 2022/23.

The Contact Officer for this report is Nigel Lane (719371).

- 8 **General Fund Revenue Estimates 2022/23 – Services Recharged Across All Boards** - Report of the Corporate Director – Resources

**Summary**

This report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

The Contact Officer for this report is Nigel Lane (719371).

- 9 **General Fund Revenue Estimates 2022/23 – Services Remaining within the Board** – Report of the Corporate Director – Resources

**Summary**

This report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

The Contact Officer for this report is Nigel Lane (719371).

- 10 **General Fund Revenue Estimates 2022/23 – Summary** - Report of the Corporate Director – Resources

**Summary**

This report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

The Contact Officer for this report is Nigel Lane (719371).

- 11 **Housing Revenue Account Estimates 2022/23 and Rent Review**– Report of the Corporate Director – Resources

### **Summary**

The report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

The Contact Officer for this report is Nigel Lane (719371).

- 12 **Capital Programme**– Report of the Corporate Director – Resources

### **Summary**

This report identifies changes to the Council's 2021/22 capital programme and proposals for schemes to be included within the Council's capital programme over the next three years.

The Contact Officer for this report is Daniel Hogan (719337).

- 13 **Treasury Management Strategy Statement, Minimum Revenue Provision Policy Statement and Annual Investment Strategy for 2022/23** – Report of the Corporate Director – Resources

### **Summary**

This report outlines the Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Investment Strategy for 2022/23.

The Contact Officer for this report is Daniel Hogan (719337).

- 14 **Atherstone Public Conveniences** – Report of the Corporate Director – Streetscape

### **Summary**

In light of the ongoing cost of provision, maintenance and refurbishment set against the Council's ongoing budgetary pressures, this report recommends the permanent closure of Atherstone public conveniences with effect from 1 April 2022.

The Contact Officer for this report is Richard Dobbs (719440).



- 15 **Nomination of PATROL Representative** – Report of the Corporate Director  
– Streetscape

**Summary**

Following the implementation of Civil Parking Enforcement within the Borough of North Warwickshire from 1st February 2022, the Council is required to change the process by which it issues Fixed Penalty Notices for off-street parking offences from that date. The change will require the Council to process appeals through the Traffic Penalty Tribunal Service and, as such, the Council needs to nominate a Member representative to sit on the joint committee of PATROL.

The Contact Officer for this report is Richard Dobbs (719440).

- 16 **Exclusion of the Public and Press**

**To consider whether, in accordance with Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of exempt information as defined by Schedule 12 A to the Act.**

- 17 **Property in Coleshill** – Report of the Corporate Director – Streetscape

The Contact Officer for this report is Richard Dobbs (719440).

STEVE MAXEY  
Chief Executive

## NORTH WARWICKSHIRE BOROUGH COUNCIL

### MINUTES OF THE RESOURCES BOARD

8 NOVEMBER 2021

Present: Councillor Symonds in the Chair

Councillors A Clews, D Clews, Davey, Dirveiks, D Humphreys, M Humphreys, Jenns, Morson, O Phillips and Reilly.

Apologies for absence were received from Councillors Deakin, Lees (Substitute Jenns), Moss (Substitute Reilly) and Simpson (Substitute M Humphreys)

#### 17 **Disclosable Pecuniary and Non-Pecuniary Interests**

None were declared at the meeting.

#### 18 **Minutes of the Resources Board held on 8 November 2021**

The minutes of the Resources Board held on 8 November 2021, copies having been previously circulated, were approved as a correct record and signed by the Chairman.

#### 19 **Atherstone Sports Club and Royal Meadow Drive Recreation Ground**

The Director of Leisure and Community Development reported on a request from Atherstone Sports Club to enter into a long-term lease in respect of its management, development, maintenance and use of part of Royal Meadow Drive Recreation Ground, Atherstone, further to the matter having received the initial consideration of the Community and Environment Board at its meeting held in October 2021.

#### **Resolved:**

**That the request from Atherstone Sports Club to enter into a long-term lease in respect of its management, development, maintenance and use of part of Royal Meadow Drive Recreation Ground be approved, and that the terms of the draft lease, as attached at Appendix B to the report of the Director of Leisure and Community Development, be used as a basis for negotiation of the final agreement with the Sports Club.**

## 20 **Housing Task and Finish Group**

The Director of Housing provided feedback from the first two meetings of the Housing Task and Finish Group which had been established to consider the Council's landlord services.

### **Resolved:**

- a That the proposed purpose of the Housing Task and Finish Group was agreed; and**
- b The Terms of Reference for the Group, attached as Appendix A to the report, were approved.**

## 21 **Parking**

The Corporate Director – Streetscape updated Members on the consultation responses received to the revised Parking Places Order and associated Schedule(s) covering all the Borough Council owned and operated off-street car parks. The revised Order and Schedule(s), which had been consulted on, proposed the introduction of parking charges across all Council car parks with a minimum charge free period of one hour. Members were asked to review the consultation responses and to decide on any subsequent changes to either the Parking Places Order or Schedule(s) in advance of the implementation of Civil Parking Enforcement (CPE) on 1 February 2022.

### **RESOLVED:**

**It was proposed by Councillor Morson and Seconded by Councillor O Phillips that recommendations (a) – (d) as set out in the report of the Corporate Director – Streetscape be refused**

**On being put to the vote, the amendment was lost.**

**It was proposed by Councillor D Humphreys, seconded by Councillor Reilly and RESOLVED:**

- a That the final wording of the revised Parking Places Order and associated Schedule(s) set out in the appendices to this report be endorsed;**
- b That delegated authority be given to the Solicitor to the Council (provided there are no substantive changes) to make, publish and implement the Order and Schedule(s) in line with The Local Authorities' Traffic Orders (Procedure (England and Wales) Regulations 1996 once all necessary consultations have concluded;**

- c That further reports be brought to the Board on a regular basis setting out the Council's proposed approach to season ticket provision and overnight resident parking permits and that a comprehensive review of off-street parking and the impact of CPE be undertaken after twelve months; and**

#### **Recommendation to Council**

- d That Council approves a capital budget of £465,000 to cover the cost of all necessary surface improvements, capacity increases, charging infrastructure and signage ahead of the implementation of the new PPO and Schedule(s).**

#### **22 Internal Audit Half Yearly Report**

The Corporate Director – Resources provided an update on the progress of the Council's Internal Audit function against the agreed plan of work for the year and provided the Board with a summary of the work completed by the Council's Counter Fraud Officer.

##### **Resolved:**

**That the progress against the approved plan, attached at Appendices A and B of the report of the Corporate Director – Resources, and the work of the Counter Fraud Officer be noted.**

#### **23 General Fund Budgetary Control Report 2021/22 Period Ended 30 September 2021**

The Corporate Director – Resources reported on the revenue expenditure and income for the period from 1 April 2021 to 30 September 2021. The 2021/22 budget and the actual position for the period, compared with the estimate at that date, were given, together with an estimate of the out-turn position for services reporting to the Board.

##### **Resolved:**

**That the report be noted.**

#### **24 Housing Revenue Account Budgetary Control Report 2021/2022 Period Ended 30 September 2021**

The Corporate Director – Resources reported on the total Housing Revenue Account revenue expenditure and income for the period from 1 April to 30 September 2021.

##### **Resolved:**

**That the report be noted.**

**25 Capital Programme 2021/22 Period 6 Update**

The Corporate Director – Resources updated Members on the progress of the 2021/22 Capital Programme in terms of expenditure up to the end of September 2021.

**Resolved:**

**That the merging of the Innage Park Cladding and Pavilions Roof schemes, referred to in paragraph 5.3 of the report of the Corporate Director – Resources, be approved.**

**26 Treasury Management Update 2021/22**

The Corporate Director – Resources detailed the Treasury Management activity for the period up to the end of September 2021.

**Resolved:**

**That the Treasury Management activity for the period up to the end of September 2021 be noted.**

C Symonds  
Chairman

**Agenda Item No 6**

**Resources Board**

**24 January 2022**

**Report of the Director of  
Leisure and Community Development**

**Shuttington Wildflower Meadow**

**1 Summary**

- 1.1 This report informs the Board of the use of the Chief Executive's urgent business powers to grant a Licence to Shuttington Parish Council, through which it has assumed responsibility for the management and maintenance of a wildflower meadow on Borough Council-owned land in Milner Drive, Shuttington.

**Recommendation to the Board**

**That the Board notes the use of the Chief Executive's urgent business powers to grant a Licence to Shuttington Parish Council, through which it has assumed responsibility for the management and maintenance of a wildflower meadow on Borough Council-owned land in Milner Drive, Shuttington.**

**2 Consultation**

- 2.1 Consultation has taken place with the relevant Members and any comments received will be reported at the meeting.

**3 Introduction**

- 3.1 At its meeting held on 11 October 2021, the Community and Environment Board considered a request received from Shuttington Parish Council to take responsibility for a Borough Council-owned area of informal amenity grassland on Milner Drive in Shuttington. The Parish Council's proposed intention was, and remains, to improve biodiversity through the creation and maintenance of a wildflower meadow on the site. A copy of its outline site plan was presented to the Community and Environment Board and is attached for Members' information at Appendix A. In recognising that the proposal was consistent with a number of priorities in the adopted Green Space Strategy, the Community and Environment Board approved the principle of entering into the Licence Agreement with the Parish Council.

- 3.2 In view of the urgency associated with certain of the works proposed by the Parish Council needing to be undertaken during the autumn and the potential loss of a preferred contractor if there was a delay in the implementation of the project, the granting of the Licence, a copy of which is attached at Appendix B, was approved by the Chief Executive under his urgent business powers.

This matter is hereby reported to the Board, in view of its responsibility for land owned by the Authority.

#### **4 Report Implications**

##### **4.1 Finance and Value for Money Implications**

4.1.1 There is no financial implication arising directly out of this report.

##### **4.2 Safer Communities Implications**

4.2.1 The development and management of the wildflower meadow will make a small contribution to community safety by providing a well-managed space that affords opportunities for positive activity within the local community.

##### **4.3 Legal, Data Protection and Human Rights Implications**

4.3.1 There are no data protection or human rights implications arising directly out of this report.

4.3.2 Legal Services drafted the terms of the Licence Agreement, which have been approved and entered into by both parties and this ensures that the aims set out in the proposal considered by the Community and Environment Board are met by the Parish Council. Although the Licence allows the Parish Council to manage the land, it remains in the ownership of this Authority.

##### **4.4 Environment, Sustainability and Health Implications**

4.4.1 The wildflower meadow in Shuttington will improve the local environment, enhance biodiversity and help to mitigate the effects of climate change.

##### **4.5 Human Resources Implications**

4.5.1 There are no human resource implications arising directly out of this report.

##### **4.6 Risk Management Implications**

4.6.1 The risks associated with this undertaking were assessed as being considerably small, given the thoroughness of the Parish Council's proposal, its site plan and its engagement of a professional contractor to undertake aspects of the work on the land in question. Progress with the implementation of the project and its on-going management will be monitored by Borough Council staff.

##### **4.7 Equalities Implications**

4.7.1 There are no equalities implications arising directly from this report.

## 4.8 Links to Council's Priorities

4.8.1 The wildflower meadow in Shuttington will have direct and positive links to the following corporate priorities:

- Responsible financial and resource management
- Creating safer communities
- Protecting our countryside and heritage
- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

4.8.2 Additionally, management and maintenance of the wildflower meadow will contribute directly to the attainment of the priorities of the Sustainable Community Strategy to:

- Raise aspirations, education attainment and skill levels
- Develop healthier communities
- Improve access to services|

The Contact Officer for this report is Simon Powell (719352).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No.	Author	Nature of Background Paper	Date
1	North Warwickshire Borough Council	North Warwickshire Green Space Strategy (2020 to 2033)	January 2020
2	Director of Leisure and Community Development	North Warwickshire Green Space Strategy Progress Report	October 2021





## Community Wildflower Garden Proposal

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### Project Overview:

Shuttington Parish Council are planning a community wildflower garden on an 800 square meter little used green space on Milner Drive, Shuttington, B79 0DS.

The garden will comprise of a mown path surrounded by wildflowers and native grasses and an extension of existing native broad leaves trees. A wildlife pond with fully integrated safety grid will be a valuable addition for biodiversity and picnic benches and a hard surfaced path will provide access to all abilities to a seating area.

The project aims to involve local community groups (Shuttington Community Support Group, School Groups and youth organisations) in different ways. For the community group, the garden will provide a valuable and safe outdoor meeting point for the senior walking group. For the local primary school involvement in nature studies, pond dipping, etc is intended and for youth groups such as Brownies and Cubs we would invite involvement with the ongoing maintenance of the site, planting, seed sowing and nature trails.

The project has been designed to give maximum impact on climate change mitigation with minimal maintenance, which is the very essence of a wildflower garden.

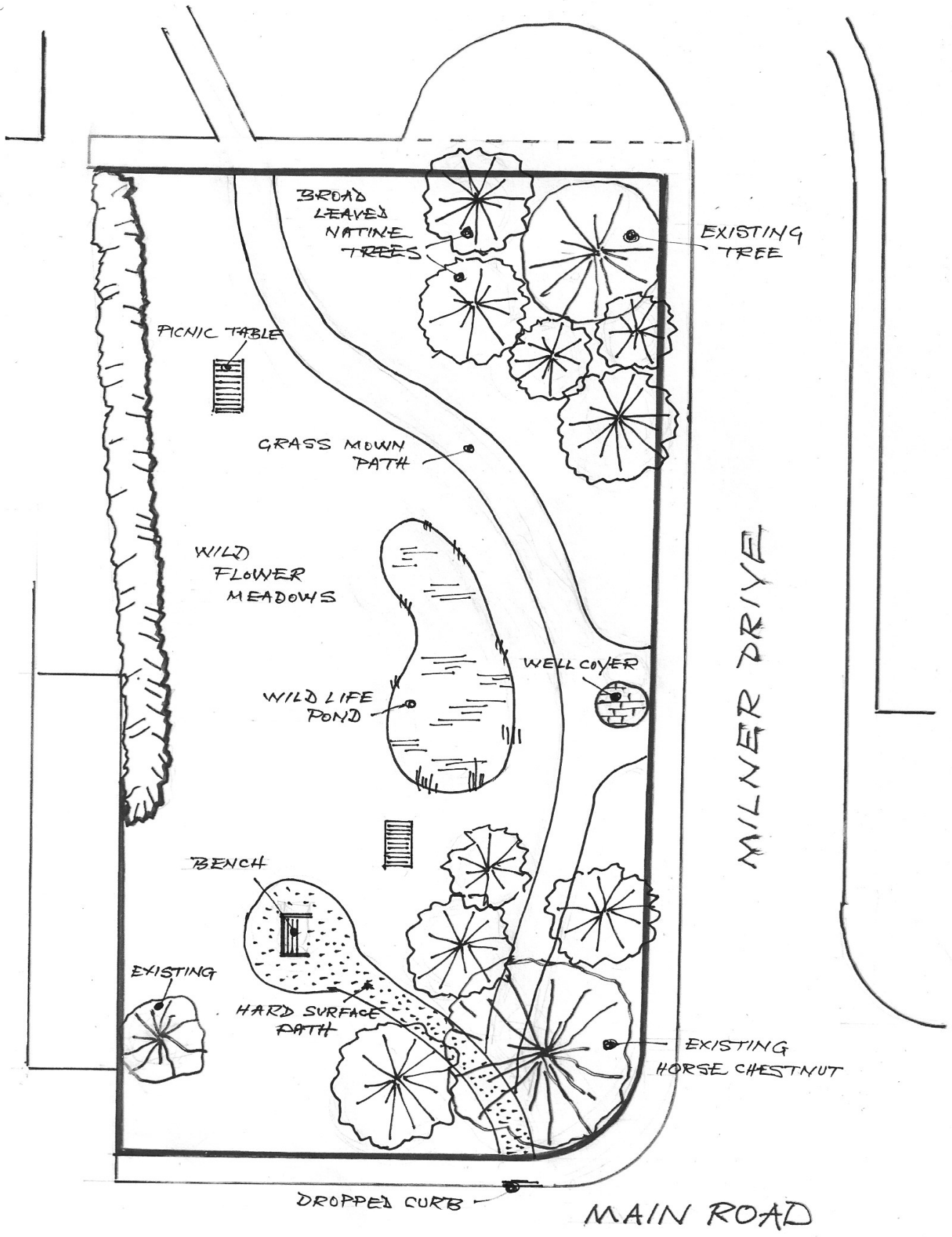
This proposal is fully supported by the local community, the parish council and North Warwickshire Borough Council. As the wildflower garden establishes over the years the wildlife habitat, biodiversity and community benefit will grow year on year.

Project Site & Plan:



800m<sup>2</sup> green space shown on images above. Miner Drive, Shuttington, B79 0DS

# MILNER DRIVE SHUTTINGTON





## Project Timescale:

We anticipate works to start on the project in August 2021. We have been advised that autumn sowing of the wildflower seed is best to achieve the best results in the following spring and summer. Whilst the project will be on going and evolving over the years we expect the ground works, sowing, planting and park furniture installation all to be complete by the end of 2021.

### **August & September 2021:**

Grassed area to be treated with with Glyphosate mid to late August. After 3 weeks, when grass is showing signs of dying back, the whole area would be power harrowed to depth of 100mm to 150mm.

This will be left for around another 3 weeks to allow for any further germination of weeds etc. followed by another application of Glyphosate.

Shortly after this has been applied the pond area will be excavated to a size of approximately 12ft x 12ft kidney shaped with a deep end approximately 3ft.

All soil etc. that is excavated from the pond will be graded around the side and not be transported away. After this has been done, the whole area would be power harrowed again. At this point the grass and wild flower seed would be sown and lightly covered to allow for germination to take place. Trees to be planted.

Works to be carried out by Steve Barnsley Construction & Groundworks.

### **October 2021:**

Pond to be lined and diamond deck safety grid installed above or at water level to ensure safety should anyone fall into the pond. Pond to be filled once safety grid installed.

Works to be carried out by Pond Safety Ltd

Hardcore path to be excavated, hardcore laid and concrete path to be installed. Once cured bench to be installed and secured.

Works to be carried out by Concrete Services Tamworth Limited.

### **Spring 2022 onwards:**

Mown paths to be added and picnic benches installed. At this point we would consider the wildflower garden established. During the spring and summer months we expect to have the paths mown every two weeks and the edges of the wildflower areas strimmed. The wildflower meadow will only require a single cut annually and will first take place in early autumn 2022.

### **Project Permissions:**

Shuttington & Alvecote Parish Council are in the process of gaining permission to manage the site with North Warwickshire Borough Council. This has been delayed by our contact Katherine Webster - Green Space Officer. North Warwickshire Borough Council have said they are in favour of the project however they are consulting their legal teams on what would happen if Shuttington & Alvecote Parish Council relinquished the site back to North Warwickshire Borough Council,

### **Project Management and Contacts:**

The project will be managed by Councillor Claire Holloway and Councillor Rory Hogan of Shuttington & Alvecote Parish Council.

#### **Contact details:**

##### **Councillor Claire Holloway**

Mobile: 07527 867181

26 Main Road

Shuttington

B79 0DS

##### **Councillor Rory Hogan**

Mobile: 07572 271592

28 Main Road

Shuttington

B79 0DS

**DATED** \_\_\_\_\_ **2021**

**NORTH WARWICKSHIRE BOROUGH COUNCIL**

- and -

**Shuttington Parish Council**

**L I C E N C E**

**relating to a plot of land off Milner Drive, Shuttington, B79 0DS**

THIS LICENCE is made the                      day of                      Two Thousand and Twenty One  
BETWEEN NORTH WARWICKSHIRE BOROUGH COUNCIL in the County of Warwick (hereinafter  
called "The Licensor") of the one part and SHUTTINGTON PARISH COUNCIL in the County of Warwick  
(hereinafter called "The Licensee") of the other part

WHEREAS:

The Licensor is the owner of the land off Milner Drive, Shuttington, B79 0DS and **edged red on the plan**  
**annexed** hereto which is for reference purposes only

The Licensee is Shuttington Parish Council as described above

NOW THIS DEED WITNESSETH as follows:

1. IN consideration of the conditions hereinafter contained to be observed and performed by the Licensee the Licensor hereby grants unto the Licensee a Licence to use the land off Milner Drive, Shuttington, B79 0DS for the purpose of a community wildflower garden – this is the only permitted use.
  - (i) The Licensee's right to occupy the land shall commence on the day specified above and shall continue until determined by either party giving to the other at any time not less than three months notice in writing to that effect to expire on the last day of any month
  - (ii) The Licensee shall not assign, charge, part with or share possession or share occupation of this agreement or the Property or hold the agreement on trust for any person
  - (iii) The Licensee shall keep the area of land in a good state of condition and shall ensure all internal hedging, fencing, roadways, paths, ponds and ditches are maintained and repaired for the duration of the licence
  - (iv) The Licensor will continue to maintain the laurel hedgerow
  - (v) The Licensee will not suffer any waste or cut down, top, lop or drive nails into or otherwise injure any trees existing at the date hereof on site. Any work to trees, including existing and new trees, should be approved and contracted by the appropriate office of the Licensor. Any work to trees on site will be at the expense of the Licensee
  - (vi) The Licensee must take appropriate measures to ensure no damage is caused to the root plates of existing trees whilst work is undertaken on site

(vii) The Licensee shall indemnify the Licensor against all liabilities claims actions costs and damages whatsoever which may arise as a result of the exercise of the Licence hereby granted

(viii) The Licensee will notify the Licensor of any defects relating to the site as soon as they arise, giving the timescales to repair and steps taken to warn the public

(ix) The Licensee shall not use the Property for any purpose or in any manner that is illegal, hazardous or dangerous, or would cause loss, damage, injury, nuisance or inconvenience to the Licensor, any other Licensees of the Licensor or any other owner or occupier of neighbouring property PROVIDED THAT this shall not prevent the Licensee from using the Property for the Permitted Use.

(x) Upon termination of the Licence hereby granted the Licensee will reinstate the Licensors land to the satisfaction of the appropriate officer of the Licensor (such satisfaction to be evidenced in writing)

(xi) The Licensee will maintain appropriate levels of public liability insurance and risk assessments whilst carrying out works to the site

2. It is not the intention of either the Licensor or the Licensee to create between them the relationship of Landlord and Tenant.

3. The Licence fee shall be a peppercorn per annum, if demanded.

4. This agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales.

AS WITNESSED the hands and seals of the parties hereto the day and year first before written

THE COMMON SEAL OF NORTH )  
WARWICKSHIRE BOROUGH COUNCIL)  
was hereunto affixed in the )  
presence of: )

Designated Officer

Signed as a deed on behalf of Shuttington Parish Council )  
in the presence of : )



**Agenda Item No 7**

**Resources Board**

**24 January 2022**

**Report of the Chief Executive, Corporate Director - Streetscape, Corporate Director - Resources and Director of Housing**

**General Fund Fees and Charges 2022/23**

**1 Summary**

- 1.1 This report covers the fees and charges for 2021/22 and the proposed fees and charges for 2022/23.

**Recommendation to the Board**

**That the schedule of fees and charges for 2022/23, set out in the report be accepted.**

**2 Introduction**

- 2.1 At its meeting held in September 2021, the Executive Board agreed the budget strategy for 2022/26, which included an allowance for price increases of 2%.

**3 Fees and Charges proposed for 2022/23**

- ... 3.1 Attached at Appendix A for the Board's consideration are details of present and proposed fees and charges for the financial year 2022/23. The amounts shown have already been included in the revenue estimates for 2022/23.
- 3.2 No increases have been applied to failure to notify a change to a Council Tax single person discount and full register of electors' fees, as these charges are statutory and so not set by the Council.
- 3.3 Court summons costs, parking penalties charges have been kept the same as in 2021/22. The remaining fees and charges have generally been increased by 2% (rounded).
- 3.4 Car parking pay and display fees have been added to the appendix and are expected to become operational from February 2022.

## 4 Report Implications

### 4.1 Finance and Value for Money Implications

4.1.1 The pricing structure contained within this report is not expected to generate additional income, although a new income stream generated by pay and display parking is expected to generate £71,000.

4.1.2 This will contribute to the achievement of income targets, which are contained within the Corporate Director – Resources’ report on the General Fund estimates 2022/23 presented elsewhere within the agenda for this meeting.

4.1.3 Those fees which are set by law or for which the law prescribes a maximum amount are identified on Appendix A as being subject to statutory control and may not be exceeded. Where a fee is not fixed by law or limited by law to a particular amount the Council must exercise its discretion reasonably and consider the impact of any increased charges on those who will be affected by them.

### 4.2 Risk Management

4.2.1 Changes to fees and charges may impact on the level of demand. However, this has been considered in proposing the revised charges.

The Contact Officer for this report is Nigel Lane (719371).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**NORTH WARWICKSHIRE BOROUGH COUNCIL**  
**RESOURCES BOARD**  
**FEES AND CHARGES FROM 1 APRIL 2022**

	<b>2021/2022 TOTAL CHARGE £</b>	<b>2022/2023 TOTAL CHARGE £</b>	<b>VAT RATING</b>
<b>REGISTER OF ELECTORS (statutory)</b>			
a) Paper form	10.00+ 5.00 per 1,000 names or part thereof plus postage	10.00+ 5.00 per 1,000 names or part thereof plus postage	Outside Scope
b) Charge per full register in paper form	260.00 plus postage	260.00 plus postage	"
c) Data form	20.00+ 1.50 per 1,000 names	20.00+ 1.50 per 1,000 names	"
d) Charge per full register in data form	95.00	95.00	"
e) Overseas electors-paper form	10.00+ 5.00 per 1,000 names or part thereof plus postage	10.00+ 5.00 per 1,000 names or part thereof plus postage	"
<b>FAILURE TO NOTIFY A CHANGE TO A COUNCIL TAX SINGLE PERSON DISCOUNT (Statutory)</b>			
	70.00	70.00	Outside Scope

**NORTH WARWICKSHIRE BOROUGH COUNCIL**

**RESOURCES BOARD**

**FEES AND CHARGES FROM 1 APRIL 2022**

	<b>2021/2022 TOTAL CHARGE £</b>	<b>2022/2023 TOTAL CHARGE £</b>	<b>VAT RATING</b>
<b>PAY AND DISPLAY PARKING CHARGES</b>			
Monday to Saturday (between 08.00 to 18.00)			
Up to 2 hours	Free	Free	Standard
Up to 3 hours	2.00	2.00	Standard
Up to 4 hours	2.50	2.50	Standard
Over 4 hours	3.00	3.00	Standard
Monday to Saturday (between 18.00 and 8.00)	Free	Free	Standard
Sunday (All day)	Free	Free	Standard
Monday to Saturday (between 08.00 to 18.00)			
Blus badge holders (upto 3 hours)	Free	Free	Standard
Blus badge holders (upto 4 hours)	2.50	2.50	Standard
Blus badge holders (Over 4 hours)	3.00	3.00	Standard
Blue badge holders - Monday to Saturday (between 18.00 and 8.00)	Free	Free	Standard
Blue badge holders - Sunday (All day)	Free	Free	Standard
Season Tickets - for a period of 3 months (valid in all short and long stay car parks)	150.00	150.00	Standard
Please check website for other restrictions			
<b>CAR PARKING PENALTIES</b>			
If paid within 7 days	25.00	25.00	Outside Scope
If paid after 7 days	50.00	50.00	"
<b>STATEMENTS OF ACCOUNT (per copy)</b>	13.20	13.50	Outside Scope
<b>INSPECTION AND COPYING OF BACKGROUND PAPERS UNDER SECTION 100H OF THE LOCAL GOVERNMENT ACT 1972</b>			
a) Inspection of background papers to a part 1 report per item of business	3.10	3.20	Outside Scope
b) Photocopying of background papers to a part 1 report per copy	0.10	0.10	"
minimum charge	0.50	0.50	"
<b>COURT COSTS</b>			
Summons Costs (Council Tax and NDR)	100.00	100.00	Outside Scope
<b>PROVISION OF CCTV IMAGES TO THIRD PARTIES</b>			
Requests taking up to 1 hour of officer time	68.40	69.80	Standard
Requests taking over 1 hour of officer time	135.90	138.60	"

## Agenda Item No 8

### Resources Board

24 January 2022

Report of the  
Corporate Director - Resources

General Fund Revenue Estimates  
2022/23 - Services Recharged  
Across All Boards

#### 1 Summary

- 1.1 This report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

#### **Recommendation to the Board**

- a To accept the revised budget for 2021/22; and**
- b To accept or otherwise vary the Estimates of Expenditure for 2022/23, as submitted, for them to be included in the budget to be brought before the meeting of the Executive Board on 14 February 2022.**

#### 2 Introduction

- 2.1 In consultation with other Directors, the Corporate Director – Resources has prepared an estimate of net expenditure for 2022/23 and this, together with a revised budget for 2021/22, appears in Appendices A and B. To provide a more complete picture of the spending pattern of the service, the actual figures for 2020/21 are shown.
- ...
- 2.2 At its meeting in September 2021, the Executive Board agreed the budget strategy for 2022-2026, which required savings of £2.1 million over a four-year period. This required budget savings of £1.5 million in 2022/23 with additional savings of £500,000 in 2023/24 and £100,000 in 2024/25. A savings target was not included for 2025/26 at that time. Some limited growth was built into the strategy in specific areas.
- 2.3 Directors were asked to identify areas where savings could be made, either by a reduction in expenditure or through the generation of additional income.

2.4 A subjective analysis of the Board's requirement is shown below:

	<b>Original Budget 2021/22 £</b>	<b>Revised Budget 2021/22 £</b>	<b>Original Budget 2022/23 £</b>
Employee Costs	8,836,420	9,187,520	8,100,060
Premises	493,680	493,520	494,260
Supplies and Services	933,080	976,060	1,019,640
Transport	633,870	633,320	631,770
Miscellaneous Expenditure	-	500	-
Earmarked Reserves	(8,000)	(393,040)	(42,820)
<b>Gross Expenditure</b>	<b>10,889,050</b>	<b>10,897,880</b>	<b>10,202,910</b>
Income	(255,590)	(263,560)	(266,900)
<b>Net controllable Expenditure</b>	<b>10,633,460</b>	<b>10,634,320</b>	<b>9,936,010</b>
Recharged to Other Services	(12,557,720)	(12,558,580)	(11,916,980)
Departmental Support	22,030	22,030	25,610
Central Support Charges	1,482,720	1,482,720	1,539,040
Capital Charges	419,510	419,510	416,320
<b>Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>

2.5 The Council values all of its assets using a five-year rolling programme, and this can affect the level of capital charges that are made to services and can therefore significantly affect the net service cost. Therefore, changes in net service expenditure that are as a result of increases or decreases in capital charges are shown below net operating expenditure in the following pages.

### 3 **Comments on the 2021/22 Revised Budget**

3.1 The revised budget to be recharged across all Boards for 2021/22 is estimated to be £12,558,580; an increase of £860 on the approved provision.

3.2 The main changes in employee costs relates to the redundancy and pension strain for the staff in Community Support which was funded from the use of the new initiatives ear marked reserves.

3.3 In year savings from staff turnover have been reflected in the revised vacancy factor, which is contained within the Corporate Director - Resources report on the General Fund Revenue estimates 2022/23 Summary presented elsewhere within the agenda for this meeting.

## 4 **Comments on the 2022/23 Estimates**

- 4.1 The 2022/23 estimates have been prepared, taking into account the following assumptions:
- A 2% pay award from 1 April 2022; and
  - An increase in income to reflect the increases included in the fees and charges report elsewhere on this agenda
- 4.2 The original budget to be recharged across all Boards for 2022/23 is estimated to be £11,916,980; a decrease of £641,600 on the 2021/22 revised budget and a decrease of £640,740 on the 2021/22 original budget. The main variations from the revised estimate are set out below.
- 4.3 Employee costs have decreased by £1,087,460. The main reasons are the decisions to discontinue the Community Support service, some restructuring of senior management, and some reductions in the customer contact, revenues and benefit, financial services and central services teams. In addition, the Council no longer employs a valuer, so this budget has been moved to supplies and services. This has been partially offset by the impact of the pay award and increments within pay-scales.
- 4.4 Supplies and Services expenditure has increased by £43,580 relating to the transfer of the valuer budget from employee expenses and increases relating to inflation.
- 4.5 The movement in earmarked reserve relates to the reversal of the funding used in 2021/22 to cover the costs of redundancy and pension strain in Community Support. This has been partially offset by use of funding for the Financial Inclusion Support Officer in 22/23.
- 4.6 Departmental and Central Support charges have increased by £59,900 due to pay award and increments.

## 5 **Risks to Services**

- 5.1 The key risks to the budgetary position of the Council from services covered by this report are:
- Additional increases in pension contribution rates above those already included
  - Higher than anticipated rises in utility costs (electricity, gas and water)
  - Changes in legislation that effect service delivery and/or software requirements
  - Above Inflation increases in vehicle fuel
  - Increased insurance costs, especially those relating to vehicles

5.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix C.

## 6 Future Year Forecasts

6.1 In order to assist with medium-term financial planning, Members are provided with budgets for the three years following 2022/23. The table below provides a subjective summary for those services reporting to this Board:

	<b>Forecast Budget 2023/24</b> £	<b>Forecast Budget 2024/25</b> £	<b>Forecast Budget 2025/26</b> £
Employee Costs	8,262,050	8,468,700	8,681,190
Premises	504,490	509,160	519,700
Supplies and Services	1,033,470	1,044,300	1,065,930
Transport	628,700	637,670	646,310
Earmarked Reserves	(43,700)	(44,650)	(45,770)
<b>Gross expenditure</b>	<b>10,385,010</b>	<b>10,615,180</b>	<b>10,867,360</b>
Income	(272,280)	(278,090)	(284,030)
<b>Net Expenditure</b>	<b>10,112,730</b>	<b>10,337,090</b>	<b>10,583,330</b>
Recharged to other Services	(12,093,360)	(12,353,020)	(12,638,050)
Departmental Support	25,750	26,330	26,990
Central Support Charges	1,557,250	1,591,970	1,630,100
Capital Charges	397,630	397,630	397,630
<b>New Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>

6.2 The forecasts given above have used a number of assumptions, which include pay awards of 2% in 2023/24 to 2025/26, increases in contracts and general increases in supplies and services of 2% in 2023/24 and 2025/26. In total, the amount recharged to services is expected to increase by 1.48% in 2023/24, 2.15% in 2024/25 and 2.31% in 2025/26.

6.3 These forecasts are built up using current corporate and service plans. Where additional resources have already been approved, these are also included. However, these forecasts will be amended to reflect any amendments to the estimates, including decisions taken on any further corporate or service targets.

## 7 Report Implications

### 7.1 Finance and Value for Money Implications.

7.1.1 As detailed in the body of the report.

### 7.2 Environment and Sustainability Implications

7.2.1 Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of essential services.



### 7.3 Risk Management Implications

7.3.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

The Contact Officer for this report is Nigel Lane (7192371).

#### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

## NORTH WARWICKSHIRE BOROUGH COUNCIL

## RESOURCES BOARD (RECHARGED)

## SUMMARY OF GENERAL FUND REVENUE ESTIMATES

Code	Description	Actual 2020/2021 £	Approved Budget 2021/2022 £	Revised Budget 2021/2022 £	Original Budget 2022/2023 £
Various	Chief Executive	211,194	220,390	220,390	226,620
Various	Corporate Director Resources	982,614	1,063,910	1,078,540	1,092,930
Various	Chief Executive - Other Services	1,059,850	1,111,510	1,111,510	1,230,970
Various	Corporate Director Resources - Community Services	1,386,497	1,501,810	1,501,810	1,371,350
Various	Director of Housing	2,344,399	2,446,350	2,446,350	1,912,320
Various	Corporate Director Streetscape	863,800	942,880	942,880	1,053,530
Various	Director of Leisure and Community Development	518,545	572,020	572,020	596,780
3006-3039	Building Maintenance Fund	227,791	231,250	231,250	232,670
3040-3041	Council Offices	150,605	181,430	181,430	183,380
3043	Central Telephones	19,055	18,100	18,100	11,030
3045	Recruitment	12,708	25,200	25,200	25,200
3046	Printing and Copying	59,598	71,230	71,230	42,040
3047	Training	11,755	84,200	84,200	84,250
3048	Depot and Stores	73,349	81,830	81,830	83,660
3110	Postage and Franking	49,491	70,050	70,050	55,060
3226	Central Services	250,610	286,290	286,290	-
3290	Information Services	757,253	786,140	786,140	760,430
3291	Procurement	32,904	74,300	74,300	99,990
3292	Staff Welfare	24,741	26,730	26,730	26,730
3300	Transport	740,358	837,840	824,070	847,070
	<b>Net Controllable Expenditure</b>	<b>9,777,117</b>	<b>10,633,460</b>	<b>10,634,320</b>	<b>9,936,010</b>
	<b>Recharged to Services</b>	<b>(11,452,609)</b>	<b>(12,557,720)</b>	<b>(12,558,580)</b>	<b>(11,916,980)</b>
	<b>Departmental Support</b>	<b>21,453</b>	<b>22,030</b>	<b>22,030</b>	<b>25,610</b>
	<b>Central Support</b>	<b>1,350,224</b>	<b>1,482,720</b>	<b>1,482,720</b>	<b>1,539,040</b>
	<b>Capital</b>	<b>(211,812)</b>	<b>419,510</b>	<b>419,510</b>	<b>416,320</b>
	<b>Resources Board (Recharged) Total</b>	<b>(515,627)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CHIEF EXECUTIVE - DIRECT**

This includes the Chief Executive and the Management Team Support Unit budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	208,127	215,670	215,670	222,350
Supplies and Services	3,067	3,870	3,870	3,820
Transport Related Expenditure	-	850	850	450
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>211,194</b>	<b>220,390</b>	<b>220,390</b>	<b>226,620</b>
Recharged to Services	(244,726)	(259,110)	(259,110)	(265,450)
Central Support	31,922	36,480	36,480	36,550
Capital Charges	1,610	2,240	2,240	2,280
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CORPORATE DIRECTOR- RESOURCES**

This includes the Corporate Director-Resources, Valuer, Financial Services, Human Resources and Internal Audit.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	797,666	919,990	895,860	907,300
Supplies and Services	164,796	142,120	180,880	183,810
Transport Related Expenditure	173	1,800	1,800	1,820
<b>GROSS EXPENDITURE</b>	<b>962,635</b>	<b>1,063,910</b>	<b>1,078,540</b>	<b>1,092,930</b>
GROSS INCOME	19,979	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>982,614</b>	<b>1,063,910</b>	<b>1,078,540</b>	<b>1,092,930</b>
Recharged to Services	(1,180,726)	(1,284,940)	(1,299,570)	(1,326,920)
Central Support	190,439	189,450	189,450	202,230
Capital Charges	7,673	31,580	31,580	31,760
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CHIEF EXECUTIVE - OTHER SERVICES**

This includes the Corporate Director-Environment, Policy, Democratic Services, Legal Services, Forward Planning, Heritage and Conservation, Environmental Health and Development Control budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	1,002,685	1,086,920	1,086,920	1,203,150
Supplies and Services	70,692	53,980	53,980	57,070
Transport Related Expenditure	2,539	6,000	6,000	6,140
Earmarked Reserves	-	(8,000)	(8,000)	(8,000)
<b>GROSS EXPENDITURE</b>	<b>1,075,916</b>	<b>1,138,900</b>	<b>1,138,900</b>	<b>1,258,360</b>
GROSS INCOME	(16,066)	(27,390)	(27,390)	(27,390)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>1,059,850</b>	<b>1,111,510</b>	<b>1,111,510</b>	<b>1,230,970</b>
Recharged to Services	(1,191,547)	(1,261,730)	(1,261,730)	(1,424,170)
Central Support	115,894	130,560	130,560	169,040
Capital Charges	15,803	19,660	19,660	24,160
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CORPORATE DIRECTOR RESOURCES - COMMUNITY SERVICES**

This includes the Revenues and Benefits and Customer Contact budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	1,394,089	1,390,930	1,390,930	1,247,560
Supplies and Services	123,007	155,860	155,860	212,360
Transport Related Expenditure	-	4,490	4,490	3,300
Earmarked Reserves	(34,419)	-	-	(34,820)
<b>GROSS EXPENDITURE</b>	<b>1,482,677</b>	<b>1,551,280</b>	<b>1,551,280</b>	<b>1,428,400</b>
GROSS INCOME	(96,180)	(49,470)	(49,470)	(57,050)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>1,386,497</b>	<b>1,501,810</b>	<b>1,501,810</b>	<b>1,371,350</b>
Recharged to Services	(1,655,266)	(1,831,690)	(1,831,690)	(1,743,370)
Central Support	233,780	281,080	281,080	320,710
Capital Charges	34,989	48,800	48,800	51,310
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - DIRECTOR OF HOUSING**

This includes the Housing Strategy, Management and Maintenance, Private Sector Housing and Community Support budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	2,280,984	2,367,150	2,752,190	1,837,750
Supplies and Services	61,375	67,290	67,290	64,930
Transport Related Expenditure	2,040	11,910	11,910	9,640
Earmarked Reserves	-	-	(385,040)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>2,344,399</b>	<b>2,446,350</b>	<b>2,446,350</b>	<b>1,912,320</b>
Recharged to Services	(2,601,146)	(2,740,210)	(2,740,210)	(2,208,620)
Central Support	226,051	254,620	254,620	256,020
Capital Charges	30,696	39,240	39,240	40,280
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - CORPORATE DIRECTOR STREETScape**

This includes the Corporate Director - Streetscape, Transport, Waste Management and Streetscape and Facilities Management budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	852,114	931,170	931,170	1,042,250
Supplies and Services	19,490	15,870	15,870	15,400
Transport Related Expenditure	2,113	8,270	8,270	8,310
Miscellaneous Expenditure	22	-	-	-
<b>GROSS EXPENDITURE</b>	<b>873,739</b>	<b>955,310</b>	<b>955,310</b>	<b>1,065,960</b>
GROSS INCOME	(9,939)	(12,430)	(12,430)	(12,430)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>863,800</b>	<b>942,880</b>	<b>942,880</b>	<b>1,053,530</b>
Recharged to Services	(971,960)	(1,066,150)	(1,066,150)	(1,198,500)
Central Support	97,739	108,050	108,050	128,710
Capital Charges	10,421	15,220	15,220	16,260
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**VARIOUS - DIRECTOR OF LEISURE AND COMMUNITY DEVELOPMENT**

This includes the Director of Leisure and Community Development, Leisure Centres, Landscape Management and Community Development budgets.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	509,319	559,690	559,690	585,370
Supplies and Services	7,775	8,380	8,380	8,460
Transport Related Expenditure	1,402	3,950	3,950	2,950
Miscellaneous Expenditure	49	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>518,545</b>	<b>572,020</b>	<b>572,020</b>	<b>596,780</b>
Recharged to Services	(597,442)	(659,100)	(659,100)	(689,710)
Central Support	68,787	73,570	73,570	80,200
Capital Charges	10,110	13,510	13,510	12,730
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3006 to 3039 - BUILDING MAINTENANCE FUND**

Many services make a contribution into the Building Maintenance Fund each year which then enables the service to draw from the fund for any repairs and maintenance work which may be required to their buildings throughout the year.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	47,165	48,420	48,420	49,840
Premises Related Expenditure	174,289	182,670	182,670	182,670
Supplies and Services	12,943	160	160	160
Earmarked Reserves	(6,606)	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>227,791</b>	<b>231,250</b>	<b>231,250</b>	<b>232,670</b>
Recharged to Services	(245,040)	(249,440)	(249,440)	(245,650)
Central Support	17,249	18,190	18,190	12,980
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3040 to 3041- COUNCIL OFFICES**

This budget covers all operational expenditure which relates to the two civic offices in Atherstone - The Council House and Old Bank House.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	70,789	80,010	80,010	85,800
Premises Related Expenditure	228,144	243,550	243,550	243,320
Supplies and Services	15,420	23,360	23,360	23,460
<b>GROSS EXPENDITURE</b>	<b>314,353</b>	<b>346,920</b>	<b>346,920</b>	<b>352,580</b>
GROSS INCOME	(163,748)	(165,490)	(165,490)	(169,200)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>150,605</b>	<b>181,430</b>	<b>181,430</b>	<b>183,380</b>
Recharged to Services	(331,886)	(350,330)	(350,330)	(345,850)
Central Support	91,068	99,400	99,400	92,950
Capital Charges	(416,493)	69,500	69,500	69,520
<b>NET EXPENDITURE</b>	<b>(506,706)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**KEY PERFORMANCE INDICATORS**

Area of Council Offices (m2)	3,967	3,967	3,967	3,967
Expenditure per square metre	£83.66	£88.31	£88.31	£87.18

**3043 - CENTRAL TELEPHONES**

All the telephone costs and those of the fax machine are included in this cost centre.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	6,980	7,170	7,170	-
Supplies and Services	12,075	10,930	10,930	11,030
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>19,055</b>	<b>18,100</b>	<b>18,100</b>	<b>11,030</b>
Recharged to Services	(19,769)	(26,920)	(26,920)	(20,010)
Central Support	714	810	810	970
Capital Charges	-	8,010	8,010	8,010
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**KEY PERFORMANCE INDICATORS**

Number of phones	190	190	190	190
Expenditure per phone line	£ 104.05	£ 141.68	£ 141.68	£ 105.32

**3045 - RECRUITMENT**

Costs relating to the recruitment of staff are collected on a centrally held budget and then allocated to services.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	7,601	17,820	17,820	17,820
Supplies and Services	5,107	7,380	7,380	7,380
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>12,708</b>	<b>25,200</b>	<b>25,200</b>	<b>25,200</b>
Recharged to Services	(15,423)	(28,160)	(28,160)	(28,080)
Central Support	2,715	2,960	2,960	2,880
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**3046 - PRINTING AND STATIONERY**

This cost centre covers all the printing and stationery costs of the Council which are then allocated to individual services.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	30,901	29,180	29,180	-
Supplies and Services	28,697	42,800	42,800	42,810
<b>GROSS EXPENDITURE</b>	<b>59,598</b>	<b>71,980</b>	<b>71,980</b>	<b>42,810</b>
GROSS INCOME	-	(750)	(750)	(770)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>59,598</b>	<b>71,230</b>	<b>71,230</b>	<b>42,040</b>
Recharged to Services	(71,809)	(84,420)	(84,420)	(87,320)
Central Support	9,536	10,820	10,820	42,670
Capital Charges	2,675	2,370	2,370	2,610
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3047 - TRAINING**

All the training costs of the Council, both in-house and external, are contained within this cost centre and then allocated to individual services.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	8,460	80,830	80,830	80,830
Supplies and Services	3,295	3,370	3,370	3,420
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>11,755</b>	<b>84,200</b>	<b>84,200</b>	<b>84,250</b>
Recharged to Services	(67,398)	(143,210)	(143,210)	(148,430)
Central Support	54,397	56,990	56,990	62,140
Capital Charges	1,246	2,020	2,020	2,040
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3048 - DEPOT AND STORES**

The costs of providing the Sheepy Road depot and stores in Atherstone are charged here and allocated to users of the service.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	8,992	9,190	9,190	10,030
Premises Related Expenditure	57,273	66,800	66,800	67,770
Supplies and Services	7,084	5,840	5,840	5,860
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>73,349</b>	<b>81,830</b>	<b>81,830</b>	<b>83,660</b>
Recharged to Services	(95,941)	(103,030)	(103,030)	(97,640)
Central Support	14,893	17,820	17,820	10,590
Capital Charges	(1,223)	3,380	3,380	3,390
<b>NET EXPENDITURE</b>	<b>(8,922)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**KEY PERFORMANCE INDICATORS**

Area of Depot and Stores (m2)	3,369	3,369	3,369	3,369
Expenditure per square metre	£ 28.48	£ 30.58	£ 30.58	£ 28.98

**3110 - POSTAL SERVICES**

Costs relating to the dispatch of post are charged to this centrally held budget before being allocated to services.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	5,740	5,900	5,900	-
Supplies and Services	43,813	64,210	64,210	55,120
Earmarked Reserves	(62)	-	-	-
<b>GROSS EXPENDITURE</b>	<b>49,491</b>	<b>70,110</b>	<b>70,110</b>	<b>55,120</b>
GROSS INCOME	-	(60)	(60)	(60)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>49,491</b>	<b>70,050</b>	<b>70,050</b>	<b>55,060</b>
Recharged to Services	(70,803)	(95,720)	(95,720)	(81,490)
Central Support	21,312	25,670	25,670	26,430
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3226 - CENTRAL SERVICES**

The costs of the central administration function.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	240,523	280,200	280,200	-
Supplies and Services	10,087	5,870	5,870	-
Transport Related Expenditure	-	220	220	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>250,610</b>	<b>286,290</b>	<b>286,290</b>	<b>-</b>
Recharged to Services	(309,356)	(353,980)	(353,980)	-
Central Support	50,002	57,160	57,160	-
Capital Charges	8,744	10,530	10,530	-
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3290 - INFORMATION SERVICES**

This budget includes all the costs of providing an information technology service to all users within the Council, which are then allocated to services.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	558,081	580,210	580,210	554,810
Supplies and Services	203,193	205,310	205,310	205,220
Transport Related Expenditure	6	620	620	400
<b>GROSS EXPENDITURE</b>	<b>761,280</b>	<b>786,140</b>	<b>786,140</b>	<b>760,430</b>
GROSS INCOME	(4,027)	-	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>757,253</b>	<b>786,140</b>	<b>786,140</b>	<b>760,430</b>
Recharged to Services	(879,275)	(981,120)	(981,120)	(955,990)
Central Support	45,361	47,440	47,440	49,380
Capital Charges	76,662	147,540	147,540	146,180
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**KEY PERFORMANCE INDICATORS**

Number of PCs & Devices	334	334	334	334
Expenditure per PC & Device	£ 2,632.56	£ 2,937.49	£ 2,937.49	£ 2,862.25

**3291 - PROCUREMENT**

The costs associated with the core procurement service, involved in corporate procurement contracts such as stationery, photocopying, telephony and agency labour.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	31,404	72,710	72,710	98,370
Supplies and Services	1,500	1,460	1,460	1,500
Transport Related Expenditure	-	130	130	120
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>32,904</b>	<b>74,300</b>	<b>74,300</b>	<b>99,990</b>
Recharged to Services	(73,915)	(109,800)	(109,800)	(114,900)
Central Support	39,637	33,490	33,490	13,020
Capital Charges	1,374	2,010	2,010	1,890
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3292 - STAFF WELFARE**

Budget provision for clothing, optician charges, occupational health fees and subsistence.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	3,172	1,570	1,570	1,570
Supplies and Services	21,263	23,160	23,160	23,160
Transport Related Expenditure	306	2,000	2,000	2,000
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>24,741</b>	<b>26,730</b>	<b>26,730</b>	<b>26,730</b>
Recharged to Services	(25,579)	(27,630)	(27,630)	(27,750)
Central Support	838	900	900	1,020
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**3300 to 3999 - TRANSPORT**

The costs of providing and maintaining the Council's transport fleet.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	148,594	151,690	141,880	155,260
Premises Related Expenditure	262	660	500	500
Supplies and Services	126,543	91,860	96,080	94,670
Transport Related Expenditure	460,612	593,630	593,080	596,640
Miscellaneous	1,577	-	500	-
Earmarked Reserves	18,190	-	-	-
<b>GROSS EXPENDITURE</b>	<b>755,778</b>	<b>837,840</b>	<b>832,040</b>	<b>847,070</b>
GROSS INCOME	(15,420)	-	(7,970)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>740,358</b>	<b>837,840</b>	<b>824,070</b>	<b>847,070</b>
Recharged to Services	(803,602)	(901,030)	(887,260)	(907,130)
Departmental Support	21,453	22,030	22,030	25,610
Central Support	37,890	37,260	37,260	30,550
Capital Charges	3,901	3,900	3,900	3,900
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Risk Analysis

	<b>Likelihood</b>	<b>Potential impact on Budget</b>
Additional increase in pension contribution rates	Low	Low
Higher than anticipated rises in utility costs	Medium	Low
Changes in legislation affecting service delivery and/or software requirements	Medium	Low
Above inflation increases in vehicle fuel	Medium	Medium
Increased insurance costs	Medium	Low
Termination of employment costs	Medium	Medium

## Agenda Item No 9

### Resources Board

24 January 2022

Report of the  
Corporate Director - Resources

General Fund Revenue Estimates  
2022/23 - Services Remaining  
within the Board

#### 1 Summary

- 1.1 This report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

#### **Recommendation to the Board**

- a To accept the revised budget for 2021/22; and**
- b To accept or otherwise vary the Estimates of Expenditure for 2022/23, as submitted, for them to be included in the budget to be brought before the meeting of the Executive Board on 14 February 2022.**

#### 2 Introduction

- 2.1 In consultation with other Directors, the Corporate Director - Resources has prepared an estimate of net expenditure for 2022/23 and this, together with a revised budget for 2021/22, appears in Appendices A and B. To provide a more complete picture of the spending pattern of the service the actual figures for 2020/21 are shown.

- 2.2 At its meeting in September 2021, the Executive Board agreed the budget strategy for 2022-2026, which required savings of £2.1 million over a four-year period. This required budget savings of £1.5 million in 2022/23 with additional savings of £500,000 in 2023/24 and £100,000 in 2024/25. A savings target was not included for 2025/26 at that time. Some limited growth was built into the strategy in specific areas.

- 2.3 Directors were asked to identify areas where savings could be made, either by a reduction in expenditure or through the generation of additional income.

2.4 A subjective analysis of the Board's requirement is shown below:

	<b>Approved Budget 2021/22 £</b>	<b>Revised Budget 2021/22 £</b>	<b>Original Budget 2022/23 £</b>
Employee Costs	1,752,220	1,434,790	1,280,050
Premises	152,900	150,370	234,380
Supplies and Services	536,550	607,930	533,250
Transport	28,320	980	12,050
Transfer Payments	10,150,050	9,191,190	9,191,190
Miscellaneous Expenditure	254,880	6,018,120	259,360
Earmarked Reserves	(133,230)	(1,698,870)	(124,310)
<b>Gross Expenditure</b>	<b>12,741,690</b>	<b>15,704,510</b>	<b>11,385,970</b>
Income	(11,699,020)	(14,637,210)	(10,451,520)
<b>Net Controllable Expenditure</b>	<b>1,042,670</b>	<b>1,067,300</b>	<b>934,450</b>
Recharged to Other Services	(258,760)	(256,880)	(266,890)
Departmental Support	1,114,790	1,001,040	967,470
Central Support	1,087,430	1,142,220	905,490
Capital Charges	287,460	223,980	242,030
<b>Net Expenditure</b>	<b>3,273,590</b>	<b>3,177,660</b>	<b>2,782,550</b>

2.5 The Council values all of its assets using a five-year rolling programme, and this can affect the level of capital charges that are made to services and can subsequently significantly affect the net service cost. Therefore, changes in net service expenditure that are as a result of increases or decreases in capital charges are shown below net operating expenditure in the following pages.

### 3 **Comments on the 2021/22 Revised Budget**

3.1 The revised budget for 2021/22 is estimated to be £3,177,660; a reduction of £95,930 on the approved position. The main variations are given below.

#### 3.2 **Cost of Democratic Services** **(£14,270)**

3.2.1 Transport and travel costs have reduced as activity has been limited during the year. In addition, there has been less expenditure on supplies and services such as telephone costs.

#### 3.3 **Council Tax Collection** **£119,240**

3.3.1 Debt recovery action was put on hold by the Authority due to the pandemic and therefore summons and liability orders were not issued. As a result, income from the recovery of legal costs reduced. This has been slightly offset by savings due to lower spend on bailiffs and legal costs. Recovery action has now recommenced.

#### 3.4 **Finance Miscellaneous** **(£22,880)**

3.4.1 Some additional grant funding has been received towards the costs incurred on administering business grants.



<b>3.4</b>	<b>Compensation and Pension Increases</b>	<b>(£6,540)</b>
3.4.1	The lower cost relates to a reduction in the contributions required for some retired employees.	
<b>3.5</b>	<b>The Pavilions Industrial Estate, Holly Lane</b>	<b>£10,360</b>
3.5.1	Income has reduced due to a part year vacancy at the units.	
<b>3.6</b>	<b>Innage Park Industrial Estate</b>	<b>£9,960</b>
3.6.1	The increase relates to a reduction in rent income of £7,800 as a result of revised occupancy levels. There is an increase of £3,150 due to liability to non-domestic rates on a Council owned unit which was previously anticipated to be let but was not. These are slightly offset by lower insurance, water, and equipment testing.	
<b>3.7</b>	<b>Polesworth Workspace Units</b>	<b>£6,270</b>
3.7.1	The loss of rental income and the increase in fuel costs are due to the discontinuation of the units for commercial letting from November 2021, to allow the facility to be converted for future use as a leisure hub.	
<b>3.8</b>	<b>Maya Bar and Restaurant</b>	<b>(£3,210)</b>
3.8.1	The improvement is due to additional rental income following a change of tenant and a revised contract rate.	
<b>3.9</b>	<b>Homeless Persons</b>	<b>£9,200</b>
3.9.1	Accommodation costs and business rates have increased, although these are partially offset by some additional rental income. Additional grant has been received to be used for homelessness activity. Some will be used in year, with the balance earmarked and set aside for use in future years.	
<b>3.10</b>	<b>Meadow House Young People Support</b>	<b>(£4,800)</b>
3.10.1	The contract to manage Meadow House is due to end, so the revised budget reflects the part year provision for rent collected and associated payments made to the owner.	
<b>3.11</b>	<b>Rent Allowances</b>	<b>£115,960</b>
3.11.1	The main increase relates to the reduced recovery of housing benefit overpayments, as recovery was generally put on hold during the pandemic. A small increase in the net cost of benefits is also expected, although this was partially offset by some additional administration grant.	

**3.12 Housing Benefit Administration & Rent Rebates** **£4,050**

3.12.1 The net cost of benefits paid out is expected to increase, although this has been offset by some additional administration grant.

**3.13 Council Tax Support** **(£105,300)**

3.13.1 The improvement is due to some one-off additional grant funding received, offset slightly by an increase in software charges.

**3.14 Private Sector Housing Assistance** **£25,280**

3.14.1 There is a temporary increase in employee expenses due to a short-term project, although is being funded from income received from the County Council. However, the income originally included in the budget from the Heart Partnership is no longer expected in 2021/22.

**3.15 CCTV** **£41,480**

3.15.1 The increase in the employee costs relates to a transfer of staffing costs from departmental support budget line from July 2021 when the CCTV operation became an independent service.

**3.16 Community Support** **(£164,340)**

3.16.1 The decision to stop the service was taken as part of the 2021/22 budget process, but the detailed budget page was not amended due to the timing of the decision, with the saving taken out elsewhere in the budget. The costs shown in the revised estimate are the costs incurred until the service stopped at the end of June 2021.

**4 Comments on the 2022/23 Estimates**

4.1 The 2022/23 estimates have been prepared, taking into account the following assumptions:

- A 2% pay award from 1 April 2022; and
- An increase in income to reflect the increases included in the fees and charges report elsewhere on this agenda.

4.2 The estimated budget for 2022/23 is £2,782,550 a decrease of £491,040 on the 2021/22 approved budget, and a decrease of £395,110 on the revised 2021/22 budget. The main reasons for variations from the revised budget are set out below.

**4.3 Cost of Democratic Services** **£26,150**

4.3.1 Employee costs have increased due to changes in the Democratic Services salary allocations. Supplies and services and transport costs have increased as some budgets have been reinstated in anticipation of a resumption of normal activity.

- 4.4 **Non-Domestic Rates** **(£12,040)**
- 4.4.1 Employee costs have reduced due to revised allocations from the revenues team. In addition, legal cost income has been reinstated as recovery action has recommenced, offset by expenditure on legal costs and bailiffs.
- 4.5 **Council Tax Collection** **(£110,460)**
- 4.5.1 The improvement is due to the reinstatement of the legal fee income budget as recovery action has restarted. This has been partly offset by the reinstatement of some associated expenditure budgets and increases in employee costs due to the pay award.
- 4.6 **Finance Miscellaneous** **£22,880**
- 4.6.1 The grant received in the revised budget is not expected to continue.
- 4.7 **Compensation and Pension Increases** **£8,310**
- 4.7.1 The increase relates to the pension payments to the Warwickshire Pension Fund, relating to the lump sum deficit contributions.
- 4.8 **The Pavilions Industrial Estate, Holly Lane** **(£4,460)**
- 4.8.1 The improvement relates to additional rent income as a result of planned rent reviews and the removal of the vacancy period mentioned earlier in the report.
- 4.9 **Innage Park Industrial Estate** **(£1,220)**
- 4.9.1 The improvement relates to additional rent income as a result of planned rent reviews. This is offset by inflation on utilities and reversal of one-off saving on insurance in 2021.
- 4.10 **Meadow House Young People Support** **£4,800**
- 4.10.1 The scheme ends in January 2022, so the income received previously is no longer available.
- 4.11 **Rent Allowances** **(£103,250)**
- 4.11.1 The improvement is due to the reinstatement of the income from the recovery of housing benefit overpayments for Rent Allowances.
- 4.12 **Council Tax Support** **£68,940**
- 4.12.1 The increase in costs is due to the removal of the additional grant received in 2021/22. This is partly offset by a reduction in employee related costs due to revised allocations.

4.14 **Car Parking** **£61,280**

4.14.1 The increase in costs reflects the changes related to the introduction of Civil Parking Enforcement and the commencement of chargeable parking for periods exceeding 2 hours.

4.15 **Community Support** **(£111,510)**

4.15.1 The reduction in cost is due to the full removal of the budget following the discontinuation of the service.

5 **Income**

5.1 Changes in the levels of fees and charges for services under the responsibility of this Board are covered in another report on tonight's agenda. Income on fees and charges is expected to contribute to the achievement of income targets.

6 **Risks to Services**

6.1 The key risks to the budgetary position of the Council from services under the control of this Board are:

- Increases in vacancies at industrial estates and shops that will impact on the level of rental income the Council receives and the amount of business rates that the Council is liable for
- A higher level of maintenance on property assets and car parks, over and above that which is budgeted for. Some of this may be driven by changes in legislation
- An increase in the level of Local Authority error made in processing benefit payments could lead to a loss of subsidy
- The effect of planned Government changes in how benefits services are delivered and the structure of benefit payments
- A fall in the level of recovery of Housing Benefit overpayments would impact on the level of expenditure borne by the Council
- Above inflation increases to contracts
- Further increases in the pension scheme deficit contributions.

6.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix C.

7 **Future Year Forecasts**

7.1 In order to assist with medium-term financial planning, Members are provided with budget forecasts for the three years following 2022/23. The table below provides a subjective summary for those services reporting to this Board:

	<b>Forecast Budget 2023/24 £</b>	<b>Forecast Budget 2024/25 £</b>	<b>Forecast Budget 2025/26 £</b>
Employee Costs	1,306,140	1,333,950	1,366,610
Premises	239,540	238,140	240,750
Supplies and Services	531,870	482,410	490,040
Transport	12,270	12,440	12,670
Transfer Payments	9,191,190	9,191,190	9,191,190
Miscellaneous	264,550	269,740	275,160
Earmarked Reserves	(119,130)	(80,220)	(82,410)
<b>Gross Expenditure</b>	<b>11,426,430</b>	<b>11,447,650</b>	<b>11,494,010</b>
Income	(10,479,070)	(10,483,090)	(10,495,080)
<b>Net Controllable Expenditure</b>	<b>947,360</b>	<b>964,560</b>	<b>998,930</b>
Recharged to Other Services	(273,960)	(286,260)	(284,250)
Departmental Support	986,370	1,007,500	1,029,410
Central Support	917,500	931,300	952,950
Capital Charges	242,360	242,410	242,740
<b>Net Expenditure</b>	<b>2,819,630</b>	<b>2,859,510</b>	<b>2,939,780</b>

7.2 The forecasts given above have used a number of assumptions, which include pay awards of 2% in 2023/24 to 2025/26, increases in contracts and general increases in supplies and services of 2% in 2023/24 and 2025/26. In total, net expenditure is expected to increase by 1.33% in 2023/24, 1.41% in 2024/25, and 2.81% in 2025/26.

7.3 These forecasts are built up using current corporate and service plans. Where additional resources have already been approved, these are also included. However, these forecasts will be amended to reflect any amendments to the estimates, including decisions taken on any further corporate or service targets.

## 8 Report Implications

### 8.1 Finance and Value for Money Implications

8.1.1 As detailed in the body of the report.

### 8.2 Environment and Sustainability Implications

8.2.1 Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of essential services.

### 8.3 Risk Management Implications

8.3.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

The Contact Officer for this report is Nigel Lane (719371).

#### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

<b>Background Paper No</b>	<b>Author</b>	<b>Nature of Background Paper</b>	<b>Date</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL**  
**RESOURCES BOARD (REMAINING)**  
**SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2020/2021 £</b>	<b>Approved Budget 2021/2022 £</b>	<b>Revised Budget 2021/2022 £</b>	<b>Original Budget 2022/2023 £</b>
3000	Cost of Democratic Services	354,891	357,880	343,610	369,760
3001	Election Expenses	7,074	5,510	5,510	5,620
3002	Registration of Electors	26,779	27,360	27,360	28,010
3003	Non Domestic Business Rates	(37,909)	(23,100)	(20,730)	(32,770)
3004	Council Tax Collection	196,285	78,300	197,540	87,080
3050	Finance Miscellaneous	(2,183,510)	-	(22,880)	-
3051	Compensation and Pension Increases	333,348	343,230	336,690	345,000
3052	Assisted Car Purchase	(388)	(350)	(350)	(180)
3054	Electricity at Work	17,982	19,300	16,100	19,300
3059	Finance Unused Land	874	720	2,080	790
3060	Corporate and Democratic Core	130,220	79,550	78,730	78,730
3061	Unallocated Central Support Services	(176)	102,930	102,930	120,610
3065	Coleshill Shops and Flats	(67,878)	(68,100)	(66,740)	(70,700)
3067	The Pavilions, Holly Lane	(75,927)	(86,260)	(75,900)	(80,360)
3068	Carlyon Road Industrial Estate	(126,138)	(131,530)	(131,250)	(130,170)
3069	Innage Park Industrial Estate	(201,618)	(235,030)	(225,070)	(226,290)
3070	Polesworth Workspace Units	(7,265)	(5,260)	1,010	-
3079	Maya Bar & Restaurant	(12,906)	(13,930)	(17,140)	(18,830)
3080	Football Stadium	26	-	480	-
3084	Homeless Persons	74,109	68,290	77,490	77,050
3085	Meadow House Young People Support	(12,713)	-	(4,800)	-
3086	Homeless Project Watling Street Dordon	-	-	-	-
3089	Public Conveniences	31,198	35,310	33,180	34,700
3094	Customer Contact	18,953	33,270	34,080	35,540
3097	Rent Allowances	83,414	(4,950)	111,010	7,760
3098	Housing Benefit Administration and Rent Rebates	7,732	41,220	45,270	46,740
3101	Council Tax Support	97,209	97,500	(7,800)	61,140
3102	Car Parks	65,027	52,130	55,790	117,070
5008	Private Sector Housing Assistance	36,645	10,330	35,610	37,180
5035	CCTV	(9,447)	(17,500)	23,980	21,670
5036	Community Support	263,776	275,850	111,510	-
72xx	Covid Related Expenditure	(2,486)	-	-	-
	<b>Net Controllable Expenditure</b>	<b>(992,821)</b>	<b>1,042,670</b>	<b>1,067,300</b>	<b>934,450</b>
	<b>Recharged to Services</b>	<b>(249,130)</b>	<b>(258,760)</b>	<b>(256,880)</b>	<b>(266,890)</b>
	<b>Departmental Support</b>	<b>1,016,008</b>	<b>1,114,790</b>	<b>1,001,040</b>	<b>967,470</b>
	<b>Central Support</b>	<b>1,078,322</b>	<b>1,087,430</b>	<b>1,142,220</b>	<b>905,490</b>
	<b>Capital Charges</b>	<b>160,606</b>	<b>287,460</b>	<b>223,980</b>	<b>242,030</b>
	<b>Resources Board (Remaining) Total</b>	<b>1,012,986</b>	<b>3,273,590</b>	<b>3,177,660</b>	<b>2,782,550</b>

**3000 - COST OF DEMOCRATIC SERVICES**

This budget represents the costs of members allowances and expenses along with officer time spent providing advice and support to councillors.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	102,272	75,360	75,310	83,370
Premises Related Expenditure	-	520	400	400
Supplies and Services	12,055	15,230	12,390	15,580
Transport Related Expenditure	-	11,890	5,690	12,050
Members Allowances	240,565	254,880	249,820	258,360
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>354,891</b>	<b>357,880</b>	<b>343,610</b>	<b>369,760</b>
Recharged to Services	(77,480)	(76,580)	(75,590)	(69,230)
Central Support	179,540	194,270	194,270	176,940
Capital Charges	20,407	17,880	17,880	19,290
<b>NET EXPENDITURE</b>	<b>477,358</b>	<b>493,450</b>	<b>480,170</b>	<b>496,760</b>

Contributes to corporate priorities :

- Responsible financial and resource management
- Creating safer communities
- Protecting our countryside and heritage
- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities
- Supporting employment and business

**3001 - ELECTION EXPENSES**

The Council is responsible for the proper staging of elections at a local and national level held within its area. The costs of the various elections are reimbursed by the bodies to whom they relate. Borough Council elections take place every four years with the next being due in May 2023.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	894	-	-	-
Supplies and Services	6,180	5,510	5,510	5,620
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>7,074</b>	<b>5,510</b>	<b>5,510</b>	<b>5,620</b>
Departmental Support	10,921	10,410	10,410	10,620
Central Support	7,292	7,430	7,430	6,180
<b>NET EXPENDITURE</b>	<b>25,288</b>	<b>23,350</b>	<b>23,350</b>	<b>22,420</b>

Contributes to corporate priority :

- Promoting sustainable and vibrant communities



**3002 - REGISTRATION OF ELECTORS**

This budget shows the cost of maintaining an up-to-date register of electors. There is a statutory duty on the Council to ensure that all proper steps are taken to maintain a register of those persons eligible to vote at elections.

DESCRIPTION	ACTUALS 2020/2021	APPROVED BUDGET 2021/2022	REVISED BUDGET 2021/2022	ORIGINAL BUDGET 2022/2023
Employee Expenditure	1,707	1,570	1,570	1,570
Supplies and Services	39,450	38,590	38,590	39,270
Earmarked Reserves	17,882	(11,250)	(11,250)	(11,250)
<b>GROSS EXPENDITURE</b>	<b>59,038</b>	<b>28,910</b>	<b>28,910</b>	<b>29,590</b>
GROSS INCOME	(32,259)	(1,550)	(1,550)	(1,580)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>26,779</b>	<b>27,360</b>	<b>27,360</b>	<b>28,010</b>
Departmental Support	25,930	25,590	25,590	29,660
Central Support	2,567	14,390	14,390	10,570
Capital Charges	-	3,300	3,300	3,300
<b>NET EXPENDITURE</b>	<b>55,275</b>	<b>70,640</b>	<b>70,640</b>	<b>71,540</b>

Contributes to corporate priorities :  
- Promoting sustainable and vibrant communities

**KEY PERFORMANCE INDICATORS**

Number of registered electors		49,552		
Cost per registered elector	#DIV/0!	£1.43	#DIV/0!	#DIV/0!

**3003 - NON DOMESTIC BUSINESS RATES**

The Borough Council collects non domestic rates from businesses in its area, and pays 50% to the government and 10% to the County Council. From the Borough share of 40%, we pay a tariff which goes to top up other LA's who don't collect enough rates. We can keep a proportion of any rates collected above a baseline funding level. The rateable value of non-domestic property is fixed in most cases by an independent valuation officer. All non-domestic property is revalued every five years. The Council is a member of the Coventry and Warwickshire Business Rate Pool.

DESCRIPTION	ACTUALS 2020/2021	APPROVED BUDGET 2021/2022	REVISED BUDGET 2021/2022	ORIGINAL BUDGET 2022/2023
Employee Expenditure	76,793	75,810	75,810	65,910
Supplies and Services	32,585	17,330	26,900	17,570
Earmarked Reserves	(16,060)	-	(12,500)	-
<b>GROSS EXPENDITURE</b>	<b>93,318</b>	<b>93,140</b>	<b>90,210</b>	<b>83,480</b>
GROSS INCOME	(131,227)	(116,240)	(110,940)	(116,250)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(37,909)</b>	<b>(23,100)</b>	<b>(20,730)</b>	<b>(32,770)</b>
Departmental Support	84,576	91,380	91,380	90,990
Central Support	21,983	28,430	28,430	14,100
Capital Charges	7,394	6,630	6,630	6,630
<b>NET EXPENDITURE</b>	<b>76,043</b>	<b>103,340</b>	<b>105,710</b>	<b>78,950</b>

Contributes to corporate priority :  
- Responsible financial and resource management

**KEY PERFORMANCE INDICATORS**

Business Rate Collection Rate	93.70%	99.00%	99.00%	99.00%
Number of NDR properties	2,428	2,412	2,416	2,416
Cost per NDR property	£31.32	£42.84	£43.75	£32.68

**3004 - COUNCIL TAX COLLECTION**

The Council is responsible for levying and collecting the council tax from taxpayers within its area on behalf of not only itself but also Warwickshire County Council, the police authority and parish councils. The council tax is the only major source of revenue for local authorities which is determined locally. The tax is levied on the basis of the valuation of the property.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	178,273	177,180	177,180	182,010
Supplies and Services	28,165	36,120	26,500	40,200
<b>GROSS EXPENDITURE</b>	<b>206,438</b>	<b>213,300</b>	<b>203,680</b>	<b>222,210</b>
GROSS INCOME	(10,153)	(135,000)	(6,140)	(135,130)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>196,285</b>	<b>78,300</b>	<b>197,540</b>	<b>87,080</b>
Departmental Support	188,778	200,820	200,820	208,650
Central Support	31,203	45,170	45,170	24,030
Capital Charges	14,451	13,250	13,250	13,250
<b>NET EXPENDITURE</b>	<b>430,717</b>	<b>337,540</b>	<b>456,780</b>	<b>333,010</b>

**Contributes to corporate priority :**

**- Responsible financial and resource management**

**KEY PERFORMANCE INDICATORS**

Council Tax Collection Rate	95.48%	98.00%	98.20%	98.20%
Number of households	28,788	28,720	29,127	29,127
Cost per household	£14.96	£11.75	£15.68	£11.43

**3050 - FINANCE MISCELLANEOUS**

Some items of income and expenditure do not relate to a specific service and are recorded here.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	29	-	-	-
Miscellaneous Expenditure	19,935,909	-	5,768,300	-
Earmarked Reserves	2,478,115	-	(1,971,600)	-
<b>GROSS EXPENDITURE</b>	<b>22,414,053</b>	<b>-</b>	<b>3,796,700</b>	<b>-</b>
GROSS INCOME	(24,597,562)	-	(3,819,580)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(2,183,510)</b>	<b>-</b>	<b>(22,880)</b>	<b>-</b>
Central Support	495	550	550	510
<b>NET EXPENDITURE</b>	<b>(2,183,015)</b>	<b>550</b>	<b>(22,330)</b>	<b>510</b>

**3051 - COMPENSATION AND PENSION INCREASES**

Additional contributions made to Warwickshire County Council in respect of the superannuation scheme.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	333,348	343,230	336,690	345,000
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>333,348</b>	<b>343,230</b>	<b>336,690</b>	<b>345,000</b>
Recharged to Services	(69,540)	(71,030)	(70,140)	(71,870)
Central Support	1,019	1,050	1,050	1,150
<b>NET EXPENDITURE</b>	<b>264,826</b>	<b>273,250</b>	<b>267,600</b>	<b>274,280</b>

Contributes to corporate priority :  
- Responsible financial and resource management

**3052 - ASSISTED CAR PURCHASE**

Interest on staff car loans

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	9	-	-	-
<b>GROSS EXPENDITURE</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>-</b>
GROSS INCOME	(398)	(350)	(350)	(180)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(388)</b>	<b>(350)</b>	<b>(350)</b>	<b>(180)</b>
Central Support	162	470	470	510
<b>NET EXPENDITURE</b>	<b>(227)</b>	<b>120</b>	<b>120</b>	<b>330</b>

**3054 - ELECTRICITY AT WORK**

To carry out testing of all electrical appliances in public buildings.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	2,153	-	-	-
Premises Related Expenditure	15,829	19,300	16,100	19,300
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>17,982</b>	<b>19,300</b>	<b>16,100</b>	<b>19,300</b>
Departmental Support	4,305	4,620	4,620	4,770
Central Support	652	670	670	800
<b>NET EXPENDITURE</b>	<b>22,938</b>	<b>24,590</b>	<b>21,390</b>	<b>24,870</b>

**Contributes to corporate priority :**

**- Responsible financial and resource management**

**3059 - FINANCE UNUSED LAND**

Any unallocated income or expenditure related to unused land owned by the Council.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	22	-	-	-
Premises Related Expenditure	851	720	830	790
Supplies and Services	-	-	1,250	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>874</b>	<b>720</b>	<b>2,080</b>	<b>790</b>
Central Support	381	370	370	380
Capital Charge	4,000	-	-	-
<b>NET EXPENDITURE</b>	<b>5,254</b>	<b>1,090</b>	<b>2,450</b>	<b>1,170</b>

**Contributes to corporate priority :**

**- Responsible financial and resource management**

**3060 - CORPORATE AND DEMOCRATIC CORE**

Corporate management primarily relates to officer time which provides the infrastructure of the Council, therefore allowing services to be provided. More specifically these include the functions of the Chief Executive, maintaining statutory registers, providing non-service specific information and dealing with government returns. Additionally it includes preparing the statement of accounts and the management of corporate resources, along with external audit fees and bank charges.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	38,631	-	-	-
Supplies and Services	91,589	79,550	78,730	78,730
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>130,220</b>	<b>79,550</b>	<b>78,730</b>	<b>78,730</b>
Recharged to Services	(102,110)	(111,150)	(111,150)	(125,790)
Central Support	699,626	664,080	721,800	566,530
Capital Charges	12,799	12,990	13,010	13,290
<b>NET EXPENDITURE</b>	<b>740,534</b>	<b>645,470</b>	<b>702,390</b>	<b>532,760</b>

**Contributes to corporate priority :**

**- Responsible financial and resource management**

**3061 - UNALLOCATED CENTRAL SUPPORT SERVICES**

Some central support expenditure is allocated here until recharged to services, this includes training, recruitment and staff welfare. In addition central support expenditure that relates to no specific services is recharged to this budget.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	(176)	102,930	102,930	146,180
Income	-	-	-	(25,570)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(176)</b>	<b>102,930</b>	<b>102,930</b>	<b>120,610</b>
Central Support	37,126	35,440	32,510	33,040
Capital Charges	-	-	-	50
<b>NET EXPENDITURE</b>	<b>36,950</b>	<b>138,370</b>	<b>135,440</b>	<b>153,700</b>

**3065 - COLESHILL SHOPS AND FLATS**

This budget relates to 7 shops and 5 flats located in High Street Coleshill (2 of the flats are occupied as Housing Revenue Account properties). They form an integral part of a conservation and redevelopment scheme in High Street/Church Hill which was carried out some years ago.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	163	-	-	-
Premises Related Expenditure	3,389	3,640	3,570	3,690
<b>GROSS EXPENDITURE</b>	<b>3,553</b>	<b>3,640</b>	<b>3,570</b>	<b>3,690</b>
GROSS INCOME	(71,431)	(71,740)	(70,310)	(74,390)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(67,878)</b>	<b>(68,100)</b>	<b>(66,740)</b>	<b>(70,700)</b>
Central Support	3,467	3,750	3,750	4,680
Capital Charge	(9,000)	-	-	-
<b>NET EXPENDITURE</b>	<b>(73,411)</b>	<b>(64,350)</b>	<b>(62,990)</b>	<b>(66,020)</b>

**Contributes to corporate priority :**

- Responsible financial and resource management
- Supporting employment and business

**KEY PERFORMANCE INDICATORS**

Occupancy rate	100%	100%	100%	100%
Number of shops	7	7	7	7
Annual income per shop	-£10,204	-£10,249	-£10,044	-£10,627

**3067 - THE PAVILIONS, HOLLY LANE**

These 8 industrial units were constructed by the Council to provide local employment opportunities.

DESCRIPTION	ACTUALS 2020/2021	APPROVED BUDGET 2021/2022	REVISED BUDGET 2021/2022	ORIGINAL BUDGET 2022/2023
Employee Expenditure	193	-	-	-
Premises Related Expenditure	3,326	3,050	2,970	2,970
Supplies and Services	380	390	390	390
<b>GROSS EXPENDITURE</b>	<b>3,900</b>	<b>3,440</b>	<b>3,360</b>	<b>3,360</b>
GROSS INCOME	(79,827)	(89,700)	(79,260)	(83,720)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(75,927)</b>	<b>(86,260)</b>	<b>(75,900)</b>	<b>(80,360)</b>
Central Support	3,691	3,950	3,950	4,440
Capital Charge	(52,350)	-	-	-
<b>NET EXPENDITURE</b>	<b>(124,586)</b>	<b>(82,310)</b>	<b>(71,950)</b>	<b>(75,920)</b>

Contributes to corporate priority :

- Responsible financial and resource management
- Supporting employment and business

**KEY PERFORMANCE INDICATORS**

Occupancy rate	100%	100%	88%	100%
Number of units	8	8	8	8
Annual income per unit	-£9,978	-£11,213	-£9,908	-£10,465

**3068 - CARLYON ROAD INDUSTRIAL ESTATE**

This budget relates to 8 small industrial units plus a further 8 plots of industrial land which are let on a long lease.

DESCRIPTION	ACTUALS 2020/2021	APPROVED BUDGET 2021/2022	REVISED BUDGET 2021/2022	ORIGINAL BUDGET 2022/2023
Employee Expenditure	160	-	-	-
Premises Related Expenditure	6,715	6,820	6,720	6,790
Supplies and Services	110	110	110	110
<b>GROSS EXPENDITURE</b>	<b>6,986</b>	<b>6,930</b>	<b>6,830</b>	<b>6,900</b>
GROSS INCOME	(133,124)	(138,460)	(138,080)	(137,070)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(126,138)</b>	<b>(131,530)</b>	<b>(131,250)</b>	<b>(130,170)</b>
Central Support	4,365	4,580	4,580	4,870
Capital Charge	(319,000)	-	-	-
<b>NET EXPENDITURE</b>	<b>(440,773)</b>	<b>(126,950)</b>	<b>(126,670)</b>	<b>(125,300)</b>

Contributes to corporate priority :

- Responsible financial and resource management
- Supporting employment and business

**KEY PERFORMANCE INDICATORS**

Occupancy rate	100%	100%	100%	100%
Number of units / plots	16	16	16	16
Annual income per unit / plot	-£8,320	-£8,654	-£8,630	-£8,567

**3069 - INNAGE PARK INDUSTRIAL ESTATE**

This development covers 39 small industrial units plus 2 units which are used as offices.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	531	-	-	-
Premises Related Expenditure	35,945	25,360	27,520	28,600
Supplies and Services	580	590	590	590
<b>GROSS EXPENDITURE</b>	<b>37,056</b>	<b>25,950</b>	<b>28,110</b>	<b>29,190</b>
GROSS INCOME	(238,674)	(260,980)	(253,180)	(255,480)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(201,618)</b>	<b>(235,030)</b>	<b>(225,070)</b>	<b>(226,290)</b>
Central Support	15,920	15,780	15,780	17,540
Capital Charge	(143,750)	164,000	121,000	121,000
<b>NET EXPENDITURE</b>	<b>(329,448)</b>	<b>(55,250)</b>	<b>(88,290)</b>	<b>(87,750)</b>

**Contributes to corporate priority :**

- Responsible financial and resource management
- Supporting employment and business

**KEY PERFORMANCE INDICATORS**

Occupancy rate	95%	100%	98%	98%
Number of units and offices	41	41	41	41
Annual income per unit/office	-£5,821	-£6,365	-£6,175	-£6,231

**3070 - POLESWORTH WORKSPACE UNITS**

These small workspace units were built with European financial aid and form part of the Polesworth Project.  
There are 8 units in all.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	141	-	-	-
Premises Related Expenditure	3,731	4,040	5,610	-
Supplies and Services	-	100	100	-
<b>GROSS EXPENDITURE</b>	<b>3,872</b>	<b>4,140</b>	<b>5,710</b>	<b>-</b>
GROSS INCOME	(11,137)	(9,400)	(4,700)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(7,265)</b>	<b>(5,260)</b>	<b>1,010</b>	<b>-</b>
Central Support	2,937	3,400	3,400	-
Capital Charge	(8,500)	-	-	-
<b>NET EXPENDITURE</b>	<b>(12,828)</b>	<b>(1,860)</b>	<b>4,410</b>	<b>-</b>

**Contributes to corporate priority :**

- Responsible financial and resource management
- Supporting employment and business



**3079 - MAYA BAR AND RESTAURANT**

A restaurant which is leased to a private operator and is situated adjacent to the Atherstone football stadium.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	43	-	-	-
Premises Related Expenditure	1,891	1,210	1,140	1,170
<b>GROSS EXPENDITURE</b>	<b>1,934</b>	<b>1,210</b>	<b>1,140</b>	<b>1,170</b>
GROSS INCOME	(14,840)	(15,140)	(18,280)	(20,000)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(12,906)</b>	<b>(13,930)</b>	<b>(17,140)</b>	<b>(18,830)</b>
Central Support	1,193	930	930	980
Capital Charge	(20,000)	-	-	-
<b>NET EXPENDITURE</b>	<b>(31,714)</b>	<b>(13,000)</b>	<b>(16,210)</b>	<b>(17,850)</b>

**Contributes to corporate priority :**

**- Responsible financial and resource management**

**3080 - FOOTBALL STADIUM**

The Football Stadium is leased to RRUBA Ltd on a full repairing and maintaining lease.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Premises	26	-	480	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>26</b>	<b>-</b>	<b>480</b>	<b>-</b>
Capital Charge	(133,000)	-	-	-
<b>NET EXPENDITURE</b>	<b>(132,974)</b>	<b>-</b>	<b>480</b>	<b>-</b>

**Contributes to corporate priority :**

**- Improving leisure and wellbeing opportunities**

**3084 - HOMELESS PERSONS**

The Council has a duty to provide a service for homeless applicants. It includes an out of hours service and extends, in some cases, to the provision of temporary accommodation.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	91,572	81,260	81,260	85,000
Premises Related Expenditure	12,941	18,550	20,080	19,330
Supplies and Services	30,019	58,170	66,500	66,550
Transport Related Expenditure	135	-	-	-
Miscellaneous Expenditure	3,194	-	-	-
Earmarked Reserves	90,077	(81,450)	127,590	(84,690)
<b>GROSS EXPENDITURE</b>	<b>227,937</b>	<b>76,530</b>	<b>295,430</b>	<b>86,190</b>
GROSS INCOME	(153,828)	(8,240)	(217,940)	(9,140)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>74,109</b>	<b>68,290</b>	<b>77,490</b>	<b>77,050</b>
Departmental Support	30,174	41,490	41,490	44,290
Central Support	6,682	7,540	7,540	7,280
Capital Charges	(44,132)	1,090	1,090	1,090
<b>NET EXPENDITURE</b>	<b>66,833</b>	<b>118,410</b>	<b>127,610</b>	<b>129,710</b>

Contributes to corporate priorities :

- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

**3089 - PUBLIC CONVENIENCES**

The Council maintains some public conveniences situated in Atherstone.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	7,750	9,700	9,700	9,700
Premises Related Expenditure	3,440	4,720	3,640	4,110
Supplies and Services	486	1,460	410	1,460
Earmarked Reserves	19,532	19,500	19,500	19,500
<b>GROSS EXPENDITURE</b>	<b>31,208</b>	<b>35,380</b>	<b>33,250</b>	<b>34,770</b>
GROSS INCOME	(10)	(70)	(70)	(70)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>31,198</b>	<b>35,310</b>	<b>33,180</b>	<b>34,700</b>
Departmental Support	6,258	6,720	6,720	6,950
Central Support	2,150	2,030	2,030	2,030
Capital Charges	395	12,820	12,820	12,820
<b>NET EXPENDITURE</b>	<b>40,001</b>	<b>56,880</b>	<b>54,750</b>	<b>56,500</b>

Contributes to corporate priorities :

- Improving leisure and wellbeing opportunities

**3085 - MEADOW HOUSE YOUNG PEOPLE SUPPORT**

The scheme has six self contained, furnished flats and provides supported accomodation to young parents.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Premises Related Expenditure	380	540	490	-
Supplies and Services	29,653	29,910	24,860	-
Earmarked Reserves	338	-	-	-
<b>GROSS EXPENDITURE</b>	<b>30,371</b>	<b>30,450</b>	<b>25,350</b>	<b>-</b>
GROSS INCOME	(43,084)	(30,450)	(30,150)	-
<b>NET EXPENDITURE</b>	<b>(12,713)</b>	<b>-</b>	<b>(4,800)</b>	<b>-</b>

**Contributes to corporate priorities :**

- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

**3086 - HOMELESS PROJECT WATLING STREET DORDON**

The scheme provides support to single men, veterans and ex-offenders to prevent homelessness.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Premises Related Expenditure	2,474	2,490	4,330	4,430
Supplies and Services	72,347	57,540	66,410	57,590
Earmarked Reserves	145,739	(60,030)	(56,590)	(47,870)
<b>GROSS EXPENDITURE</b>	<b>220,560</b>	<b>-</b>	<b>14,150</b>	<b>14,150</b>
GROSS INCOME	(220,560)	-	(14,150)	(14,150)
<b>NET EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Contributes to corporate priorities :**

- Improving leisure and wellbeing opportunities
- Promoting sustainable and vibrant communities

**3094 - CUSTOMER CONTACT**

To provide a single point of contact for the public for all Council services.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	38,177	34,080	34,080	35,190
Supplies and Services	(40)	350	-	350
<b>GROSS EXPENDITURE</b>	<b>38,137</b>	<b>34,430</b>	<b>34,080</b>	<b>35,540</b>
GROSS INCOME	(19,184)	(1,160)	-	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>18,953</b>	<b>33,270</b>	<b>34,080</b>	<b>35,540</b>
Departmental Support	78,329	88,150	88,150	25,340
Central Support	2,164	2,420	2,420	1,440
<b>NET EXPENDITURE</b>	<b>99,446</b>	<b>123,840</b>	<b>124,650</b>	<b>62,320</b>

Contributes to corporate priorities :

- Promoting sustainable and vibrant communities

**3097 - RENT ALLOWANCES**

Rent allowances are payable to tenants in accommodation other than that provided by the Borough Council. These are largely reimbursed by the Department for Work and Pensions.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	82,728	81,600	81,600	84,250
Supplies and Services	6,471	74,930	75,780	75,910
Transfer Payments	5,156,285	5,276,500	4,742,780	4,742,780
<b>GROSS EXPENDITURE</b>	<b>5,245,485</b>	<b>5,433,030</b>	<b>4,900,160</b>	<b>4,902,940</b>
GROSS INCOME	(5,162,071)	(5,437,980)	(4,789,150)	(4,895,180)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>83,414</b>	<b>(4,950)</b>	<b>111,010</b>	<b>7,760</b>
Departmental Support	103,147	114,900	114,900	124,920
Central Support	5,888	7,750	7,750	6,900
Capital Charges	3,697	2,900	2,900	2,900
<b>NET EXPENDITURE</b>	<b>196,145</b>	<b>120,600</b>	<b>236,560</b>	<b>142,480</b>

Contributes to corporate priority :

- Promoting sustainable and vibrant communities

**KEY PERFORMANCE INDICATORS**

Number of claimants	1,060	1,020	983	1,020
Rent Allowance per claimant	£4,864.42	£5,173.04	£4,824.80	£4,649.78
Cost of administration per claimant	£185.04	£118.24	£240.65	£139.69

**3098 - HOUSING BENEFIT ADMINISTRATION AND RENT REBATES**

This budget includes expenditure and income relating to rent rebates given to council tenants.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	71,045	69,930	69,930	71,330
Supplies and Services	2,949	41,250	40,750	40,820
Transfer Payments	4,435,803	4,873,550	4,448,410	4,448,410
<b>GROSS EXPENDITURE</b>	<b>4,509,797</b>	<b>4,984,730</b>	<b>4,559,090</b>	<b>4,560,560</b>
GROSS INCOME	(4,502,065)	(4,943,510)	(4,513,820)	(4,513,820)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>7,732</b>	<b>41,220</b>	<b>45,270</b>	<b>46,740</b>
Departmental Support	90,289	102,120	102,120	115,980
Central Support	6,235	8,080	8,080	8,330
Capital Charges	2,016	1,720	1,720	1,720
<b>NET EXPENDITURE</b>	<b>106,273</b>	<b>153,140</b>	<b>157,190</b>	<b>172,770</b>

Contributes to corporate priority :

- Promoting sustainable and vibrant communities

**KEY PERFORMANCE INDICATORS**

Number of claimants	947	900	887	900
Housing benefit per claimant	£4,684.06	£5,415.06	£5,015.12	£4,942.68
Cost of administration per claimant	£112.22	£170.16	£177.22	£191.97

**3101 - COUNCIL TAX SUPPORT**

Local authorities were responsible for administering the council tax benefit scheme for central government until March 2013. Since April 2013, a Council Tax Support Scheme has been operating, which directly reduces the funding of the Council. Only the Administration costs of the schemes are shown here.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	154,816	156,930	156,930	118,900
Supplies and Services	11,781	9,960	11,420	11,630
<b>GROSS EXPENDITURE</b>	<b>166,597</b>	<b>166,890</b>	<b>168,350</b>	<b>130,530</b>
GROSS INCOME	(69,388)	(69,390)	(176,150)	(69,390)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>97,209</b>	<b>97,500</b>	<b>(7,800)</b>	<b>61,140</b>
Departmental Support	125,443	143,490	143,490	169,690
Central Support	11,713	6,500	6,500	2,540
Capital Charges	6,049	2,820	2,820	2,820
<b>NET EXPENDITURE</b>	<b>240,414</b>	<b>250,310</b>	<b>145,010</b>	<b>236,190</b>

Contributes to corporate priority :

- Responsible financial and resource management

**KEY PERFORMANCE INDICATORS**

Number of claimants	4,241	4,400	4,000	4,400
Cost of administration per claimant	£56.69	£56.89	£36.25	£53.68

**3102 - CAR PARKS**

The Council maintains car parks throughout the Borough. Parking is free on all car parks but some are subject to time restrictions.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	6,599	-	-	-
Premises Related Expenditure	63,243	61,650	56,310	142,800
Supplies and Services	4,225	10,380	9,260	64,380
Miscellaneous Expenditure	-	-	-	1,000
Earmarked Reserves	(2,564)	-	-	-
<b>GROSS EXPENDITURE</b>	<b>71,502</b>	<b>72,030</b>	<b>65,570</b>	<b>208,180</b>
GROSS INCOME	(6,475)	(19,900)	(9,780)	(91,110)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>65,027</b>	<b>52,130</b>	<b>55,790</b>	<b>117,070</b>
Departmental Support	41,067	43,190	43,190	37,150
Central Support	10,890	10,960	10,960	5,830
Capital Charges	(1,983)	1,330	1,330	25,620
<b>NET EXPENDITURE</b>	<b>115,002</b>	<b>107,610</b>	<b>111,270</b>	<b>185,670</b>

**Contributes to corporate priority :**

**- Responsible financial and resource management**

**5008 - PRIVATE SECTOR HOUSING ASSISTANCE**

The Council awards minor grants targeted at the elderly and those in need to prevent further more serious and costly deterioration of unfit privately owned properties in the Borough and for Disabled Facilities Grants. The government funds disabled facilities grants up to a limit, with the Council having to contribute the full 100% towards other private sector grants including Home Energy Grants to tackle fuel poverty.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	62,431	35,330	58,460	37,170
Supplies and Services	24	-	10	10
<b>GROSS EXPENDITURE</b>	<b>62,455</b>	<b>35,330</b>	<b>58,470</b>	<b>37,180</b>
GROSS INCOME	(25,810)	(25,000)	(22,860)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>36,645</b>	<b>10,330</b>	<b>35,610</b>	<b>37,180</b>
Departmental Support	39,876	43,560	43,560	45,250
Central Support	4,861	5,800	5,800	3,410
Capital Charges	794,560	-	-	-
<b>NET EXPENDITURE</b>	<b>875,942</b>	<b>59,690</b>	<b>84,970</b>	<b>85,840</b>

Contributes to corporate priority :

- Promoting sustainable and vibrant communities
- Creating safer communities
- Improving leisure and wellbeing opportunities

**5035 - CCTV**

The provision of a Closed Circuit Television scheme in Atherstone in conjunction with the Town Council and Warwickshire Police Force.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	8,537	-	42,550	14,470
Supplies and Services	16,906	18,170	16,490	16,490
<b>GROSS EXPENDITURE</b>	<b>25,442</b>	<b>18,170</b>	<b>59,040</b>	<b>30,960</b>
GROSS INCOME	(34,890)	(35,670)	(35,060)	(9,290)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(9,447)</b>	<b>(17,500)</b>	<b>23,980</b>	<b>21,670</b>
Departmental Support	120,366	131,380	17,630	53,210
Central Support	1,094	330	330	480
Capital Charges	8,877	18,250	18,250	18,250
<b>NET EXPENDITURE</b>	<b>120,889</b>	<b>132,460</b>	<b>60,190</b>	<b>93,610</b>

Contributes to corporate priority :

- Creating safer communities

**5036 - COMMUNITY SUPPORT**

A 7 day, 24 hour emergency alarm and mobile warden service available to all residents aged 62 or over within the Borough, or those with a medical condition or disability. The scheme also provides some support for neighbouring authorities.

<b>DESCRIPTION</b>	<b>ACTUALS 2020/2021</b>	<b>APPROVED BUDGET 2021/2022</b>	<b>REVISED BUDGET 2021/2022</b>	<b>ORIGINAL BUDGET 2022/2023</b>
Employee Expenditure	516,025	507,310	130,790	-
Premises Related Expenditure	291	290	180	-
Supplies and Services	32,941	40,910	14,850	-
Transport Related Expenditure	12,001	16,430	(4,710)	-
<b>GROSS EXPENDITURE</b>	<b>561,258</b>	<b>564,940</b>	<b>141,110</b>	<b>-</b>
GROSS INCOME	(297,482)	(289,090)	(29,600)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>263,776</b>	<b>275,850</b>	<b>111,510</b>	<b>-</b>
Departmental Support	66,549	66,970	66,970	-
Central Support	10,544	11,310	11,310	-
Capital Charges	17,675	28,480	7,980	-
<b>NET EXPENDITURE</b>	<b>358,545</b>	<b>382,610</b>	<b>197,770</b>	<b>-</b>

**Contributes to corporate priorities :**

- **Creating safer communities**
- **Improving leisure and wellbeing opportunities**
- **Promoting sustainable and vibrant communities**



**7202-7208, 7211, 7214 COVID RELATED EXPENSES**

This budget shows some of the additional expenditure incurred due to Covid-19 to support departments with purchasing PPE, cleaning materials, equipment, hardware, software upgrades, and Outbreak Management activities.

DESCRIPTION	ACTUALS	APPROVED	REVISED	ORIGINAL
	2020/2021	BUDGET 2021/2022	BUDGET 2021/2022	BUDGET 2022/2023
Employee Expenditure	746	-	-	-
Supplies & Services	189,931	-	90,130	-
Earmarked Reserves	195,351	-	205,980	-
<b>GROSS EXPENDITURE</b>	<b>386,028</b>	<b>-</b>	<b>296,110</b>	<b>-</b>
GROSS INCOME	(388,514)	-	(296,110)	-
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>(2,486)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Central Support Services	2,486	-	-	-
<b>NET EXPENDITURE</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Risk Analysis

	<b>Likelihood</b>	<b>Potential impact on Budget</b>
Increase in vacancies at the industrial estates, if there is a delay in economic recovery from the Covid-19 pandemic	Medium	Medium
Higher level of maintenance at Council properties	Medium	Medium
Increase in the level of Local Authority error made in processing benefit payments	Low	Medium
Significant increase in workload due to an increase in non payment of Council Tax and / or Business Rates	Low	Medium
The effect of Government changes in how benefits are administered and delivered	Medium	High
A fall in the level of recovery of overpayments	Medium	Medium
Further reduction in administration grant	Medium	Low
Above inflation increases to contracts	Low	Low
Further increases in the pension scheme deficit	Medium	Low

## Agenda Item No 10

### Resources Board

24 January 2022

### Report of the Corporate Director - Resources

### General Fund Revenue Estimates 2022/23 – Summary

## 1 Summary

- 1.1 This report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

### Recommendation to the Board

**That the following items be recommended to the Executive Board for consideration in setting the Council Tax of the Borough Council:**

- a The revised budget for 2021/22; and**
- b To approve the schedule of expenditure requirements totalling £8,652,800 for 2022/23.**

## 2 Introduction

- 2.1 This report summarises Board budgets and looks at the overall expenditure requirements of the Council. It should be noted that the Executive Board, Licensing Committee and Planning and Development Board have yet to consider their spending requirements, so these figures could alter. In addition, further small variations could be made to these forecasts before the final version for approval at Executive Board, to reflect any further changes that may be needed as circumstances continue to evolve.

## 3 The Council's Budget Requirement

- 3.1 The Council's budget requirements are summarised below. Details of individual Board requirements are shown in Appendices A – E.

	<b>Approved Budget 2021/22</b>	<b>Revised Budget 2021/22</b>	<b>Original Estimate 2022/23</b>
Net Service Expenditure	9,732,360	10,097,230	9,748,310
Covid-19 Grants	(359,580)	(359,580)	-
Use of Earmarked Reserves	(300,000)	(300,000)	-
Financing Adjustment	(763,150)	(917,920)	(772,510)
Investment Interest Income	(80,000)	(65,000)	(200,000)
Investment Income - MRF	-	(37,000)	(123,000)
<b>Net Expenditure Requirement</b>	<b>8,229,630</b>	<b>8,417,730</b>	<b>8,652,800</b>

- 3.2 The financing adjustment brings together other external charges for the use of capital, offset by notional capital charges incorporated within the spending services accounts.

#### 4 **Capital Charges**

- 4.1 In providing services, the Council makes use of a wide range of assets, including buildings, vehicles and computer systems. Each service budget is charged with an amount that represents the cost to the Council of providing that asset, in the form of depreciation.

#### 5 **The Council's 2021/22 Estimated out-turn**

- 5.1 The Council's revised net expenditure requirement for 2021/22 amounts to £8,417,730 which is £188,100 more than the approved estimate. The major changes in Board expenditure are set out below.

- 5.2 Within the Refuse and Recycling services employee costs have increased due to the use of more agency staff to cover additional rounds and staff absences as a result of Covid-19. Supplies and Services costs have risen largely due to increased costs for green waste collection permits and bulky waste collections. In addition, there has been a further increase in recycling disposal costs charged by external waste processing organisations, also due to increased volumes of recycling collected as a result of people working from home. Transport costs have increased due to the costs of hiring in additional refuse freighters. These increased costs have been offset by an increase in income from the additional take up of the green bin service.

£80,700

- 5.3 Cesspool waste disposal costs have increased following changes to charging bands and the pricing structure operated by Severn Trent Water. In addition, income from cesspool collections has reduced as a result of a reduction in emptying's and cancellations during the pandemic. This has been partly offset by reduced transport running costs and a saving on employee overtime.

£29,870

- 5.4 Debt recovery action was put on hold by the Authority due to the pandemic and therefore summons and liability orders were not issued. As a result, income from the recovery of legal costs reduced. This has been slightly offset by savings due to lower spend on bailiffs and legal costs. Recovery action has now recommenced.

£119,240

- 5.5 The main increase relates to the reduced recovery of housing benefit overpayments, as recovery was generally put on hold during the pandemic. A small increase in the net cost of benefits is also expected, although this was partially offset by some additional administration grant.

£115,960

- 5.6 The improvement on Council Tax Support is due to some one-off additional grant funding received, offset slightly by an increase in software charges.

(£105,300)

- 5.7 A one-off reduction in Private Sector Housing Income as no income is expected in 2020/21 from the HEART partnership. The surplus income from fees has been used during the year to support the staff establishment to meet an increase in demand for the service.  
£25,280
- 5.8 Savings from vacancies, as vacancies have exceeded the vacancy factor included in the original budget.  
(£97,970)
- 5.9 The continuation of the Borough Care service until June 2021 had not been included in the original estimate.  
£111,510
- 5.10 An improvement in the financing adjustment as prudential borrowing repayments on vehicle replacements was delayed, and the borrowing included for work on the Shops and Flats at Coleshill is not yet needed.  
(£149,900)
- 5.11 Whilst a lower level of investment income is expected to be generated due to the low interest rates available, the General Fund share has been bolstered by the interest due that relates to the MRF.  
(£26,870)

## 6 The Council's 2022/23 Expenditure Requirement

- 6.1 The Council's net expenditure requirement for 2022/23 amounts to £8,652,800, which is £423,170 more than the approved estimate for 2021/22 and £235,070 more than the revised estimate. The main variations between the 2022/23 original budget and the 2021/22 revised budget are set out below.
- 6.2 The majority of savings are included within the other variance lines below.
- 6.3 Provision has been made for those posts that were vacant in 2021/22, the payment of annual increments, and a pay award of 2%. In addition, the vacancy factor has been set back to its original level.  
£97,090
- 6.4 Increase in the National Insurance rate by 1.25% (in addition there is £33,720 included within other service line variances below).  
£73,190
- 6.5 An increase in leisure centre income has been included in the estimates, based on increases in membership numbers back to somewhere near the pre pandemic levels. Whilst some associated costs have increased, there is still a significant improvement in financial terms.  
(£145,670)

- 6.6 The cost of refuse and recycling is expected to reduce, primarily as a result of removing the additional agency costs that were needed during the pandemic for Covid-19 cover. Some other costs should also reduce, such as the increased transport costs.  
(£138,720)
- 6.7 The position on Cesspool Emptying is expected to improve, with one-off fees relating to 2021/22 removed and a return to more normal levels of income.  
(£38,130)
- 6.8 Both Council Tax legal fee income and income from the recovery of housing benefit overpayments has been reinstated, as recovery action has recommenced. This will be offset by the removal of the one-off grant received for Council Tax support.  
(£144,770)
- 6.9 There is an increase in costs related to the introduction of Civil Parking Enforcement and the commencement of chargeable parking for periods exceeding 2 hours.  
£61,280
- 6.10 The reduction in cost is due to the full removal of the budget for Borough Care following the discontinuation of the service.  
(£111,510)
- 6.11 The contingency has been increased to include some allowance for some potential increases relating to waste collection services and private sector housing.  
£95,470
- 6.12 The Covid 19 grant received in 2021/22 was a one-off grant, so has been taken out of the budget, together with the removal of the use of earmarked reserves agreed for 2021/22.  
£659,580
- 6.13 An increase in the financing adjustment to cover the repayments needed for the prudential borrowing assumed in the draft capital programme that will be presented to the Executive Board in February.  
£145,410
- 6.14 A higher level of investment income is expected to be generated, as interest rates have started to rise. In addition, some additional investment will be due relating to the MRF.  
(£221,000)

## 7 Risks to the Council

- 7.1 The key risks to the overall budgetary position of the Council are highlighted below:

- A pay award of 2% has been assumed in preparing the budgets. Any settlement above or below this would affect the financial position of the Authority. A ½% variation would equate to £50,490.
- A vacancy factor has been included within the overall estimates. Should vacancies be less than expected, additional costs will be borne by the Authority.
- There are potential additional costs for the Council in carrying out its planning function. These relate to appeal costs and the potential loss of planning fees if the Council does not perform as required. In addition, any downturn in planning applications would impact on the fee income received.
- Council expenditure on housing benefit is significant, although the majority is recouped through grant. Any reduction in performance can lead to a loss of grant and/or increase in the non recovery of overpayments. The transfer of housing benefit into the universal credit administered nationally will impact on council resources.
- A downturn in the current economic situation could have an impact on the industrial rent income that the Council can obtain. In addition, the NDR on vacant commercial properties will impact directly on the Council's costs.
- Legislation, as well as the economic situation, could also impact on other Council services such as Homelessness, with increased demand leading to additional expenditure.
- The Council is promoting recycling activities across the Borough. Further reductions in income for recycling materials or increases in recycling disposal costs could add to the existing costs of the service.
- Limited budgetary provision is available for one off spending on areas such as public enquiries on planning, un-adopted roads and contaminated land issues.
- Deterioration of the Council's assets could require costly remedial action and could also impact on the ability of some services to generate income. Income generation could also be affected more widely by the current economic position. If leisure facility use does not recover as expected, there could be a significant impact on the income that the Council receives.

7.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix F.

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## 8 Future Years Forecasts

- 8.1 In order to assist with medium term financial planning, Members are provided with budget forecasts for the three years following 2022/23. The table below provides a summary:

	<b>Original Estimate 2023/24</b>	<b>Original Estimate 2024/25</b>	<b>Original Estimate 2025/26</b>
Net Service Expenditure	10,046,460	10,147,940	10,446,640
Financing Adjustment	(598,730)	(501,510)	(445,570)
Investment Interest Income	(449,000)	(402,000)	(418,000)
<b>Net Expenditure Requirement</b>	<b>8,998,730</b>	<b>9,244,430</b>	<b>9,583,070</b>

- 8.2 The forecasts given above have used a number of assumptions, which include pay awards of 2% in 2023/24 to 2025/26, increases in contracts and general increases in supplies and services of 2% in 2023/24 and 2025/26. In total, net expenditure is expected to decrease by 4.0% in 2023/24, 2.7% in 2024/25 and by 3.66% in 2025/26. These figures do not include any savings. Executive Board will need to decide on the level of savings required, when taking future financing decisions.
- 8.3 These forecasts are built up using current corporate and service plans. Where additional resources have already been approved, these are already included. However these forecasts will be amended to reflect any amendments to the estimates, including any decisions taken on any further corporate or service targets.

## 9 Budget Consultation

- 9.1 Budget consultation will be carried out electronically for 2022/23, in place of a physical meeting for business ratepayers.

## 10 Report Implications

### 10.1 Finance and Value for Money Implications

- 10.1.1 As detailed in the body of the report.

### 10.2 Environment and Sustainability Implications

- 10.2.1 Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of essential services.

### 10.3 Risk Management Implications

- 10.3.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed



through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

#### 10.4 **Equality Implications**

10.4.1 To ensure equality implications are identified and how they may affect different groups in the community equality assessments should be carried out when budgets are being assessed. This will ensure any negative impact is identified and revised as appropriate.

The Contact Officer for this report is Nigel Lane (719371).

#### **Background Papers**

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

<b>Background Paper No</b>	<b>Author</b>	<b>Nature of Background Paper</b>	<b>Date</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL**  
**PLANNING AND DEVELOPMENT BOARD**  
**SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2020/2021 £</b>	<b>Approved Budget 2021/2022 £</b>	<b>Revised Budget 2021/2022 £</b>	<b>Original Budget 2022/2023 £</b>
4009	Planning Control	99,092	(67,960)	(60,970)	(61,680)
4010	Building Control	36,031	35,900	35,200	35,900
4012	Conservation and Built Heritage	45,325	43,260	43,260	44,580
4014	Local Land Charges	(24,610)	(18,480)	(30,360)	(45,080)
4018	Street Naming and Numbering	(765)	(5,520)	(5,520)	(5,830)
	<b>Net Controllable Expenditure</b>	<b>155,073</b>	<b>(12,800)</b>	<b>(18,390)</b>	<b>(32,110)</b>
	<b>Departmental Support</b>	<b>94,783</b>	<b>108,970</b>	<b>108,970</b>	<b>156,890</b>
	<b>Central Support</b>	<b>151,665</b>	<b>172,140</b>	<b>172,140</b>	<b>127,400</b>
	<b>Capital Charges</b>	<b>1,481</b>	<b>16,390</b>	<b>16,390</b>	<b>16,390</b>
	<b>Planning and Development Board Total</b>	<b>403,001</b>	<b>284,700</b>	<b>279,110</b>	<b>268,570</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL**  
**COMMUNITY AND ENVIRONMENT BOARD**  
**SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Codes</b>	<b>Description</b>	<b>Actual 2020/2021 £</b>	<b>Approved Budget 2021/2022 £</b>	<b>Revised Budget 2021/2022 £</b>	<b>Original Budget 2022/2023 £</b>
3072	Polesworth Sport Centre	272,571	171,370	177,250	117,180
3075	Coleshill Leisure Centre	537,663	321,520	318,650	285,450
3077	Atherstone Leisure Complex	727,289	411,140	401,820	341,640
3081	Leisure Facilities Strategic Outcome Plan	53,200	-	-	-
3082-3	Memorial Hall	116,021	127,530	113,900	121,680
4002	Public Health (Commercial Pollution Control)	219,662	247,070	258,050	337,700
4003	Public Health (Domestic Pollution Control)	26,430	25,400	36,730	960
5000	Domestic Refuse Collection	710,577	633,090	802,540	682,330
5001	Streetscene Grounds Maintenance	30,993	18,160	8,370	21,240
5002	Trade Refuse Collection	(78,831)	(44,250)	(54,330)	(60,020)
5003	Cesspool Emptying	(19,669)	(49,410)	(19,540)	(57,670)
5004	Recycling	1,206,691	791,310	712,640	699,820
5005	Animal Control	34,036	23,220	32,310	10,290
5006	Abandoned Vehicles	2,752	2,050	2,050	2,240
5010	Amenity Cleaning	545,010	559,090	542,060	558,080
5013	Unadopted Roads	1,779	8,050	8,520	8,050
5014	Flooding And Land Drainage	1,508	-	-	-
5015	Street Furniture	1,372	1,380	1,380	1,380
5016	Atherstone Market	2,741	1,880	1,860	1,900
5019	Green Space Budget	425,669	431,330	442,770	448,060
5021	Public Health (Control of Disease) Act 1984 Burials	2,637	-	1,640	1,670
5023	Consultation	8,776	4,650	4,650	4,740
5025	Corporate Policy	47,644	47,790	48,130	49,190
5030	Rural Regeneration	21,113	27,980	27,980	37,980
5034	Landscape	10,652	10,780	10,780	10,780
5040	Marketing and Market Research	12,250	8,930	8,930	8,930
5044	Support to Voluntary Organisations	54,163	55,710	56,350	56,430
5047	Community Fund for Local Projects	-	-	-	-
5055	Community Development Health Improvement	22,440	33,550	41,260	42,550
5056	Community Development Safer Communities	50,081	64,740	65,800	61,810
5064	QE - Artificial Grass Pitch	7,686	(9,870)	(9,870)	(10,610)
7361	England's Rural Heart LEADER Partnership	(877)	660	40	-
7365	AFC Veterans Hubs Development	-	-	-	-
7700	Stronger & Safer Communities	-	-	-	-
7856	High Street Innovation Grants	-	-	-	-
72xx	Covid Related Expenditure	-	-	-	-
	<b>Net Controllable Expenditure</b>	<b>5,054,027</b>	<b>3,924,850</b>	<b>4,042,720</b>	<b>3,783,780</b>
	<b>Departmental Support</b>	<b>668,655</b>	<b>708,960</b>	<b>708,960</b>	<b>702,590</b>
	<b>Central Support</b>	<b>604,382</b>	<b>688,260</b>	<b>688,260</b>	<b>628,100</b>
	<b>Capital</b>	<b>909,802</b>	<b>888,760</b>	<b>888,760</b>	<b>888,950</b>
	<b>Net Expenditure</b>	<b>7,236,866</b>	<b>6,210,830</b>	<b>6,328,700</b>	<b>6,003,420</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL**  
**LICENSING COMMITTEE SUMMARY**  
**SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2020/2021 £</b>	<b>Approved Budget 2021/2022 £</b>	<b>Revised Budget 2021/2022 £</b>	<b>Original Budget 2022/2023 £</b>
4000	Licensing Authority	(32,675)	(36,090)	(36,560)	(51,030)
4001	Licences and Registration	(6,004)	(6,240)	(9,070)	(8,710)
4008	Hackney Carriages	(2,638)	(22,890)	(12,730)	(15,680)
4019	Gambling Act Authority	(8,260)	(9,310)	(8,420)	(9,660)
	<b>Net Controllable Expenditure</b>	<b>(49,577)</b>	<b>(74,530)</b>	<b>(66,780)</b>	<b>(85,080)</b>
	<b>Departmental Support</b>	<b>70,921</b>	<b>76,190</b>	<b>76,190</b>	<b>99,860</b>
	<b>Central Support</b>	<b>33,640</b>	<b>40,310</b>	<b>40,310</b>	<b>7,690</b>
	<b>Licensing Committee Total</b>	<b>54,984</b>	<b>41,970</b>	<b>49,720</b>	<b>22,470</b>

## NORTH WARWICKSHIRE BOROUGH COUNCIL

## RESOURCES BOARD (RECHARGED)

## SUMMARY OF GENERAL FUND REVENUE ESTIMATES

Code	Description	Actual 2020/2021 £	Approved Budget 2021/2022 £	Revised Budget 2021/2022 £	Original Budget 2022/2023 £
Various	Chief Executive	211,194	220,390	220,390	226,620
Various	Corporate Director Resources	982,614	1,063,910	1,078,540	1,092,930
Various	Chief Executive - Other Services	1,059,850	1,111,510	1,111,510	1,230,970
Various	Corporate Director Resources - Community Services	1,386,497	1,501,810	1,501,810	1,371,350
Various	Director of Housing	2,344,399	2,446,350	2,446,350	1,912,320
Various	Corporate Director Streetscape	863,800	942,880	942,880	1,053,530
Various	Director of Leisure and Community Development	518,545	572,020	572,020	596,780
3006-3039	Building Maintenance Fund	227,791	231,250	231,250	232,670
3040-3041	Council Offices	150,605	181,430	181,430	183,380
3043	Central Telephones	19,055	18,100	18,100	11,030
3045	Recruitment	12,708	25,200	25,200	25,200
3046	Printing and Copying	59,598	71,230	71,230	42,040
3047	Training	11,755	84,200	84,200	84,250
3048	Depot and Stores	73,349	81,830	81,830	83,660
3110	Postage and Franking	49,491	70,050	70,050	55,060
3226	Central Services	250,610	286,290	286,290	-
3290	Information Services	757,253	786,140	786,140	760,430
3291	Procurement	32,904	74,300	74,300	99,990
3292	Staff Welfare	24,741	26,730	26,730	26,730
3300	Transport	740,358	837,840	824,070	847,070
	<b>Net Controllable Expenditure</b>	<b>9,777,117</b>	<b>10,633,460</b>	<b>10,634,320</b>	<b>9,936,010</b>
	<b>Recharged to Services</b>	<b>(11,452,609)</b>	<b>(12,557,720)</b>	<b>(12,558,580)</b>	<b>(11,916,980)</b>
	<b>Departmental Support</b>	<b>21,453</b>	<b>22,030</b>	<b>22,030</b>	<b>25,610</b>
	<b>Central Support</b>	<b>1,350,224</b>	<b>1,482,720</b>	<b>1,482,720</b>	<b>1,539,040</b>
	<b>Capital</b>	<b>(211,812)</b>	<b>419,510</b>	<b>419,510</b>	<b>416,320</b>
	<b>Resources Board (Recharged) Total</b>	<b>(515,627)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Resources Board Summary**

Description	Actual 2019/2020 £	Approved Budget 2020/2021 £	Revised Budget 2020/2021 £	Original Budget 2021/2022 £
Totals - Recharged Services	(515,627)	-	-	-
Totals - Services Remaining	1,012,986	3,273,590	3,177,660	2,782,550
Central Vacancy Factor	-	(393,500)	(491,470)	(200,000)
<b>Resources Board Total</b>	<b>497,359</b>	<b>2,880,090</b>	<b>2,686,190</b>	<b>2,582,550</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL**  
**RESOURCES BOARD (REMAINING)**  
**SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2020/2021 £</b>	<b>Approved Budget 2021/2022 £</b>	<b>Revised Budget 2021/2022 £</b>	<b>Original Budget 2022/2023 £</b>
3000	Cost of Democratic Services	354,891	357,880	343,610	369,760
3001	Election Expenses	7,074	5,510	5,510	5,620
3002	Registration of Electors	26,779	27,360	27,360	28,010
3003	Non Domestic Business Rates	(37,909)	(23,100)	(20,730)	(32,770)
3004	Council Tax Collection	196,285	78,300	197,540	87,080
3050	Finance Miscellaneous	(2,183,510)	-	(22,880)	-
3051	Compensation and Pension Increases	333,348	343,230	336,690	345,000
3052	Assisted Car Purchase	(388)	(350)	(350)	(180)
3054	Electricity at Work	17,982	19,300	16,100	19,300
3059	Finance Unused Land	874	720	2,080	790
3060	Corporate and Democratic Core	130,220	79,550	78,730	78,730
3061	Unallocated Central Support Services	(176)	102,930	102,930	120,610
3065	Coleshill Shops and Flats	(67,878)	(68,100)	(66,740)	(70,700)
3067	The Pavilions, Holly Lane	(75,927)	(86,260)	(75,900)	(80,360)
3068	Carlyon Road Industrial Estate	(126,138)	(131,530)	(131,250)	(130,170)
3069	Innage Park Industrial Estate	(201,618)	(235,030)	(225,070)	(226,290)
3070	Polesworth Workspace Units	(7,265)	(5,260)	1,010	-
3079	Maya Bar & Restaurant	(12,906)	(13,930)	(17,140)	(18,830)
3080	Football Stadium	26	-	480	-
3084	Homeless Persons	74,109	68,290	77,490	77,050
3085	Meadow House Young People Support	(12,713)	-	(4,800)	-
3086	Homeless Project Watling Street Dordon	-	-	-	-
3089	Public Conveniences	31,198	35,310	33,180	34,700
3094	Customer Contact	18,953	33,270	34,080	35,540
3097	Rent Allowances	83,414	(4,950)	111,010	7,760
3098	Housing Benefit Administration and Rent Rebates	7,732	41,220	45,270	46,740
3101	Council Tax Support	97,209	97,500	(7,800)	61,140
3102	Car Parks	65,027	52,130	55,790	117,070
5008	Private Sector Housing Assistance	36,645	10,330	35,610	37,180
5035	CCTV	(9,447)	(17,500)	23,980	21,670
5036	Community Support	263,776	275,850	111,510	-
72xx	Covid Related Expenditure	(2,486)	-	-	-
	<b>Net Controllable Expenditure</b>	<b>(992,821)</b>	<b>1,042,670</b>	<b>1,067,300</b>	<b>934,450</b>
	<b>Recharged to Services</b>	<b>(249,130)</b>	<b>(258,760)</b>	<b>(256,880)</b>	<b>(266,890)</b>
	<b>Departmental Support</b>	<b>1,016,008</b>	<b>1,114,790</b>	<b>1,001,040</b>	<b>967,470</b>
	<b>Central Support</b>	<b>1,078,322</b>	<b>1,087,430</b>	<b>1,142,220</b>	<b>905,490</b>
	<b>Capital Charges</b>	<b>160,606</b>	<b>287,460</b>	<b>223,980</b>	<b>242,030</b>
	<b>Resources Board (Remaining) Total</b>	<b>1,012,986</b>	<b>3,273,590</b>	<b>3,177,660</b>	<b>2,782,550</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL**  
**EXECUTIVE BOARD SUMMARY**  
**SUMMARY OF GENERAL FUND REVENUE ESTIMATES**

<b>Code</b>	<b>Description</b>	<b>Actual 2020/21 £</b>	<b>Approved Budget 2021/2022 £</b>	<b>Revised Budget 2021/2022 £</b>	<b>Original Budget 2022/2023 £</b>
2000	Housing Strategic Service Review	1,987	-	-	-
2001	Outreach and Access to Services	54,472	45,840	41,150	2,300
2002	Corporate Communications	41,846	51,830	37,060	62,050
2003	Community Strategy	47,017	42,710	41,180	43,970
2007	Emergency Planning	7,861	6,160	6,160	6,160
2009	North Warwickshire Local Development Framework	199,352	257,550	257,770	276,560
5050	Support to Parishes	162	-	-	-
	<b>Net Controllable Expenditure</b>	<b>352,697</b>	<b>404,090</b>	<b>383,320</b>	<b>391,040</b>
	<b>Departmental Support</b>	<b>150,089</b>	<b>158,120</b>	<b>158,120</b>	<b>204,340</b>
	<b>Central Support</b>	<b>158,552</b>	<b>177,630</b>	<b>177,630</b>	<b>167,230</b>
	<b>Capital Charges</b>	<b>5,046</b>	<b>9,710</b>	<b>9,710</b>	<b>9,870</b>
.	<b>EXECUTIVE BOARD TOTAL</b>	<b>666,384</b>	<b>749,550</b>	<b>728,780</b>	<b>772,480</b>

## RISK ANALYSIS

	Likelihood	Potential Impact on Budget
The Emergency Planning budget may be insufficient to cover the costs of any major local emergency	Low	High
The Local Plan process is becoming more costly due to the Duty to Cooperate and also needs to be repeated more often as national guidance requires.	High	High
A need for public enquiries into planning developments and the implications of losing planning appeals, resulting in appellant costs awarded against the Council or the loss of planning income	Medium	Medium
Decline in planning applications leading to a reduction in planning income	Medium	Medium
Applications not dealt with within 26 weeks, resulting in full refund to applicant.	Low	Medium
Implications of losing planning appeals, resulting in appellant costs awarded against the Council or loss of Planning Income	Medium	Medium
Increase in vacancies at the industrial estates, if there is a delay in economic recovery from the Covid-19 pandemic.	Medium	Medium
Higher level of maintenance at Council properties	Medium	Medium
Increase in the level of Local Authority error made in processing benefit payments	Low	Medium
Significant increase in workload due to an increase in non payment of Council Tax and / or Business Rates	Low	Medium
The effect of Government changes in how benefits are administered and delivered	Medium	High
A fall in the level of recovery of overpayments	Medium	Medium
Further reduction in administration grant	Medium	Low
Above inflation increases to contracts	Low	Low
Further increases in the pension scheme deficit, or changes affecting the current recovery strategy, which lead to additional increases in pension contribution rates	Medium	Low
Additional increase in pension contribution rates	Low	Low
Higher than anticipated rises in utility costs	Medium	Low
Changes in legislation affecting service delivery and/or software requirements	Medium	Low
Above inflation increases in vehicle fuel	Medium	Medium
Increased insurance costs	Medium	Low
Termination of employment costs	Medium	Medium
A reduction in the fee income from some licences received by the council due to a downturn in the economy or changing public demand	Low	Low
Deteriorating condition of assets, particularly the Leisure Centres, and further economic and market pressure affecting the generation of income particularly due to the Covid-19 pandemic.	High	High
Additional Costs relating to the Refuse and Recycling services in particular due to the Covid-19 pandemic.	Medium	Medium



**1 Summary**

- 1.1 This report covers the revised budget for 2021/22 and an estimate of expenditure for 2022/23, together with forward commitments for 2023/24, 2024/25 and 2025/26.

**Recommendation to the Board**

- a To accept the revised estimate for 2021/22;**
- b To Increase garage rents by £0.50 per week in 2022/23;**
- c To increase rent by 4.1% in 2022/23 in line with the social rent policy set by the government;**
- d To approve the proposed fees and charges for 2022/23 as set out in Appendix D;**
- e To approve the service charges for the cleaning of communal areas, as detailed in Appendix E, from April 2022;**
- f To approve the service charges for window cleaning, as detailed in Appendix F, from April 2022; and**
- g To accept the Estimates of Expenditure for 2022/23, as submitted.**

**2 Introduction**

- 2.1 In consultation with other officers, the Corporate Director – Resources has prepared an estimate of net expenditure for 2022/23 and this, together with a revised budget for 2021/22, appears in Appendix A. To provide a more complete picture of the spending pattern of the service, the actual figures for 2020/21 are shown.

**3 Comments on the 2021/22 Revised Budget**

- 3.1 The revised budget for 2021/22 shows an expected deficit of £3,055,830; which is £31,310 better than the approved budget deficit of £3,087,140. The main variations are given overleaf.

**3.2 Management Services £33,860**

3.2.1 The costs within Management Services have increased mainly due to a higher number and time duration of void council properties under repair for which we are liable to pay the Council Tax of £22,790 for that period. There has been an increase in the recharge to the Housing Revenue Account for External Audit fees of £15,910. In addition, due to Covid 19 restrictions court action on rent arrears was suspended which has meant lower recovery of legal costs of £5,880. These have been partially offset by reductions in utility costs, window cleaning and insurance costs on Flats and Communal Centres of £4,620 and a reduction of £4,060 in the recharge for Treasury Management activity.

**3.3 Revenue Funding of Capital Expenditure (£93,210)**

3.3.1 There has been an increase in the amount of allowable debt to be set aside as the average prices from assumed Right To Buy receipts has increased, which has enabled a reduction in the revenue contribution to capital spending.

**3.4 Garage Rents £8,570**

3.4.1 The reduction in rental income is due to a higher than expected level of voids.

**3.5 Gross Rents £15,740**

3.5.1 There has been a decrease in rental income due to a higher level of void properties and delays in the construction and subsequent letting of the new build properties in Atherstone.

**4 Rent Setting**

4.1 The Welfare Reform and Work Act 2016 enables the Government to set rent policy. In October 2017 the Government announced a new long term policy on social rents to allow authorities to increase rents by CPI + 1% for a period of at least 5 years. This policy came into effect on 1 April 2020.

4.2 CPI at September 2021 was 3.1% (the appropriate month of the previous year, identified in the policy) plus 1%, which equates to the proposed rent increase from 1 April 2022 of 4.1%. The effect on this authority's rent figures for 2022/23 is that the average rent increase will be £3.59 per week (4.1%), although individual rent changes will vary from increases of £2.92 to £6.61 per week.

4.3 The impact of the new rent policy has been built into the 30 year Business Plan detailed in Appendix H.

...

**5 Comments on the 2022/23 Estimates**

5.1 The Housing Revenue Account has been prepared, taking into account the following assumptions:

- A 2% pay award from 1 April 2022; and
- To adopt the government policy of CPI at September 2021 plus 1% equating to 4.1% for all rents;

5.2 The estimated balance on the Housing Revenue account at 1 April 2022 is £605,345, which is lower than the £3,927,186 balance at the start of 2021/22. Looking in greater detail at the coming year, the budget for 2022/23 shows an expected deficit of £24,450.

**5.3 Repairs Fund £40,620**

5.3.1 The contribution to the Repairs Fund has been calculated with an inflationary increase of 2.5%, adjusted for the assumed sale of 30 Council houses and the addition of 10 new properties in Long Street/Coleshill Road Atherstone. In addition, there are increases in departmental support relating to changes in time allocations to services. There has been the removal of the allocations relating to Community Support as the service no longer operates.

**5.4 Management Services £75,380**

5.4.1 The main increase in the Management services budget relates to pay awards, increments and inflation.

5.4.2 Internal Audit carry out work on a planned, rather than an annual basis. An increased charge has been included in 2022/23 to reflect planned work in the year. In addition, there is an increase in the recharges from Revenues and Benefits regarding rent accounting.

**5.5 Debt Management (£44,040)**

5.5.1 An additional £10,000 of borrowing will be repaid in line with the schedule of debt repayments. This is more than offset by a decrease in the interest payable on the debt outstanding, as the debt reduces.

**5.6 Revenue Funding of Capital Expenditure–RTB Receipts income (£945,600)**

5.6.1 The increase in the assumed use of additional Right To Buy receipts which we can retain for capital spending on new build schemes, has allowed a reduction in the revenue contribution to capital spending.

**5.7 Revenue Funding of Capital Expenditure £340,160**

5.7.1 There has been an inflationary and small increase in the capital spending on the existing stock and an inflationary increase on new build schemes.

## 5.8 Revenue Funding of Capital Expenditure – Additional Spend (£2,025,000)

5.8.1 The removal of one-off expenditure in 2021/22 relating to extensive works at Alexandra Court Flats, additional Electrical upgrade works, match funding for a bid to the Government's Green Homes Fund to install energy efficiency measures to council homes and an adaptation to property at Westwood Crescent Atherstone.

## 5.9 Interest on Balances (£7,770)

5.9.1 The interest earned has increased due to small increase in rates and the level of balances held.

## 5.10 Garage Rents (£26,110)

5.10.1 The increase in rental income relates to the proposed 50 pence per week rent rise.

## 5.11 Gross Rents (£446,680)

5.11.1 There is an increase in Council house rental income to reflect the rent increase of 4.1% and the full year effect of the addition of 10 new build properties in Long Street/ Coleshill Road Atherstone. This has been partially offset by the expected sale of 30 Council houses.

## 6 Housing Repairs Fund

6.1 The HRA makes an annual contribution to the Repairs Fund. Part of the contribution is set aside for the day to day maintenance, with the remainder used for planned maintenance work. The fund covers payments to both Housing Direct Works and outside contractors. Approximately 50% of the current workload is completed by Housing Direct Works (see Appendix B).

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6.2 A balance is usually maintained on the Housing Repairs Fund, which is used to meet fluctuations in the timing of repair work.

## 7 Housing Direct Works

7.1 Estimates for Housing Direct Works (HDW) have been prepared for 2022/23, along with the revised position for 2021/22, and these are attached as Appendix C.

...

## 7.2 Revised Estimate 2021/22

7.2.1 Net controllable expenditure has increased by £23,640. The main changes relate to an increase in material costs and usage of £58,980 and a decrease in the work undertaken on the general fund and capital works of £13,160. This has been partially offset by a vacancy in the staffing budget of £48,270.

### 7.3 Estimate for 2022/23

7.3.1 The net controllable expenditure has increased by £79,460. Employee costs have increased with the effect of the pay award, increments and the reversal of the vacancy in 21/22. Increases in transport relate to inflation.

### 8 Fees and Charges

8.1 There is only an increase for Allotment Rents in the proposed fees and charges, so that users of facilities are not discouraged. The detailed list of fees and charges is attached as Appendix D to the report.

### 9 Service Charges

9.1 There is a requirement for service charges to be paid by those tenants who actually receive specific services. NWBC makes specific charges for window cleaning and cleaning costs of communal areas in blocks of flats. The current and proposed charges are attached in Appendices E and F. There is a small increase proposed for the cleaning of communal areas, to reflect the increase in expenditure anticipated. There is no planned increase in the window cleaning service charge to reflect an no increase in the contractor's costs.

9.2 The Council also makes a service charge to the lease holders of flats that have been sold under the Right to Buy legislation. This reflects the actual costs of management and maintenance.

### 10 Four Year HRA Forecast – 2022/23 to 2025/26

10.1 A detailed four year estimate has been developed, to cover the medium term position of the HRA. This is summarised in the table below, with some additional detail given in Appendix G.

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Management and Maintenance	5,831	5,938	6,060	6,174
Interest on borrowing	1,406	1,347	1,284	1,218
Repayment of borrowing	2,260	2,350	2,350	2,450
New Temporary Borrowing	-	-	-	-
Capital expend funded by revenue	2,831	2,783	2,832	2,945
New Build	334	360	385	411
<b>Total Expenditure</b>	<b>12,662</b>	<b>12,778</b>	<b>12,911</b>	<b>13,198</b>
Income	(12,620)	(12,965)	(13,285)	(13,585)
Interest on Balances	(18)	(28)	(31)	(35)
<b>Total Income</b>	<b>(12,638)</b>	<b>(12,993)</b>	<b>(13,316)</b>	<b>(13,620)</b>
(Surplus)/Deficit on the year	24	(215)	(405)	(422)
<b>Balance at 31 March</b>	<b>(581)</b>	<b>(796)</b>	<b>(1,201)</b>	<b>(1,623)</b>

10.2 The figures show an increase in level of balances at the end of 2025/26, which feeds into the 30-year business plan detailed in section 11 of this report.

## 11 30 Year HRA Business Plan

11.1 As management of the housing stock is a long-term requirement, a business plan has been put together for 30 years, although expenditure is difficult to predict so far in advance. This has been updated as part of the estimates process and the revised business plan is attached as Appendix H.

11.2 In updating the business plan, a number of assumptions have been made:

- New build will continue throughout the life of the plan;
- Management and maintenance costs have been assumed for the new properties, together with rental income;
- The additional receipts that the Council is able to use for new build will continue;
- Right to Buy Sales will continue at the current level for the first 7 years then reduce to 15 dwellings per year of the plan;
- Rents will continue to increase at CPI + 1% in 2022/23 onwards.
- Total temporary borrowing of £7.420m between year 6 (2026/27) through to year 12 (2032/33) which can be repaid in years 13 (2033/34) to 14 (2034/35).

11.3 The expected position on the Housing Revenue Account at the end of the 30 years is a surplus of £86.995 million. This is after funding capital expenditure of £198.974 million, with £31.978 million of that funding set aside for new build schemes or other improvement schemes. Borrowing of £46 million will also have been repaid.

11.4 However the expected surplus is less than £10 million until the end of year 17.

## 12 Risks to the Business Plan

12.1 In addition to the new payments detailed above, the expected surplus on the Business Plan is dependent on adherence to the assumptions used in the forecast. Varying these would impact on the achievement of a surplus. The key risks to the budgetary position of the Housing Revenue Account include:

- The potential ongoing impact of sustaining rent income levels with the changes from Universal Credit;
- The requirement on the Council to meet statutory housing needs and support tenants to sustain their tenancies as well as manage them in moving on as secure tenancies are replaced with flexible ones;
- A change in interest rates, if funds need to be borrowed;
- A reduction in the rent levels assumed in the Business Plan, as this could impact significantly on the expected surpluses. More attractive Right to Buy conditions could encourage higher sales;
- The requirements of an ageing stock and the need to meet the Decent Homes Standard are likely to continue to increase the demand for capital works. Work to keep the Council's assets in good condition will be prioritised and accommodated within existing budgets;
- Any reduction in the performance of Housing Direct Works will put pressure on the Council to use external contractors and therefore will impact on the level of expenditure;
- Asbestos removal is an ongoing cost pressure over the next few years until

the full picture of the level of asbestos contained in council houses and the cost of removal is assessed.

- The impact of the Social Housing White Paper which sets out the Government's intention to change and strengthen the regulatory framework in conjunction with enhancing the roles of the Regulator and Housing Ombudsman alongside the Building Safety Regulator. It also urges Councils to build more homes and specifically refers to Government's action to remove the borrowing cap for this purpose.

12.2 A risk analysis of the likelihood and impact of the risks identified above are included in Appendix I.

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12.3 The aim is to maintain a minimum working balance in the region of £750,000. The Housing Revenue Account goes below this level temporarily in 2022/23 by £170,000 but returns above this level by 2023/24 and then continues to increase. The Council can continue with services at current levels over the next four years. However, the service will still need to demonstrate value for money and rent collection rates will have to remain at the current level.

### **13 Report Implications**

#### **13.1 Finance and Value for Money Implications**

13.1.1 As above.

#### **13.2 Environment and Sustainability Implications**

13.2.1 Operating in line with the Business Plan will ensure the long-term sustainability of the Housing Revenue Account.

#### **13.3 Equality Implications**

13.3.1 The impact of Universal Credit on Council tenants and income collections has previously been reported to Resources Board. Work being undertaken will help to inform the Council's understanding of the impacts from the rent restructuring changes and the increases being applied. Monitoring of the impacts will be carried out as any changes are implemented.

#### **13.4 Risk Management Implications**

13.4.1 There are a number of risks associated with setting a budget, as assumptions are made on levels of inflation and demand for services. To minimise the risks, decisions on these have been taken using past experience and knowledge, informed by current forecasts and trends. However, the risk will be managed through the production of regular budgetary control reports, assessing the impact of any variances and the need for any further action.

### 13.5 Legal Implications

13.5.1 The Council may not budget for a deficit in the housing revenue account.

The Contact Officer for this report is Nigel Lane (719371).

#### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

<b>Background Paper No</b>	<b>Author</b>	<b>Nature of Background Paper</b>	<b>Date</b>



**HOUSING REVENUE ACCOUNT**

<b>Actual 2020/21</b>	<b>DESCRIPTION</b>	<b>APPROVED BUDGET 2021/22 £</b>	<b>REVISED BUDGET 2021/22 £</b>	<b>ORIGINAL BUDGET 2022/23 £</b>
	<b>EXPENDITURE</b>			
18,443	Provision for Bad Debts ( 2% per anum)	233,270	232,960	241,890
	<b>Repairs Fund</b>			
300,057	Departmental Support Services	349,030	349,030	360,680
156,757	Central Support Services	192,310	192,310	155,390
2,765,455	Contribution to Fund	2,819,290	2,825,430	2,891,320
	<b>Management</b>			
587,261	General Administration	605,090	616,290	597,780
283,993	Housing Registration & Lettings	297,740	297,750	315,930
407,402	Tenancy & Estates Management	377,160	372,560	412,300
418,345	Rent Collection & Arrears	352,490	384,900	404,810
46,154	Tenant Participation	50,470	46,820	52,290
10,030	New-build properties	14,190	12,590	14,160
320,482	Flats & Communal Centres	342,320	339,770	349,230
17,567	Laundries	18,220	18,860	18,860
14,602	Cesspools and Management of Shops	14,990	16,990	16,550
	<b>Debt Management</b>			
1,503,921	Interest on Loans (as per Business Plan)	1,459,610	1,459,610	1,405,570
2,000,000	Revenue set aside (as per Business Plan)	2,250,000	2,250,000	2,260,000
(423,350)	Allowable Debt from Receipts	(862,020)	(955,230)	(953,310)
-	RTB Receipts income for New Build	-	-	(945,600)
	<b>Capital</b>			
3,471,170	Revenue funding of capital spending on existing stock	3,468,930	3,468,930	3,783,990
-	Revenue funding of capital spending on existing stock - Additional spend	2,025,000	2,025,000	-
1,230,460	Revenue funding of capital spending on new build	1,255,070	1,255,070	1,280,170
<b>13,128,750</b>	<b>Gross Expenditure</b>	<b>15,263,160</b>	<b>15,209,640</b>	<b>12,662,010</b>
	<b>INCOME</b>			
38,657	Service Charges - Leaseholders	39,950	43,320	43,320
23,810	Service Charges - Window Cleaning	23,100	22,400	22,400
42,485	Service Charges - Cleaning & Caretaking	45,500	45,450	48,640
287,457	Garage Rents	289,860	281,290	307,400
101,448	Shop Rents	101,670	102,940	102,940
21,138	Interest on Balances	12,240	10,450	18,220
81,636	Pensions reserve	-	-	-
11,460,198	Gross Rents (less voids Rev 1.05% Orig onward 1%)	11,663,700	11,647,960	12,094,640
<b>12,056,828</b>	<b>Gross Income</b>	<b>12,176,020</b>	<b>12,153,810</b>	<b>12,637,560</b>
<b>1,071,921</b>	<b>(Surplus)/Deficit for Year</b>	<b>3,087,140</b>	<b>3,055,830</b>	<b>24,450</b>
(4,733,096)	Revenue Fund balance at start of year	(3,927,186)	(3,661,175)	(605,345)
(3,661,175)	Revenue Fund balance at end of year	(840,046)	(605,345)	(580,895)
129	Average no. of properties (other)	152	141	156
2,486	Average no. of properties (other)	2,437	2,453	2,423

Appendix B

HOUSING REPAIRS FUND

£

<b>Balance at 1 April 2021</b>	<b>1,174,000</b>
Contribution 2021/22	3,366,770
Expected Use of Fund - Housing Direct Works	(1,625,560)
Expected Use of Fund - Other Contractors	(1,199,870)
Expected Use of Fund - Departmental and Central Support	(541,340)
<b>Balance at 1 April 2022</b>	<b>1,174,000</b>
Contribution 2022/23	3,407,390
Expected Use of Fund - Housing Direct Works	(1,719,310)
Expected Use of Fund - Other Contractors	(1,172,010)
Expected Use of Fund - Departmental and Central Support	(516,070)
<b>Balance at 1 April 2023</b>	<b>1,174,000</b>

<b>1500 - 1507 - HOUSING DIRECT WORKS</b>				
<b>DESCRIPTION</b>	<b>ACTUALS</b>	<b>APPROVED</b>	<b>REVISED</b>	<b>ORIGINAL</b>
	<b>2020/21</b>	<b>BUDGET</b>	<b>BUDGET</b>	<b>BUDGET</b>
		<b>2021/22</b>	<b>2021/22</b>	<b>2022/23</b>
Employee Expenditure	871,083	880,310	832,090	907,420
Supplies & Services	373,667	405,100	463,940	464,200
Transport	84,037	96,110	96,610	100,690
Miscellaneous Expenditure	52	-	-	
<b>GROSS EXPENDITURE</b>	<b>1,328,839</b>	<b>1,381,520</b>	<b>1,392,640</b>	<b>1,472,310</b>
GROSS INCOME	(33,088)	(23,080)	(10,560)	(10,770)
<b>NET CONTROLLABLE EXPENDITURE</b>	<b>1,295,751</b>	<b>1,358,440</b>	<b>1,382,080</b>	<b>1,461,540</b>
Departmental Support	145,891	137,150	137,150	142,700
Central Support Services	93,774	102,710	102,710	111,390
Capital Charges	1,881	3,620	3,620	3,680
<b>Net Costs to Repairs Fund</b>	<b>1,537,298</b>	<b>1,601,920</b>	<b>1,625,560</b>	<b>1,719,310</b>

**NORTH WARWICKSHIRE BOROUGH COUNCIL****HOUSING****FEES AND CHARGES FROM 1 APRIL 2022**

	2021/22	2021/22		2022/23	2022/23	
	NET	NET	VAT	NET	NET	VAT
	CHARGE	CHARGE	RATING	CHARGE	CHARGE	RATING
	£	£		£	£	
<b>COMMUNAL CENTRES</b>						
	<b>Voluntary</b>	<b>Private</b>		<b>Voluntary</b>	<b>Private</b>	
	<b>Groups</b>			<b>Groups</b>		
<b>Communal Centres</b>						
Use of lounge (per 2 hours)	5.00	10.00	Exempt	5.00	10.00	Exempt
Use of kitchen	1.00	2.00	"	1.00	2.00	"
<b>Purpose Built Community Centres</b>						
Use of lounge (per 2 hours)	7.50	15.00	Exempt	7.50	15.00	Exempt
Use of kitchen	1.50	3.00	"	1.50	3.00	"
<b>Multi-Purpose Centres</b>						
Use of lounge (per 2 hours)	10.00	20.00	Exempt	10.00	20.00	Exempt
Use of kitchen	2.00	4.00	"	2.00	4.00	"
	<b>NET</b>	<b>VAT</b>	<b>TOTAL</b>	<b>NET</b>	<b>VAT</b>	<b>TOTAL</b>
	<b>CHARGE</b>	<b>RATING</b>	<b>CHARGE</b>	<b>CHARGE</b>	<b>RATING</b>	<b>CHARGE</b>
			<b>20% VAT</b>			<b>20% VAT</b>
	£		£	£		£
<b>GUEST BEDROOMS</b>						
Per night	1.00	Exempt	1.00	1.00	Exempt	1.00
Per week	7.00	"	7.00	7.00	"	7.00
<b>ALLOTMENT RENT</b>						
Waverton Avenue, Warton	3.30	Exempt	3.30	3.40	Exempt	3.40
<b>GARAGE PLOTS</b>						
Bracebridge Road, Lister Road & St. George's Road, Atherstone						
NWBC council house tenants	26.00	Exempt	26.00	26.00	Exempt	26.00
Others	26.25	Incl. VAT at Standard Rate	31.50	26.25	Incl. VAT at Standard Rate	31.50
<b>COUNCIL OWNED GARAGES</b>						
NWBC council house tenants	7.08	Exempt	7.08	7.08	Exempt	7.08
Others	7.08	Incl. VAT at	8.50	7.08	Incl. VAT at	8.50

**Proposed Cleaning Service Charges per week**

Appendix E

<b>Name of Scheme</b>	<b>Cost Per Property</b>	<b>Cost per week (48 wks)</b>	<b>Cost Per Property</b>	<b>Cost per week (48 wks)</b>
	<b>2021/22</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2022/23</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Alder Court and Heather Atherstone	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Alexandra Court, Atherstone	97.83	<b>2.04</b>	105.15	<b>2.19</b>
St Benedicts Close, Atherstone	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Welcome Street, Atherstone	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Arden Forest Estate, Ridge Lane	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Church Road/Long Street,Dordon	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Chancery Court, Chapel End	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Gramer Court, Mancetter	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Monument View/Sycamore Ave Polesworth	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Abbey Green Court, Polesworth	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Jubilee Court, Kingsbury	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Drayton Court, Hartshill	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Eastlang Road, Fillongley	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Hudson/Wall Avenue, Coleshill	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Digby Road & Clinton Road, Coleshill	97.83	<b>2.04</b>	105.15	<b>2.19</b>
George Road, Water Orton	97.83	<b>2.04</b>	105.15	<b>2.19</b>
Church Hill Coleshill	97.83	<b>2.04</b>	105.15	<b>2.19</b>

**Proposed Window Cleaning Charges per Week from April 2022**

Appendix F

Name of Scheme	Cost Per Property	Cost per Week (48)	Cost Per Property	Cost per Week (48)
	2021/22 £	2021/22 £	2022/23 £	2022/23 £
Alder Court and Heather Atherstone	40.58	<b>0.85</b>	20.29	<b>0.42</b>
Alexandra Court, Atherstone	28.37	<b>0.59</b>	28.37	<b>0.59</b>
St Benedicts Close, Atherstone	33.81	<b>0.70</b>	33.81	<b>0.70</b>
Welcome Street, Atherstone	55.49	<b>1.16</b>	55.49	<b>1.16</b>
Arden Forest Estate, Ridge Lane	32.51	<b>0.68</b>	32.51	<b>0.68</b>
Church Road, Dordon	58.75	<b>1.22</b>	58.75	<b>1.22</b>
Long Street, Dordon	56.18	<b>1.17</b>	56.18	<b>1.17</b>
St Leonards Close, Dordon	40.39	<b>0.84</b>	40.39	<b>0.84</b>
Chancery Court, Chapel End	48.02	<b>1.00</b>	48.02	<b>1.00</b>
Gramer Court, Mancetter	38.15	<b>0.79</b>	38.15	<b>0.79</b>
Joseph Cadman Court	46.82	<b>0.98</b>	46.82	<b>0.98</b>
Monument View/Sycamore Ave Polesworth	55.08	<b>1.15</b>	55.08	<b>1.15</b>
Abbey Green Court, Polesworth	36.41	<b>0.76</b>	36.41	<b>0.76</b>
Jubilee Court, Kingsbury	44.26	<b>0.92</b>	44.26	<b>0.92</b>
Oldbury View, Hartshill	59.30	<b>1.24</b>	59.30	<b>1.24</b>
Drayton Court, Hartshill	37.16	<b>0.77</b>	37.16	<b>0.77</b>
Eastlang Road, Fillongley	49.71	<b>1.04</b>	49.71	<b>1.04</b>
Hudson/Wall Avenue, Coleshill	60.11	<b>1.25</b>	60.11	<b>1.25</b>
Digby Road, Coleshill	60.69	<b>1.26</b>	60.69	<b>1.26</b>
Clinton Road, Coleshill	69.36	<b>1.45</b>	69.36	<b>1.45</b>
Delves Crescent, Wood End	57.22	<b>1.19</b>	57.22	<b>1.19</b>
George Road, Water Orton	62.42	<b>1.30</b>	62.42	<b>1.30</b>
Church Hill Coleshill	62.42	<b>1.30</b>	62.42	<b>1.30</b>

<b>HOUSING REVENUE ACCOUNT</b>				
<b>DESCRIPTION</b>	<b>ORIGINAL BUDGET 2022/23 £</b>	<b>ORIGINAL BUDGET 2023/24 £</b>	<b>ORIGINAL BUDGET 2024/25 £</b>	<b>ORIGINAL BUDGET 2025/26 £</b>
<b>EXPENDITURE</b>				
Provision for Bad Debts	241,890	248,790	254,630	260,600
<b>Repairs Fund</b>				
Departmental Support Services	360,680	367,600	376,710	386,120
Central Support Services	155,390	156,130	159,490	163,030
Contribution to Fund	2,891,320	2,940,660	2,990,830	3,041,540
<b>Management</b>				
General Administration	597,780	609,940	629,440	635,970
Housing Register & Lettings	315,930	321,830	329,420	337,370
Tenancy & Estate Management	412,300	419,960	429,450	439,870
Rent Collection & Arrears	404,810	412,610	420,700	430,370
	-	-	-	-
Tenant Participation	52,290	53,280	54,170	55,410
New-build properties	14,160	14,690	15,150	15,690
Flats & Communal Centres	349,230	356,350	363,250	371,260
Laundries	18,860	19,280	19,280	19,700
Cesspools and Management of Shops	16,550	16,880	17,010	17,380
<b>Debt Management</b>				
Interest on Loans (as per Business Plan)	1,405,570	1,347,650	1,284,170	1,217,850
Revenue set aside (as per Business Plan)	2,260,000	2,350,000	2,350,000	2,450,000
Allowable Debt from Receipts	(953,310)	(951,380)	(949,460)	(947,540)
RTB Receipts income	(945,600)	(946,180)	(946,740)	(947,280)
<b>Capital</b>				
Capital Spend (as per Business Plan)	3,783,990	3,734,060	3,781,360	3,892,570
Capital Spend (as per Business Plan) - Additional Spend	-	-	-	-
Capital Spend - New Build and Reserve	1,280,170	1,305,770	1,331,890	1,358,530
<b>Gross Expenditure</b>	<b>12,662,010</b>	<b>12,777,920</b>	<b>12,910,750</b>	<b>13,198,440</b>
<b>INCOME</b>				
Service Charges - Leaseholders	43,320	43,320	43,320	43,320
Service Charges - Window Cleaning	22,400	22,850	23,310	23,780
Service Charges - Cleaning & Caretaking	48,640	49,610	50,600	51,610
Garage Rents	307,400	307,400	333,510	333,510
Shop Rents	102,940	102,940	102,940	102,940
Interest on Balances	18,220	27,920	30,810	34,890
Gross Rents (less voids @ 1%)	12,094,640	12,439,340	12,731,540	13,030,080
<b>Gross Income</b>	<b>12,637,560</b>	<b>12,993,380</b>	<b>13,316,030</b>	<b>13,620,130</b>
<b>(Surplus)/Deficit for Year</b>	<b>24,450</b>	<b>(215,460)</b>	<b>(405,280)</b>	<b>(421,690)</b>
Revenue Fund balance at start of year	(605,345)	(580,895)	(796,355)	(1,201,635)
Revenue Fund balance at end of year	(580,895)	(796,355)	(1,201,635)	(1,623,325)
Average no. of properties (other)	156	166	176	186
Average no. of properties (other)	2,423	2,393	2,363	2,333

APPENDIX H

HRA 30 Year Business Plan - 2021/22 to 2050/51

30 year total	SELF FINANCING Operating Account	HRA	2021/22 to 2025/26 £000	2026/27 to 2030/31 £000	2031/32 to 2035/36 £000	2036/37 to 2040/41 £000	2041/42 to 2045/46 £000	2046/47 to 2050/51 £000
<b>-544,367</b>	<b>Gross income</b>		<b>-64,598</b>	<b>-73,206</b>	<b>-83,254</b>	<b>-94,514</b>	<b>-107,210</b>	<b>-121,585</b>
	<b>Expenditure</b>							
92,448	Management (incl DME)		11,115	12,516	14,160	16,020	18,128	20,509
135,871	Maintenance		17,356	19,033	21,139	23,459	26,025	28,859
10,459	Bad debt provision		1,240	1,404	1,596	1,816	2,062	2,341
<b>238,778</b>	<b>Operating expenditure</b>		<b>29,711</b>	<b>32,953</b>	<b>36,895</b>	<b>41,295</b>	<b>46,215</b>	<b>51,709</b>
<b>-305,589</b>	<b>Net Cost of Services</b>		<b>-34,887</b>	<b>-40,253</b>	<b>-46,359</b>	<b>-53,219</b>	<b>-60,995</b>	<b>-69,876</b>
16,075	Interest payments		6,716	4,989	2,449	1,748	173	0
-13,340	Interest received		-127	-306	-395	-1,858	-3,645	-7,009
<b>-302,854</b>	<b>Net operating expenditure</b>		<b>-28,298</b>	<b>-35,570</b>	<b>-44,305</b>	<b>-53,329</b>	<b>-64,467</b>	<b>-76,885</b>
46,490	Revenue set aside (debt repayment)		11,660	16,130	8,700	5,000	5,000	0
0	New Borrowing and Repayments		0	-5,310	5,310	0	0	0
173,030	Direct revenue financing (RCCO fund cap Prog)		18,675	25,629	26,036	29,716	33,996	38,979
<b>-83,334</b>	<b>In year (surplus)/deficit</b>		<b>2,037</b>	<b>879</b>	<b>-4,259</b>	<b>-18,613</b>	<b>-25,471</b>	<b>-37,906</b>
	HRA reserve b/fwd (-ve = Surplus)		<b>-3,661</b>	<b>-1,624</b>	<b>-745</b>	<b>-5,005</b>	<b>-23,618</b>	<b>-49,089</b>
	HRA reserve c/fwd (-ve = Surplus)		<b>-1,624</b>	<b>-745</b>	<b>-5,005</b>	<b>-23,618</b>	<b>-49,089</b>	<b>-86,995</b>
	<b>CAPITAL PROGRAMME</b>							
<b>166,996</b>	<b>Expenditure (Cap spend with Inflation)</b>		<b>20,686</b>	<b>21,975</b>	<b>24,566</b>	<b>28,480</b>	<b>33,015</b>	<b>38,274</b>
<b>31,978</b>	<b>New Build</b>		<b>6,531</b>	<b>7,211</b>	<b>4,991</b>	<b>4,718</b>	<b>4,423</b>	<b>4,104</b>
0	Financed by...							
13,522	Allowable debt from receipts		4,757	1,849	1,801	1,753	1,705	1,657
12,422	RTB receipts and other resources		3,786	1,708	1,720	1,729	1,737	1,742
173,030	Direct revenue financing		18,675	25,629	26,036	29,716	33,996	38,979
<b>198,974</b>	<b>Total financing</b>		<b>27,218</b>	<b>29,186</b>	<b>29,557</b>	<b>33,198</b>	<b>37,438</b>	<b>42,378</b>



## Risk Analysis

	<b>Likelihood</b>	<b>Potential impact on Budget</b>
Change in interest rates	Medium	Medium
Reduction in rent levels	Medium	Medium
Increase in capital expenditure	Medium	Medium
An increase in the demand for repairs	Medium	Medium
Reduction in Housing Direct Works performance	Low	Medium
Asbestos removal	Medium	Medium
The impact of the Social Housing White paper	High	Medium

## Agenda Item No 12

### Resources Board

24 January 2022

#### Report of the Corporate Director - Resources

#### Capital Programme 2021/22 to 2024/25

### 1 Summary

- 1.1 This report identifies changes to the Council's 2021/22 capital programme and proposals for schemes to be included within the Council's capital programme over the next three years.

#### Recommendation to the Board

- a To support the changes to the 2021/22 revised capital programme;
- b To support the proposed three-year capital programme, which includes the growth bids, set out in appendix A;
- c To support the proposed vehicle replacement schedule, shown in Appendix B.

### 2 Introduction

- 2.1 The Council has a shortfall of capital resources when compared against potential capital schemes. As a result, schemes considered to be non essential were not included in the three year capital programme for 2021/22 to 2023/24 approved last February. There is still a shortfall as expected resources have remained at a similar level, so the same approach will be required for setting the capital programme for 2022/23 to 2024/25.

### 3 2021/22 Revised Capital Programme

- 3.1 The table below summarises the overall change in the 2021/22 revised capital programme with the main movements explained below:

	2021/22 Approved	Additions/ (Reductions)	2021/22 Revised
HRA (Housing)	11,123,560	930,000	12,053,560
General Fund (Housing)	66,300	(28,000)	38,300
General Fund (Other Services)	5,716,800	(2,646,380)	3,070,420
<b>Total</b>	<b>16,906,660</b>	<b>(1,744,380)</b>	<b>15,162,280</b>

- 3.2 The revised budget for the HRA housing programme has been increased by £930,000 due to higher than anticipated costs in relation to the New Build scheme at Trinity Close, Warton, together with an increase in the number of properties obtained. In addition, there has been a virement of £200,000 made from the allocation for Kitchens and Bathrooms to the Adaptation budget.
- 3.3 Within the General Fund programme, the external works on industrial buildings and the roof replacement at the Maya Restaurant have been moved into 2022/23, along with the Electrical Upgrade at the Old Bank House and the refurbishment of Council owned buildings.
- 3.4 The roof replacement at the Atherstone Leisure Complex is dependent upon the outcome of the Strategic Leisure Review, and has been moved into 2022/23, whilst the majority of work required at High Street, Coleshill has been delayed to 2022/23, with a small provision retained in 2021/22.
- 3.5 There is not expected to be any further demolition work required at the Depot in the current financial year, so the remaining budget has been moved into 2022/23. The Streetscape budget has been further reduced due to timings in the vehicle replacement programme.
- 3.6 Within Information Services, there is not expected to be any further work required around systems and software used to 'back up' the Council's data in the current financial year. The remaining budget has been moved into the following year in relation to this. Due to continuing uncertainty regarding hybrid working, part of the computer hardware and software allocation has been delayed until 2022/23.
- 3.8 The replacement of the Environmental Health System and the replacement of the Financial Management System have been delayed and will now take place in 2022/23.

#### **4 Updating the Approved Capital Programme**

- 4.1 A number of schemes relating to this Board were included in the 2021/22 to 2023/24 approved capital programme and these are detailed in Appendix A, including any 2024/25 allocations. The timing of schemes has been reviewed and updated where required.
- 4.2 The remaining schemes relating to this Board, which are considered non-essential at this time, have been excluded from the proposed programme.

#### **5 Growth Bids Included in the Proposed Capital Programme**

- 5.1 A number of growth bids have been identified and these are included within the proposed capital programme set out at Appendix A. Some detail on these is provided in the following paragraphs.

- 5.2 It is requested that a growth item of £2m be added to the HRA programme in 2022/23, to undertake extensive structural repair work to the flats at Drayton Court. A contract is now in place to start works to renew the flat roof with a pitched roof during 2022. The flat roof has been failing for some time and subject to repair work. Electrical safety works have been completed in the communal blocks. However, there are latent defects to the wall construction that are causing most flats to have damp conditions.
- 5.3 The provision for adaptations has been increased by £70,000 in 2022/23, to allow a further extension which will be needed at a property in Middleton.
- 5.4 It is requested that a growth item of £3m be added to the programme in 2023/24 to undertake extensive structural repair work to the flats at Abbey Green Court. An intrusive technical report has indicated that there are latent defects in the concrete walls (including ineffective tying of the masonry structure and corrosion of the embedded steel reinforcements due to insufficient concrete cover) which are causing damp conditions and leaks. The windows need replacing and there are frequent reports of leaks to the plumbing system. Extensive electrical works are also required to the communal areas of the blocks. It should be noted that whilst we have a contract in place to deliver these works, extensive leaseholder consultation will be required, and work cannot commence until that is concluded.
- 5.5 Changes to working arrangements has led to a significant increase in the use of mobile devices. It will be necessary to replace approximately 100 devices on a 4 year cycle at a cost of £10,000, beginning in 2022/23.
- 5.6 The replacement of the Environmental Health System is planned in 2022/23 and is now expected to cost a further £30,000.
- 5.7 The required upgrade to the website has been moved from the list of unapproved schemes into the approved list, as parts of the Council's website will become unsupported during the course of the next financial year. It is expected to cost £50,000 on a 5 year cycle, commencing in 2022/23.
- 5.8 The Car Park at the Maya Restaurant is in an extremely poor condition and requires a complete resurfacing in 2022/23. This scheme has been moved from the list of unapproved schemes into the approved list and is expected to cost £30,000.
- 5.9 It is necessary to upgrade the energy efficiency of the Mobile Care Admin Facility at Innage Park. This will enable the Council to achieve the required Energy Performance Certificate rating. It is expected to cost £30,000 and will take place in 2022/23.

## 6 **Vehicle Replacement Schedule**

- ... 6.1 Appendix B identifies vehicles that require replacement over the 3 year capital programme covered in this report.
- 6.2 The replacement schedule will be reviewed on a regular basis to ensure that it is still relevant and the actual lifespan of the vehicles will be carefully reviewed and monitored so that vehicles are only replaced when it becomes essential or there is a clear economic benefit.

## 7 **Report Implications**

### 7.1 **Finance and Value for Money Implications**

- 7.1.1 In terms of the overall capital programme, the bids for schemes included in Appendix A of this report will be collated into an overall programme which will be submitted to the Executive Board for final approval in February.
- 7.1.2 Due to the surplus of schemes to the capital resources available, Members of this Board should be aware that if schemes not currently approved are to be moved into the recommended capital programme, other approved schemes need to be reduced or deleted, or additional resources obtained. If this is not possible, borrowing will be needed.
- 7.1.3 Funding for the additional HRA works has been included in the 2022/23 estimate prepared for the Housing Revenue Account.

### 7.2 **Environment and Sustainability Implications**

- 7.2.1 Capital investment is required if the Council is to maintain and enhance both its assets and the quality and consistency of its services to the community.

### 7.3 **Risk Management Implications**

- 7.3.1 The risks associated with the failure to undertake the proposed schemes are taken into account in assessing whether the schemes are essential or non-essential.

## 7.4 Equality Implications

7.4.1 Public authorities are required to have due regard to the aims of the general equality duty when making decisions and when setting policies. Under the general duties public authorities, in the exercise of their functions, must have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations within the protected characteristics. In the case of the capital programme the Council is required to ensure that as far as it is reasonably practicable, it has taken appropriate steps to ensure compliance with the provisions of the Equality Act. Failure to do so could result in limiting access to services provided from our buildings and facilities by disabled people and the potential for legal challenges being taken against the Council.

## 7.5 Links to Council's Priorities

7.5.1 The capital projects proposed for inclusion will contribute to providing easier access to Council services, particularly through the internet and working with our tenants to maintain and improve our housing stock and providing affordable housing in the right places.

The Contact Officer for this report is Daniel Hogan (719337).

### Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date

**1) HRA 3 Year Capital Programme 2022/23 to 2024/25**

**Appendix A**

Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2022/23	2023/24	2024/25	3 Year Programme
Electrics	A scheduled programme to replace consumer units and to bring wiring in Council properties up to date.	900,000	600,000	300,000	<b>1,800,000</b>
Staffing	Housing officers who deliver the capital programme to Council properties.	280,020	285,430	292,580	<b>858,030</b>
Kitchens and Bathrooms	Replacement programme to ensure these facilities meet the Decent Homes Standard.	426,870	600,000	600,000	<b>1,626,870</b>
Heating	To replace heating systems which are at the end of their component life time, can't be repaired or to provide for controllable systems to meet the Decent Homes Standard.	900,000	500,000	300,000	<b>1,700,000</b>
Windows and Doors	Programmes of window and door replacements to address older installations that are not energy efficient and those that are defective.	-	250,000	300,000	<b>550,000</b>
Energy Saving Measures	External Wall Insulation and Loft Insulation programmes to ensure properties meet the necessary levels for energy usage.	350,000	250,000	250,000	<b>850,000</b>
Adaptations	Undertake adaptations to properties to improve accessibility in accordance with recommendations from social care assessors.	261,280	200,000	200,000	<b>661,280</b>
Roofing	To replace roofs (flat or pitched) which do not meet the Decent Homes Standard and cannot be repaired to extend their use.	300,000	400,000	400,000	<b>1,100,000</b>
Improvement works for blocks of flats - external and common areas	In 2019 we started a rolling priority programme of remedial works to blocks of flats. The works will deal with blocks of flats that require extensive structural repairs.	2,300,000	3,350,000	500,000	<b>6,150,000</b>
Replacement of DLO Vehicles	Replacement as per the vehicle replacement schedule.	235,411	66,000	-	<b>301,411</b>
Multi Trade Contract	To cover a range of capital works including remedial work following fire risk assessments and schemes for garages and sheltered scheme communal rooms as well as external works and structural works.	300,000	350,000	350,000	<b>1,000,000</b>
<b>TOTAL HRA EXPENDITURE</b>		<b>6,253,581</b>	<b>6,851,430</b>	<b>3,492,580</b>	<b>16,597,591</b>

## 2) General Fund 3 Year Capital Programme 2022/23 to 2024/25

Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2022/23	2023/24	2024/25	3 Year Programme
Decent Homes Grants and Works (Private Sector)	Assistance with repairs and replacements targeted at vulnerable households on a means tested basis to prevent deterioration and associated health effects.	20,000	20,000	20,000	60,000
Computer hardware and software, purchase and replacement	To continue to provide PC's that meet the requirements of the increasingly complex software that is used to deliver Council services and back office functions. This budget includes the renewal of the Microsoft Software licenses.	53,950	30,000	40,000	123,950
Replacement Financial Management System (FMS)	A new Financial Management system will be required, as it will not be fit for purpose in the near future and support for the existing system will be withdrawn.	300,000	-	-	300,000
ICT Infrastructure Development	To further develop the network and hardware structures to ensure that the Council's aspirations of home and mobile working and self service delivery are possible.	20,000	20,000	20,000	60,000
Network Infrastructure	Replacement of the existing network infrastructure.	-	-	40,000	40,000
Telephone System	Replacement of the existing telephone system.	20,000	-	20,000	40,000
Backing Up	Primarily used at two levels; the day to day use of the recovery of lost data or damaged systems that need to be rolled back to a previous state. The major use is in the event of fire or theft where the backups we hold would be used to restore systems.	20,000	-	-	20,000
Mobile Devices	Due to Covid the Council has greatly increased the use of mobile devices over and above the use of PC's and laptops. 100 devices will have to be replaced on a 4 year cycle. This will also be used to replace the Housing direct works equipment.	10,000	-	-	10,000
Replacement Planning and Enforcement and Local Land Charges Systems	To review and assess system to ensure it still meets user needs and replace if required.	32,550	-	-	32,550
Web Development (Internet, Intranet and Extranets)	To review and assess systems to ensure they still meet user needs and replace if required.	50,000	-	-	50,000
Payment Management System	Upgrade to Payment Management System to meet new encryption standards and introduce contactless payments.	-	15,000	-	15,000
Replacement Environmental Health System	The current system will be unsupported by Civica. A new system is required in 2022/23 to enable Environmental Health to work more efficiently and potentially improve customer satisfaction.	115,000	-	-	115,000
Uninterruptable Power Supply	A large 'battery' which ensures power to all systems. This supply is unaffected by power cuts etc.	10,000	-	-	10,000
Atherstone Leisure Complex - Replacement Roof	The leisure complex has a single ply flat roof covering virtually all of the facility that has an estimated life span of around 10 years and may need replacing in 2022/23.	252,170	-	-	252,170



Name of the Scheme	Basic Details of the Scheme	Year 1	Year 2	Year 3	Total
		2022/23	2023/24	2024/25	3 Year Programme
External Works on Industrial Buildings	Replacement of the roof cladding.	300,000	-	-	300,000
Maya Restaurant (Bear and Ragged Staff)	To replace the roof covering the building.	120,000	-	-	120,000
Refurbishment of Council Owned Buildings	To carry out necessary improvements to all council owned property.	45,000	-	45,000	90,000
Disabled Discrimination Adaptations	To undertake work where appropriate to improve access to and around our facilities for disabled users of the service.	137,310	-	-	137,310
Works required at High Street, Coleshill	Refurbishment works to shops and flats.	970,000	-	-	970,000
Depot - Demolition Works	To undertake work to demolish the single storey building currently used as the main Housing office and archive store.	30,600	-	-	30,600
Electrical upgrade at Old Bank House	The electrical system at OBH is almost 30 years old and will be in need of updating to comply with current legislation.	150,000	-	-	150,000
Structural Maintenance Programme of Car Parks and Unadopted Roads	A detailed analysis of the councils car parks and unadopted roads has been carried out and has identified that the thickness of many of the surfaces is below the required levels.	345,000	-	-	345,000
Maya Restaurant - Resurface Car Park	The car park at the facility is in poor condition and requires a complete re-construction.	30,000	-	-	30,000
Innage Park - Mobile Care Admin Facility	Upgrades are required to the energy efficiency of the building, to enable the Council to acquire the necessary Energy Performance Certificate rating.	30,000	-	-	30,000
Replacement of Pool Vehicles	Replacement as per the vehicle replacement schedule.	-	28,600	33,000	61,600
Replacement of Refuse Vehicles	Replacement as per the vehicle replacement schedule.	1,572,582	-	343,200	1,915,782
Replacement of Cesspool Vehicles	Replacement as per the vehicle replacement schedule.	-	138,600	-	138,600
Replacement of Street Cleaning Vehicles	Replacement as per the vehicle replacement schedule.	192,049	24,200	171,677	387,926
Replacement of Horticulture Vehicles	Replacement as per the vehicle replacement schedule.	287,881	7,887	46,354	342,122
Replacement of Leisure Services Vehicles	Replacement as per the vehicle replacement schedule.	17,292	-	-	17,292
Capital Salaries - Management	General Fund staffing.	17,140	17,410	17,810	52,360
<b>TOTAL GENERAL FUND EXPENDITURE</b>		<b>5,148,524</b>	<b>301,697</b>	<b>797,041</b>	<b>6,247,262</b>
<b>TOTAL PROGRAMME</b>		<b>11,402,105</b>	<b>7,153,127</b>	<b>4,289,621</b>	<b>22,844,853</b>

<u>Registration</u>	<u>Vehicle type</u>	<u>Purchase Date</u>	<u>Expected Life</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>
<b>Pool Vehicle</b>						
KT65 CZZ	Ford Ranger	05/03/2016	7 Years			£33,000
KV08 KWL	Ford Connect	17/03/2008	7 Years		£5,500	
RX11 FVA	Land Rover Breakdown Vehicle	16/05/2011	10 years		£23,100	
<b>Refuse Vehicles</b>						
BJ65 JFG	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years	£215,897		
BK65 ECZ	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years	£215,897		
BT65 UTH	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years	£215,897		
BJ65 JFV	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years	£215,897		
BP65 FGA	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years	£215,897		
BP65 FHL	Mercedes Econic 26T refuse vehicle	02/12/2015	7 Years	£215,897		
FM65 UNW	DAF 12T Narrow RCV	15/01/2016	7 Years	£156,200		
CA65 UYM	FUSO 7.5T Canter Refuse Vehicle	03/02/2016	7 Years	£121,000		
FJ18 NRK	Daf 16T Narrow RCV	01/04/2018	7 Years			£171,600
FJ18 NRF	Daf 16T Narrow RCV	01/04/2018	7 Years			£171,600
<b>Cesspool</b>						
BV16 AFO	DAF Tanker	19/04/2016	7 Years		£138,600	
<b>Street Cleansing</b>						
KU13 UET	Ford Transit 260	04/03/2013	7 Years	£30,800		
FH63 GRK	Ford Transit 350	22/01/2014	7 Years	£26,114		
LG65 GGF	CX201 Compact Sweeper	25/02/2016	5 Years	£103,972		
KV08 KVU	Ford Transit 260	01/04/2008	7 Years	£18,755		
LL69 YFW	Road Sweeper	19/12/2019	5 Years			£171,677
KM59 XZW	Ford Fiesta Van	21/01/2010	7 Years	£12,408		
ET66 HJG	Ford Transit 260	25/01/2017	8 Years		£24,200	
<b>DLO Vehicles</b>						
KX65 WXM	Ford Transit 270	01/09/2015	7 Years	£19,998		
KX65 WXP	Ford Transit 270	01/09/2015	7 Years	£19,998		
KX65 WXT	Ford Transit 270	01/09/2015	7 Years	£19,998		
EA65 MBO	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,031		
EK65 XTR	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,031		
EK65 ZSN	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,031		
EA65 LZE	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,031		
EK65 ZSE	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,031		
EK65 XTS	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,031		
EK65 ZPX	Ford Transit Custom 2.2T	17/11/2015	7 Years	£20,031		
KP16 RCZ	Ford Transit 350	29/03/2016	7 Years	£35,200		
EY66 KTT	Transit Custom 2.2	09/09/2016			£22,000	
EY66 KJY	Transit Custom 2.3	09/09/2016			£22,000	
EY66 KXC	Transit Custom 2.4	09/09/2016			£22,000	

<u>Registration</u>	<u>Vehicle type</u>	<u>Purchase Date</u>	<u>Expected Life</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>
<b>Horticulture Vehicles</b>						
EA65 MEV	Transit H2 2.2T	17/11/2015	7 Years	£24,255		
EK65 ZNZ	Transit H2 2.2T	17/11/2015	7 Years	£24,255		
EA65 LZJ	Transit H2 2.2T	17/11/2015	7 Years	£24,255		
BX66 OXA	Kubota Mower	01/03/2018	5 Years	£26,510		
FH63 GWP	Ford Transit 350	22/01/2014	7 Years	£26,114		
BX65 VYL	Kubota Tractor	22/09/2015	7 Years	£28,006		
EK65 XTE	Transit H2 2.2T	17/11/2015	7 Years	£24,255		
EK65 ZPU	Transit H2 2.2T	17/11/2015	7 Years	£24,255		
WX65 CDV	Ransome Highway Mower	01/02/2016	5 Years	£39,160		
WX65 CDY	Ransome Highway Mower	01/02/2016	5 Years	£39,160		
BX21 NRJ	Kubota Mower	01/06/2020	5 Years			£22,891
Unregistered	Kubota Mower	01/06/2020	5 Years			£15,323
Trailers			1 Year	£7,656	£7,887	£8,129
<b>Leisure Vehicles</b>						
KR09 AUN	Ford Transit 260	03/07/2009	7 Years	£17,292		
<b>HRA Total</b>						
				£235,411	£66,000	£0
<b>General Fund</b>						
				£2,069,804	£199,287	£594,220
<b>Grand Total</b>						
				<b>£2,305,215</b>	<b>£265,287</b>	<b>£594,220</b>

**Agenda Item No 13**

**Resources Board**

**24 January 2022**

**Report of the  
Corporate Director - Resources**

**Treasury Management Strategy  
Statement, Minimum Revenue  
Provision Policy Statement and  
Annual Investment Strategy for  
2022/23**

**1 Summary**

- 1.1 This report outlines the Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Investment Strategy for 2022/23.

**Recommendation to the Council**

**That the proposed strategies for 2022/23 be approved.**

**2 Introduction and Background**

- 2.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) recommends that the Council adopts the following form of words to define the policies and objectives of its treasury management activities:
- “The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 2.2 ‘Investments’ in the definition above covers all the financial assets of the organisation, as well as other non-financial assets which the organisation holds primarily for financial returns, such as investment property portfolios. This may therefore include investments which are not managed as part of normal treasury management or under treasury management delegations. All investments require an appropriate investment management and risk management framework under the CIPFA code.
- 2.3 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of Treasury Management activities focus on their risk implications for the organisation, and any financial instruments entered into in order to manage these risks.

- 2.4 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management. These principles will be applied across all investment activities, including any more commercially based investments.

### **3 Statutory requirements**

- 3.1 The Local Government Act 2003 and supporting regulations requires the Council to 'have regard to' the CIPFA Prudential Code, the Ministry of Housing, Communities and Local Government (MHCLG) Minimum Revenue Provision Guidance, the CIPFA Treasury Management Code and the MHCLG Investment Guidance.

### **4 CIPFA requirements**

- 4.1 The CIPFA Code of Practice on Treasury Management (2017 revision) was adopted by this Council on 29 January 2018. The primary requirements of the Code are as follows:

- 4.1.1 The organisation will create and maintain, as the cornerstones for effective treasury management:

- a treasury management policy statement, stating the policies, objectives and approach to risk management of the Council's treasury management activities; and
- Suitable treasury management practices (TMP's), setting out the manner in which the Council will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The content of the policy statement and TMP's will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

- 4.1.2 The Resources Board will receive reports on treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

- 4.1.3 This organisation delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Resources Board, and for the execution and administration of treasury management decisions to the Section 151 Officer, who will act in accordance with the Council's policy statement and TMPs and if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.
- 4.1.4 This organisation nominates the Full Council to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.
- 4.2 The current version of the Treasury Management Policy Statement is attached at Appendix A.
- ...

## **5 Treasury Management Strategy for 2022/23**

- 5.1 The suggested strategy for 2022/23 in respect of the following aspects of the treasury management function is based upon the treasury officers' views on interest rates, supplemented with leading market forecasts provided by the Council's treasury adviser, Link Asset Services.
- 5.2 The strategy covers:
- treasury indicators which will limit the treasury risk and activities of the Council
  - the current treasury position
  - the borrowing requirement
  - status under 'Market in Financial Instruments Directive II' (MIFID II)
  - prospects for interest rates
  - the borrowing strategy
  - policy on borrowing in advance of need
  - the investment strategy
  - creditworthiness policy
  - policy on use of external service providers
  - the MRP strategy.

## **6 Balanced Budget Requirement**

- 6.1 It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Council to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This, therefore, means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:

- Increases in interest charges caused by increased borrowing to finance additional capital expenditure, and
- Any increases in running costs from new capital projects

are limited to a level which is affordable within the projected income of the Council for the foreseeable future.

## 7 Treasury Limits for 2022/23 to 2024/25

- 7.1 It is a statutory duty under Section 3 of the Act and supporting regulations, for the Council to determine and keep under review how much it can afford to borrow. The Authorised Limit represents the legislative limit specified in the Act.
- 7.2 The Council must have regard to the Prudential Code when setting the Authorised Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and, in particular, that the impact upon its future Council Tax and Council rent levels is “acceptable”.
- 7.3 The Authorised Limit covers the capital plans to be considered for inclusion, incorporating financing by both external borrowing and other forms of liability, such as credit arrangements. It also includes an assessment of potential risks and allows some headroom for additional short term borrowing in the event that this is needed, for example, if the timing of capital income or expenditure changed.
- 7.4 The operational boundary focuses on the expected treasury management activity during the year and reflects the levels of debt included within the estimates.
- 7.5 The Authorised Limit and the Operational Boundary are to be set, on a rolling basis, for the forthcoming year and two successive financial years. Details of the Authorised Limit and the Operational Boundary can be found in Appendix B of this report.
- ...

## 8 Current Portfolio Position

- 8.1 The Council’s treasury portfolio position at 31/12/2021 comprised:

	Principal £m	Average Rate %
Fixed Rate Funding	19.000	0.24
Variable Rate Funding	6.000	0.13*
Short Term Funding	10.000	0.04*
<b>Total Net Investments</b>	<b>35.000</b>	<b>0.20</b>

\* - Please note that these rates are variable and the figures quoted are reflective of a point in time. These rates will fluctuate dependent on prevailing economic and market conditions.

## 9 **Borrowing Requirement**

9.1 The Council's Borrowing Requirement or Capital Financing Requirement (CFR) is expected to be £56,336,922 at 1 April 2022.

## 10 **Prudential and Treasury Indicators for 2022/23 to 2024/25**

10.1 Treasury Indicators, as shown in Appendix B, are relevant for the purpose of setting an integrated treasury management strategy. Other prudential and capital indicators will be reported to Executive Board before submission to full Council.

## 11 **Status under Market in Financial Instruments Directive II (MIFID II)**

11.1 Following the introduction of the Market in Financial Instruments Directive II on 3 January 2018, which reclassified all local authority investors as retail investors, the Council opted up to a return to professional status, having met the criteria specified by the Financial Conduct Authority.

## 12 **Prospects for Interest Rates**

12.1 The Council has appointed Link Asset Services as a treasury advisor to the Council and part of their service is to assist the Council to formulate a view on interest rates. Their forecast for long term interest rates is shown below:

	March 2022	June 2022	Sept 2022	Dec 2022	March 2023	June 2023	Sept 2023
Bank Rate	0.25%	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%
5yr PWLB Rate	1.50%	1.50%	1.60%	1.60%	1.70%	1.80%	1.80%
10yr PWLB Rate	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
25yr PWLB Rate	1.90%	2.00%	2.10%	2.10%	2.20%	2.20%	2.20%
50yr PWLB Rate	1.70%	1.80%	1.90%	1.90%	2.00%	2.00%	2.00%

12.2 The Bank Rate increased by 0.15% to 0.25%, in December 2021. This represented the first rise since the beginning of the pandemic. UK GDP increased by 1.1% in the third quarter of 2021. The November Bank of England Monetary Policy Report projected that UK GDP would recover to its immediate pre-pandemic level, during the first quarter of 2022. However, the report also cautioned that the rate of GDP growth is expected to be constrained by continuing supply bottlenecks in certain sectors.



12.3 The level of CPI inflation rose by 4.2% in October, the highest 12 month inflation rate since 2011. The Monetary Policy Report forecasted that CPI was expected to increase to around 5% in April, due to increases in retail energy prices, before beginning to fall towards the target level of 2% in the remaining months. The MPC also stated that it will be necessary to increase the Bank Rate over the coming months, in order to sustainably return CPI inflation to this target level.

### 13 **Borrowing rates**

13.1 The Council has a borrowing or Capital Financing Requirement of £56.337 million. Of this, £43.934 million relates to the HRA refinancing and the remainder is wholly internal borrowing. Because we have a number of capital and revenue reserves which have not yet been used, we have temporarily used these to finance our capital spending rather than the Council borrowing externally. These reserves amounted to £25.963 million at the beginning of 2021/22.

13.2 Over the next three years, investment rates are expected to be below long term borrowing rates and so value for money considerations indicate that value is best obtained by continuing to use internal reserves. However, this policy should be regularly monitored to take advantage of changes in the economic forecast. The Corporate Director - Resources will monitor the interest rate market and adopt a pragmatic approach to changing circumstances, reporting any decisions at the next available opportunity.

### 14 **Policy on Borrowing in Advance of Need**

14.1 The Council will not borrow more than or in advance of its needs purely to profit from the investment of the extra funds borrowed. Any decision to borrow in advance will be within the forward Capital Financing Requirement estimates and will be considered carefully to ensure value for money can be demonstrated and that the Council can ensure the security of such funds.

14.2 In determining whether borrowing will be undertaken in advance of need the Council will;

- ensure that there is a clear link between the capital programme and maturity profile of the existing debt portfolio which supports the need to take funding in advance of need
- ensure the ongoing revenue liabilities created, and the implications for the future plans and budgets have been considered
- evaluate the economic and market factors that might influence the manner and timing of any decision to borrow
- consider the merits and demerits of alternative forms of funding
- consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

- Consider the impact of borrowing in advance of temporarily increasing investment cash balances (until required to finance capital expenditure) and the consequent increase in exposure to counterparty risk and the level of such risks given the controls in place to minimise them.

## 15 Annual Investment Strategy

- 15.1 The Council's investment policy has regard to the MHCLG's Guidance on Local Government Investments ("the Guidance") and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes ("the CIPFA TM Code"). The Council's investment priorities will be security first, liquidity second, then return.
- 15.2 In accordance with the above guidance from the MHCLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.
- 15.3 Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings.
- 15.4 Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- 15.5 Investment instruments identified for use in the financial year are listed in Appendix C under the 'specified' and 'non-specified' investments categories. Counterparty limits will be as set through the Council's treasury management practices and are shown at Appendix F.
- 15.6 In the event that this Council undertakes to enter any commercial investment, for example investment in property, it will ensure that the value to service provision is considered and will be proportional to the level of resources that are available to the Council. Owing to the greater level of risk to the Council of undertaking a commercial investment, any such investment will be subject to enhanced decision making and scrutiny. All potential investments will be assessed individually, with due diligence carried out, and external expertise utilised where needed. Investment limits will not be set, as each opportunity will be reported to Members for a decision.

## 16 Creditworthiness Policy

- 16.1 This Council uses the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:
- credit watches and credit outlooks from credit rating agencies;
  - CDS spreads to give early warning of likely changes in credit ratings; and
  - sovereign ratings to select counterparties from only the most creditworthy countries.
- 16.2 The Link Asset Services' creditworthiness service uses a wider array of information than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.
- 16.3 Typically the minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalent) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances, consideration will be given to the whole range of ratings available, or other topical market information, to support their use.
- 16.4 All credit ratings will be monitored weekly. The Council is alerted to changes to ratings of all three agencies through its use of the Link Asset Services' creditworthiness service.
- If a downgrade results in the counterparty / investment scheme no longer meeting the Council's minimum criteria, its further use as a new investment will be withdrawn immediately.
  - In addition to the use of credit ratings the Council will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Council's lending list.
- 16.5 Sole reliance will not be placed on the use of this external service. In addition, this Council will also use market data and market information and information on any external support for banks to help support its decision making process.

## 17 **Country Limits**

17.1 The Council has determined that it will only use approved counterparties from a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies if Fitch does not provide). The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix D. This list will be added to or deducted from by officers should ratings change in accordance with this policy.

17.2 Officers, in conjunction with the treasury advisers, will continually monitor both the prevailing interest rates and the market forecasts.

## 18 **Interest Rate Outlook**

18.1 In December 2021, the Bank of England increased interest rates to 0.25%, from the previous level of 0.10%. This is the most recent interest rate change. There are differing opinions on the exact timing of any future rate changes as economic forecasting remains difficult with many external influences weighing on the UK. Link Asset Services have estimated that there will be a further interest rate increase in the first quarter of the 2022/23 financial year, followed by another increase in the final quarter.

18.2 For its cash flow generated balances, the Council will seek to utilise its business reserve accounts, money market funds and short-dated deposits in order to benefit from compounding of interest.

## 19 **End of Year Investment Report**

19.1 At the end of the financial year, the Council will report on its investment activity as part of its Annual Treasury Report.

## 20 **Policy on the use of Treasury Management Consultants**

20.1 The Council uses Link Asset Services as its external advisers. The Council recognises that responsibility for treasury management decisions remains with the Council and it will make decisions after taking into account advice or information given from Link, but the Council will not solely rely on this advice. It recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and are subject to regular review.

## 21 **Scheme of Delegation**

### 21.1 **Full Council**

- Receiving and reviewing reports on treasury management policies, practices and activities
- Approval of annual strategy.

### 21.2 **Resources Board**

- Scrutiny/Approval/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- Budget consideration and approval
- Receiving and reviewing regular monitoring reports and acting on recommendations.

## 22 **Role of the Section 151 Officer**

### 22.1 The treasury management role of the Section 151 Officer includes:-

- Recommending clauses, treasury management policy / practices for approval, and reviewing the same regularly, and monitoring compliance
- Submitting regular treasury management policy reports
- Submitting budgets and budget variations
- Receiving and reviewing management information reports
- Reviewing the performance of the treasury management function
- Ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- Ensuring the adequacy of internal audit, and liaising with external audit
- Recommending the appointment of external service providers.

## 23 **Minimum Revenue Provision**

### 23.1 The Council's Minimum Revenue Provision Policy Statement for 2022/23 is shown at Appendix E.

...

## 24 **Report Implications**

### 24.1 **Finance and Value for Money Implications**

24.1.1 There are no financial implications arising directly from this report. An Annual Report on Treasury Management, including investment activity will be presented to the Resources Board and Full Council by 30 September each year.

## **24.2 Environment, Climate Change and Health Implications**

24.2.1 Having appropriate financial controls through the Treasury Management Strategy, Minimum Revenue Provision Policy Statement and Investment Strategy contributes towards the sustainable provision of services.

## **24.3 Risk Management Implications**

24.3.1 The stringent controls in place for the treasury management function all help to minimise any risk. Establishing the credit quality of counter-parties reduces the risk of investments. Further risks have been identified for non-specified investments and are shown in Appendix C. In making any investment decision, whether it is an overnight investment or for a period of longer than one year, the risk attached is always taken into account.

## **24.4 Links to Council's Priorities**

24.4.1 Making best use of our resources through achieving a balanced budget and developing our workforce.

The Contact Officer for this report is Daniel Hogan (719337).

### **Treasury Management Policy Statement 2022-23**

- 1.1 The Council defines the policies and objectives of its treasury management as the management of the Council's investments and cash flows, its banking, money market and capital market transaction; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 1.2 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.
- 1.3 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best practice in treasury management, and to employing suitable performance measurement techniques, within the context of effective risk management. It is important, therefore, that the Council's investment framework should seek to safeguard the Council's funds rather than to maximise returns. Due consideration must, therefore, be given to:
  - Security: the creditworthiness of the counterparty;
  - Liquidity: how readily available to cash is; the term of the investment;
  - Yield or the rate of return on the investment.

The Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that robust due diligence procedures cover all external investment. Security and liquidity will take priority over yield, but the highest yield possible may be sought once security and liquidity have been assured.

- 1.4 The Council will receive reports on its treasury management policies, practices and activities including an annual strategy and plan in advance of the year, an annual report after its close, and an update report at other intervals, so that Members are informed of activities at each Board cycle. These reports will be in the format prescribed in the Council's Treasury Management Practices (TMP).
- 1.5 The Council delegates responsibility for the implementation of its treasury management policies and practices to the Resources Board, and for the execution and administration of treasury management decisions to the Corporate Director (Resources), who will act in accordance with the Council's statement and TMP's and if he/she is a CIPFA member, CIPFA's "Standard of Professional Practice on Treasury Management".

**January 2022**

## APPENDIX B

### Treasury Indicators

<b>Treasury Indicator</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>
Authorised Limit for External Debt	79,441	79,715	78,302	76,277
Operational Boundary	56,337	56,048	54,351	51,899
Upper Limit for Fixed Interest Rate Exposure	60,000	58,000	56,000	54,000
Upper Limit for Variable Rate Exposure	30,000	29,000	28,000	27,000
Upper Limit for Total Principal Sum Invested for over 364 days (per maturity date)	50%	50%	50%	50%

<b>Maturity Structure of New Fixed Rate Borrowing</b>	<b>Upper Limit</b>	<b>Lower Limit</b>
Under 12 months	100%	0%
12 months and within 24 months	100%	0%
24 months and within 5 years	100%	0%
5 years and within 10 years	100%	0%
10 years and above	100%	0%



**LOCAL GOVERNMENT INVESTMENTS (England)****SPECIFIED INVESTMENTS**

*All investments listed below must be sterling-denominated, with maturities up to a maximum of 1 year.*

Investment	Repayable/ Redeemable within 12 months?	Security / 'High' Credit Rating criteria	Circumstance of use	Maximum period
<b>Money Market Funds (MMF) - Including USDBFs</b> <i>These funds do not have any maturity date- structured as Open Ended Investment Companies (OEICs)</i>	Yes	Yes AAA rated	In-house	the period of investment may not be determined at the outset but would be subject to cash flow and liquidity requirements
<b>Debt Management Agency Deposit Facility<sup>1</sup></b>	Yes	Yes AAA rated	In-house	365 days
<b>Term Deposits- Local Authorities</b>	Yes	N/A	In-house	365 days
<b>Term Deposits- Banks and Building Societies</b>	Yes	See Strategy	In-house	365 days
<b>Banks nationalised by high credit rated countries (sovereign rating)</b>	Yes	Sovereign rating	In-house	365 days
<b>Government guarantee on ALL deposits by high credit rated countries (sovereign rating)</b>	Yes	Sovereign rating	In-house	365 days
<b>UK government support to the banking sector (implicit guarantee)</b>	Yes	UK sovereign rating	In-house	365 days

**Monitoring of credit ratings :** All credit ratings will be monitored *weekly or more frequently if needed*.

**Forward Deposits:** Forward deposits may be made. However, the forward period plus the deal period should not exceed one year in aggregate.

**Support:** Banks eligible for support under the UK bail-out package and which have debt guaranteed by the Government are eligible for a continuing guarantee when debts mature and are refinanced. The banks which have used this explicit guarantee are:

Bank of Scotland; Barclays; Clydesdale; Coventry Building Society; Investec Bank; Nationwide Building Society; Rothschild Continuation Finance plc; Standard Life Bank; Royal Bank of Scotland; Tesco Personal Finance plc; West Bromwich Building Society; Yorkshire Building Society.

## LOCAL GOVERNMENT INVESTMENT (England)

### NON-SPECIFIED INVESTMENTS - A maximum of 50% may be held in non-specified investments

<b>Maturities in excess of 1 year Investment</b>	<b>(A) Why use it? (B) Associated risks?</b>	<b>Repayable/ Redeemable within 12 months?</b>	<b>Security / Minimum credit rating **</b>	<b>Circumstance of use</b>	<b>Max % of overall investments</b>	<b>Maximum maturity of investment</b>
<b>Term deposits</b> with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	(A) (i) Certainty of rate of return over period invested. (ii) No movement in capital value of deposit despite changes in interest rate environment.  (B) (i) Illiquid : as a general rule, cannot be traded or repaid prior to maturity. (ii) Return will be lower if interest rates rise after making the investment. (iii) Credit risk : potential for greater deterioration in credit quality over longer period	No	Period and amount will be dependent on credit ratings, as shown on authorised list	In-house		<i>Suggested limit : 5 years</i>
<b>Callable deposits</b> with credit rated deposit takers (banks and building societies) with maturities greater than 1 year	(A) (i) Enhanced income ~ Potentially higher return than using a term deposit with similar maturity.  (B) (i) Illiquid – only borrower has the right to pay back deposit; the lender does not have a similar call. (ii) period over which investment will actually be held is not known at the outset. (iii) Interest rate risk : borrower will not pay back deposit if interest rates rise after deposit is made.	No	Period and amount will be dependent on credit ratings, as shown on authorised list	To be used in-house after consultation/ advice from Link		<i>Suggested limit : 5 years</i>
<b>Term deposits- local authorities</b>	Going concern	No	N/A	In house		<i>Suggested limit : 5 years</i>

<b>Property Funds</b>	(A) (i) Enhanced income ~ Potentially higher return than using a term deposit with similar maturity (average 5% yield since 1970). (ii) Reduces Portfolio Risk through a diversified portfolio  (B) (i) Illiquid – Property is an illiquid asset class and it is not always possible to sell units immediately. (ii) High Cost of Dealing (iii) high market risk as the property value and performance will fluctuate based on condition of Real Estate market.	No	N/A	To be used in-house after consultation/ advice from Link		<i>Suggested limit : 10 years</i>
<b>UK Gilt Government</b>	A) Enhanced income – potentially higher return than using a term deposit with similar maturity B) Interest rate risk. However, if held to maturity, both principal and interest will be paid. Price will move throughout the life of the gilt		AAA	To be used in-house after consultation/advice from Link		<i>Suggested limit 10 years</i>
<b>Bonds issued by a financial institution guaranteed by the UK Government</b>	A) Enhanced income – potentially higher return than using a term deposit with similar maturity B) Interest rate risk. However, if held to maturity, both principal and interest will be paid. Price will move throughout the life of the bond		AAA	To be used in-house after consultation/advice from Link		<i>Suggested limit 10 years</i>
<b>Bond Funds Gilt Funds (Collective Investment Schemes structured as Open Ended Investment Companies)</b>	A) Enhanced income – potentially higher return than using a term deposit with similar maturity B) Interest rate risk. However, if held to maturity, both principal and interest will be paid. Price will move throughout the life of the bond		AAA	To be used in-house after consultation/advice from Link		<i>Suggested limit 10 years</i>
<b>Sovereign Bonds (i.e. other than the UK Government)</b>	A) Enhanced income – potentially higher return than using a term deposit with similar maturity B) Interest rate risk. However, if held to maturity, both principal and interest will be paid. Price will move throughout the life of the bond		AAA	To be used in-house after consultation/advice from Link		<i>Suggested limit 10 years</i>

<b>Bonds issued by Multilateral Development Banks</b>	(A) (i) Excellent credit quality. (ii) relatively liquid. (although not as liquid as gilts) (iii) If held to maturity, known yield (rate of return) per annum, which would be higher than that on comparable gilt ~ aids forward planning, enhanced return compared to gilts. (iv) If traded, potential for capital gain through appreciation in value (i.e. sold before maturity)  (B) (i) 'Market or interest rate risk' : Yield subject to movement during life of bond which could negatively impact on price of the bond i.e. potential for capital loss. (ii) Spread versus gilts could widen	No	AAA or government guaranteed	Buy and hold to maturity : to be used in-house after consultation/ advice from Link	<i>Suggested limit 10 years</i>
<b>Sub- Regional Materials Recycling Facility</b>	(A) Enhanced income - Investment opportunity to provide good returns.  (B) (i) Limited market if there is a wish to sell shares. (ii) Commercial risks have been taken into account in the business case modelling.		N/A	8 local authorities are in partnership to develop a wholly local authority owned/operated Materials Recycling Facility.	<i>Limit 25 years</i>

\*

Treasury Management Strategy Statement 2022/23

**Approved Countries for Investment**

**AAA**

Australia  
Denmark  
Germany  
Netherlands  
Singapore  
Sweden  
Switzerland  
United States of America (AA+ with S&P)

**AA+**

Finland  
Canada (AAA with S&P)

**AA**

France  
United Arab Emirates

**AA-**

Belgium (AA with S&P)  
Qatar  
United Kingdom (AA with S&P)

## Minimum Revenue Provision Policy Statement 2022/23

The Council implemented the new MRP Guidance in 2008/09 and have assessed their Minimum Revenue Provision since then in accordance with the main recommendations contained within the Guidance issued by the Secretary of State under section 21 (1A) of the Local Government Act 2003. In particular, the council are satisfied that the guidelines for their annual amount of MRP set out within this Policy Statement will result in their making the requisite prudent provision that is required by the Guidance.

The MRP for the financial year 2008/09, and thereafter, will continue to be charged at the rate of 4%, in accordance with the recommendations and intent of Option 1<sup>1</sup> and the discretion available under the Guidance.

In subsequent financial years, further amounts of new capital expenditure may continue to be charged at the rate of 4%, and added to the above mentioned base CFR amount, up to an amount equivalent to the Council's annual SCER allocation. The expenditures ranking for this method of charge will be assessed on a cumulative basis, where appropriate, rather than confined to individual financial years. To the extent that expenditures cannot be treated in this manner, they will be subject to MRP principles outlined in Option 3<sup>2</sup>.

Also, application of this provision will be on a discretionary basis, in that any utilisation of the continuing 4% option is entirely discretionary and may if necessary be "stored up" until a later financial year.

The Council will treat all expenditures as not ranking for MRP until the year after the scheme or asset to which they relate is completed and/or brought into use, rather than confine this approach solely to expenditures treated for MRP purposes under Option 3.

What is meant by this is that it is considered both proper and prudent to adopt the uncompleted scheme aspect as recommended under the heading of Option 3 for all expenditures, in recognition of the fact that there is essentially no difference in MRP charging terms between any new capital expenditures.

In cases where new capital expenditure is incurred in relation to an existing asset or similar, MRP will be spread over a period which reflects the life/beneficial use of the associated asset or item.

These periods are determined for MRP purposes only, and the Council may account for depreciation of assets under SORP over different periods, after having had regard to the different conditions that may apply to these for accounting purposes.

The spreading of the MRP charge under the estimated life period approach will be carried out in an aggregate manner, as details of individual schemes, whilst required for supporting information purposes in the year for which MRP liability is first being assessed, have no beneficial purpose thereafter. Schemes/expenditures will accordingly be grouped within differing life periods where such apply.

The Council also determines that available resources for financing capital expenditure, such as capital receipts, will be applied to new capital expenditure in a manner that is

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<sup>1</sup> Option 1 – for debt which is supported by the Government. This is subject to a 4% charge per annum.

<sup>2</sup> Option 3 – provision to repay borrowing is made over the estimated life of the asset.

considered appropriate in any financial year. For example, it will not be considered imprudent to apply such resources in the first instance to expenditures that have a shorter estimated lifespan, as the process for allocating either actual resources, or treatment under the various options, can only operate on a selective basis, as envisaged by the Guidance.

When adopting this aspect of the recommendations contained within Option 3, the Council may, where applicable, treat any new capital expenditures/schemes which are both commenced and finalized within the financial year as having been financed from any associated grants, s.106 monies, or similarly earmarked funds. This is however entirely at their discretion. In cases where expenditure is incurred on only part of a scheme which is not completed by the year end, any grant or similar financing resources will either be allocated to other new expenditures under delegated powers, or carried forward for MRP purposes, as necessary or appropriate.

Final decisions regarding the manner in which such resources are deemed to be allocated to schemes will be taken under delegated powers.

Estimated life periods will also be taken under delegated powers. In the case of new capital expenditure in respect of land, it is considered that the recommended life period of 50 years contained within the Guidance does not adequately reflect a realistic life period, which is considered to be at least as great as would be the case if a building were to be placed upon it. The Council are aware when approving this that the Guidance recommends only that the life period should bear some relation to that over which the asset is estimated to provide a service.

To the extent that expenditures are not on the creation of an asset and are of a type that are subject to estimated life periods that are referred to in the Guidance, these periods will generally be adopted by the Council. However, in the case of long term debtors arising from loans or other types of capital expenditure made by the Council which will be repaid under separate arrangements (such as long term investments), the Authority will give separate consideration as to whether a Minimum Revenue Provision will be made. The Council are satisfied that a prudent provision can be achieved after exclusion of these capital expenditures from the MRP requirements.

In view of the variety of different types of capital expenditure incurred by the Authority, which is not in all cases capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefits that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure, and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

The determination as to which schemes shall be deemed to be financed from available resources, and those which will remain as an outstanding debt liability to be financed by borrowing or other means will be assessed under delegated powers.

**Counter Party Limits**

Group Limit	Up to 30% of total investments
Other Limits	Up to 50% of total investments may be invested for a period of more than 1 year
	Up to 100% of total investments may be invested with UK institutions
	Up to 50% of total investments may be invested in non UK institutions
	Up to 100% of total investments may be invested for a period of up to 1 year
	Up to 20% of the investment portfolio in any one country outside the UK
Ultra-Short Dated Bond Funds	As the funds are spread over a large number of institutions, these do not form part of any group limit.
Cash Funds	As the funds are spread over a large number of institutions, these do not form part of any group limit.
Property Funds	As the funds are spread over a range of properties, these do not form part of any group limit.

**Individual Investment Limits**

<b>Fitch Ratings</b>	<b>Investment Duration</b>	<b>Investment Limit</b>
AAA – Money Market Fund (MMF)	12 months and over	£5,000,000
AAA – Cash Fund (USDBF)	12 months and over	£3,000,000
AAA – Property Fund	12 months and over	£2,000,000
AAA – Supranational Bank	12 months and over	£2,500,000
AAA – Supranational Bank	Less than 12 months	£3,000,000
AA+	12 months and over	£2,000,000
AA+	Less than 12 months	£2,500,000
AA	12 months and over	£1,750,000
AA	Less than 12 months	£2,250,000
AA-	12 months and over	£1,500,000
AA-	Less than 12 months	£2,000,000
A+	6 to 12 months	£1,500,000
A+	Less than 6 months	£1,750,000
A	6 to 12 months	£1,000,000
A	Less than 6 months	£1,500,000
A-	6 to 12 months	£750,000
A-	Less than 6 months	£1,250,000
Nationalised/Part-Nationalised	12 months and over	£1,750,000
Nationalised/Part-Nationalised	Less than 12 Months	£2,250,000

**Commercial Investments** – These will be assessed on an individual basis.



## **1 Summary**

- 1.1 In light of the ongoing cost of provision, maintenance and refurbishment set against the Council's ongoing budgetary pressures, this report recommends the permanent closure of Atherstone public conveniences with effect from 1 April 2022.

### **Recommendations to the Board**

- a That Members agree to the permanent closure of Atherstone public conveniences with effect from 1 April 2022;**
- b That, from that date, the site is declared surplus to requirements, and**
- c That the Corporate Director - Streetscape be given delegated authority to dispose of the site once the public conveniences have been permanently closed to the public.**

## **2 Background**

- 1.2 The provision of public conveniences is not a statutory requirement. However, the Borough Council has, for many years, provided public toilets at different locations across the Borough. Usage has declined over time and, in September 2015 with the average cost of usage having risen to over £15 per visit, the Council decided to close three of its four remaining public toilets (at Polesworth, Coleshill and Water Orton). At that time, total usage across all three sites was fewer than fifteen visits each day. All three public conveniences were closed early the following year.
- 1.3 The only remaining public toilet in the Borough Council's ownership is located at Station Street, Atherstone. Constructed from brick, the building was opened in the early 1960s and comprises male and female toilets, a disabled toilet and service area. The facility costs around £56,820 per annum to provide and is in need of refurbishment. Under current building regulations, any significant refurbishment of a facility of this type would need to meet the Changing Places standard. The capital cost to upgrade the current facility to the new standard is estimated to be well in excess of £100,000.

### **3 Recent Closure & Reopening**

- 3.1 In line with Government guidance, the public conveniences in Atherstone were closed at the beginning of the coronavirus pandemic in March 2020. As lockdown measures were eased, the public toilets in Station Street remained closed but the public toilet in The Council House was opened to the public during normal office hours Monday to Friday. During this period there were very few complaints from the public to the Borough Council about the closure of the Station Street toilets.
- 3.2 In August 2021, the public conveniences in Station Street were partially reopened. The disabled toilet was opened to all users during the day, seven days a week. Owing to the lack of sufficient internal cleaning and caretaking resources, the Council engaged a private contractor to open and clean the disabled toilet on a daily basis. The current cost of cleaning and opening is in the region of £15,000 per annum.

### **4 Alternative Arrangements**

- 4.1 Given the cost of continuing to provide public toilets for Atherstone alone and following consultation with the Leader of the Council and the Chairs of Resources Board and the Community & Environment Board, officers approached Atherstone Town Council with a view to gauging the Town Council's appetite for a Community Asset Transfer of the site to the Town Council. In December 2021, the Town Council resolved not to pursue an asset transfer of the facility from the Borough Council to the Town Council.
- 4.2 The annual budget for providing the public conveniences in Atherstone is £56,880. Were the facility to be opened fully (ie, opening the male and female toilets as well as the disabled toilet) that figure would rise. The annual cost of cleaning alone is around £32,000.

### **5 Conclusions & Recommendations**

- 5.1 The Council needs to make significant savings to its base budget and the provision of public conveniences is a relatively high spending area considering the level of service offered and utilised. It should also be remembered that there are alternatives to the public conveniences in Station Street less than five minutes' walk away, including The Council House during the week, but also the Leisure Centre and Co-Op Supermarket, as well as numerous cafes and bars.
- 5.2 The capital cost of refurbishing an ageing facility is also significant and this is work which will need to be undertaken in the short to medium term, given the condition of the building. The requirement for public toilets undertaking major refurbishment to meet Changing Places standards will increase those costs still further.

- 5.3 Given the cost of continuing to provide the facility, the fact that alternative locations are available and that there exists no viable alternative owner/operator, it is recommended that the facility be permanently closed from 1 April 2022 and the site disposed of.

## **6 Report Implications**

### **6.1 Financial Implications**

- 6.1.1 Permanently closing the public conveniences in Atherstone will realise an ongoing revenue saving of £32,120.

### **6.2 Equality Implications**

- 6.2.1 Closing the public toilets in Atherstone will mean the removal of a facility specifically provided for disabled residents and visitors to the town of Atherstone. Alternative provision will remain available at The Council House (during the week) and Atherstone Leisure Centre, as well as at private venues throughout the town. Since the public toilets opened in Atherstone in the 1960s, the number of publicly accessible disabled toilet facilities in the area has increased. Officers will work with other providers and local businesses (including promotion through the AccessAble app and website) to ensure that disabled residents and visitors are signposted to accessible facilities in the town (and wider Borough).

### **6.3 Safer Communities Implications**

- 6.3.1 The public conveniences at Station Street in Atherstone have in the past had issues with mistreatment, particularly the use of the male toilets at times by intravenous drug users which has caused problems for the public and for Council cleaning staff. While there has been no recurrence of those issues while only the disabled toilet has been reopened, concerns remain that the public toilets will be misused and attract anti-social behaviour in the future if they remain open without significantly increased levels of maintenance and supervision.

### **6.4 Legal Implications**

- 6.4.1 The Council has a power to provide public conveniences within its area but does not have a duty to do so. When deciding whether to withdraw and facilities in its area the Council must have regard to the likely impact on those who may use them, particularly any likely equalities implications. The likely impact has been set out above, specifically addressing alternative provision for disabled persons.
- 6.4.2 If the Council decides to dispose of the public conveniences it must seek to obtain the best consideration which can reasonably be obtained, although for a building of this value, there is a general consent which would allow disposal at an undervalue.

The Contact Officer for this report is Richard Dobbs (719440).

**Agenda Item No 15**

**Resources Board**

**24 January 2022**

**Report of the Corporate Director –  
Streetscape**

**Appointment of PATROL  
Representative**

**1 Summary**

- 1.1 Following the implementation of Civil Parking Enforcement within the Borough of North Warwickshire from 1 February 2022, the Council is required to change the process by which it issues Fixed Penalty Notices for off-street parking offences from that date. The change will require the Council to process appeals through the Traffic Penalty Tribunal Service and, as such, the Council needs to nominate a Member representative to sit on the joint committee of PATROL.

**Recommendations to the Board**

- a That Members nominate a representative to sit on the Joint Committee of PATROL.**

**2 Background**

- 2.1 As part of the move to Civil Parking Enforcement within the North Warwickshire area, the way Fixed Penalty Notices are processed and how appeals are dealt with will change. In Civil Parking Enforcement areas, parking penalty appeals are dealt with through the Traffic Penalty Tribunal. This will come into effect from 1 February 2022.
- 2.2 Under the Traffic Management Act 2004 Local Authorities are required by statute to make provision for independent arbitration. This function will be undertaken by the Traffic Penalty Tribunal. The Parking and Traffic Regulations Outside London (PATROL) Joint Committee's main function is to provide resources to support independent adjudicators and their staff who together comprise the Traffic Penalty Tribunal.
- 2.3 Each member authority is required to nominate a Councillor to represent the Borough Council on the Joint Committee and Members are therefore asked to nominate a representative from North Warwickshire.

The Contact Officer for this report is Richard Dobbs (719440).

**Agenda Item No 16**

**Resources Board**

**24 January 2022**

**Report of the  
Chief Executive**

**Exclusion of the Public and Press**

**Recommendation to the Board**

**To consider whether, in accordance with Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following item of business, on the grounds that it involves the likely disclosure of exempt information as defined by Schedule 12A to the Act.**

**Agenda Item No 17**

**Property in Coleshill – Report of the Corporate Director - Streetscape**

Paragraph 3 – By reason of the report containing financial information.

In relation to the item listed above members should only exclude the public if the public interest in doing so outweighs the public interest in disclosing the information, giving their reasons as to why that is the case.

The Contact Officer for this report is Julie Holland