

MEETING OF THE CABINET

TUESDAY, 2 FEBRUARY 2021

ADDITIONAL PAPERS

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CABINET, TUESDAY 2 FEBERUARY 2021

**ADDENDUM TO ITEM 5 - GENERAL FUND AND SPECIAL EXPENSES REVENUE
BUDGETS PROPOSALS FOR 2021/22**

Further to the publishing of the Cabinet papers officers have identified the need to realign the budgeted position in respect of National Non-Domestic Rates and the Business Rates Reserve. Now that all calculations in respect of the business rates base (the “NNDR1”) have been completed and submitted to central government following Cabinet’s consideration of the Council Tax Base for 2021-22 on 12 January 2021.

Overall, there is no change in the total funding available or the budgeted position – changes are between these two budget lines only.

Appendices A and C have been updated and amended areas are highlighted in red. There have been no changes to the original report or recommendations.

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Budget Proposals

Savings Proposals (reduced expenditure/additional income)

| Proposal Title | Amount | One-off / Ongoing |
|--|-----------|-------------------|
| Development Corporation – one-off budget requirement in 2020/21 | -£100,000 | Ongoing |
| Audit- reduction in agency budget | -£8,250 | Ongoing |
| Hermitage Recreation Ground - one-off budget requirement in 2020/21 | -£50,000 | Ongoing |
| Leisure – reduction in the contractor/client payments | -£90,340 | Ongoing |
| Environmental Protection – increase in income for houses in multiple occupation licences | -£7,370 | One-off |
| Environmental Protection – Market Towns Support Programme | -£5,000 | Ongoing |
| Safer and Stronger – removal of the budget for the support families grant | -£30,000 | Ongoing |
| Planning Policy – reduction in the strategic growth plan budget | -£10,000 | One-off |
| Planning and Development – reduction in the advertising budget | -£12,500 | Ongoing |
| Planning and Development – reduction in technical support budget | -£50,000 | Ongoing |
| Planning Support – reduction in the HS2 support budget | -£25,000 | One-off |
| Business Focus – Grants - one-off budget requirement in 2020/21 | -£29,160 | Ongoing |
| Cultural Services – Timber Festival - one-off budget requirement in 2020/21 | -£10,000 | Ongoing |
| Strategic Housing – reduction in the homelessness grant expenditure | -£14,090 | Ongoing |
| Customer Services – savings in relation to staffing | -£15,270 | Ongoing |
| Revenues & Benefits – additional funding in relation to HB Subsidy Grant | -£22,830 | Ongoing |
| Revenues & Benefits – net saving in housing benefit | -£99,560 | Ongoing |
| Finance System Implementation - one-off budget requirement in 2020/21 | -£50,000 | Ongoing |
| Climate Change Reserve - one-off budget requirement in 2020/21 | -£885,000 | Ongoing |
| Localisation of Council Tax Support Grant – reduce in the support grants to parishes | -£41,069 | Ongoing |
| Revenue Contribution to Capital - one-off budget requirement in 2020/21 | -£115,000 | Ongoing |

| Proposal Title | Amount | One-off / Ongoing |
|---|--------------------|--------------------------|
| Recharges to HRA – increases | -£78,173 | Ongoing |
| Pension Additional Contribution - one-off budget requirement in 2020/21 | -£153,325 | Ongoing |
| Environmental Protection – Lightbulb Contribution | -£13,100 | Ongoing |
| Total | -£1,915,037 | |

Proposals to cover Cost Pressures (additional expenditure/reduced income)

| Proposal Title | Amount | One-off / Ongoing |
|---|---------------|--------------------------|
| Legal – reduction in legal fee income | £40,500 | Ongoing |
| Democratic Services – District Elections | £15,500 | Ongoing |
| Refuse and Recycling – Staffing | £245,740 | Ongoing |
| Refuse and Recycling – reduction in recycling Income | £163,250 | Ongoing |
| Fleet – additional expenditure for parts, overtime, servicing and labour | £24,540 | One-off |
| Community Leisure – reduction in Castle Donington College income | £5,940 | One-off |
| Community Leisure – reduction in income for Newbridge High School | £9,270 | Ongoing |
| Environmental Protection – reduction in car parking income | £21,600 | Ongoing |
| Environmental Health – increase in contractor payments in relation to pest control. | £9,000 | Ongoing |
| Safer & Stronger – increase in contractor payments in relation to the CCTV contract | £9,290 | Ongoing |
| Planning and Development – reduction in planning fee income | £300,000 | Ongoing |
| Property Services – general repairs at the Courtyard | £20,000 | One-off |
| Revenues and Benefits – additional partnership payments in relation to staffing | £17,730 | Ongoing |
| ICT – create a budget for support and maintenance for Skype for business | £15,450 | Ongoing |
| ICT – enhancing endpoint security | £9,500 | Ongoing |
| Green Spaces – Coalville Forest Adventure - railway bridge examination and survey | £5,000 | One-off |

| Proposal Title | Amount | One-off / Ongoing |
|--|-------------------|-------------------|
| Human Resources – FLM Standby Payments | £20,000 | Ongoing |
| Standby and Callout Allowances | 51,850 | Ongoing |
| Miscellaneous Finance – increase in the bad debt provision | £75,000 | Ongoing |
| Investment Income | £184,925 | Ongoing |
| Minimum Revenue Provision | £248,789 | Ongoing |
| Total | £1,492,874 | |

Service Development Proposals

| Proposal Title | Amount | One-off / Ongoing |
|--|-----------------|-------------------|
| Waste Services – continuation of Food Waste trial | £175,130 | Ongoing |
| Environmental Protection – improved cameras for fly-tipping surveillance | £15,000 | Ongoing |
| Environmental Protection – Air Quality | £19,000 | Ongoing |
| Business Focus – Coalville Regeneration | £35,000 | Ongoing |
| Customer Services – new temporary post within the Customer Experience team | £32,350 | One-off |
| Public Protection – Litter picking equipment | £6,500 | One-off |
| Total | £282,980 | |

Other Changes affecting the net cost of services

| Proposal Title | Amount | One-off / Ongoing |
|---|------------------|---------------------|
| Staffing increases as a result of: increments, pay award (below £24,000), pension increase and other staffing increases (overtime, vacancies and change of hours) | £232,275 | Ongoing |
| COVID Emergency Funding for Local Government | -£443,910 | One-off |
| COVID Income Compensation | -£63,580 | One-off |
| De minimus budgetary changes (below £5k) | £129,893 | Ongoing/ One-off |
| Total | -£145,322 | |

Funding

| Proposal Title | Amount | One-off / Ongoing |
|--|-----------------|-------------------|
| Reduction in New Homes Bonus | £958,613 | Ongoing |
| Reduction in the Council Tax Surplus (becoming a deficit) | £165,504 | Ongoing |
| Council Tax as a result of growth in homes in the district | -£40,597 | Ongoing |
| Reduction in Business Rates | £3,544,573 | Ongoing |
| Business Rates Reserve (increase) | -£4,273,836 | One-off |
| Lower Tier Funding | -£550,277 | One-off |
| Total | £196,020 | |

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL SUMMARY BUDGET 2021/22

| 2020/21 Budget £ | 2020/21 Forecast Outturn @P9 £ | Service | 2021/22 Budget £ | 2022/23 Indicative £ | 2023/24 Indicative £ | 2024/25 Indicative £ | 2025/26 Indicative £ |
|------------------------|---|--|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| 368,460 | 369,830 | Chief Executive | 273,570 | 280,900 | 288,680 | 296,120 | 304,089 |
| 642,900 | (173,330) | Human Resources | 235,290 | 672,420 | 687,880 | 702,830 | 718,120 |
| 1,411,880 | 1,443,520 | Legal & Support Services | 1,497,290 | 1,517,910 | 1,551,700 | 1,588,690 | 1,629,600 |
| 2,423,240 | 1,640,020 | Total Chief Executive's Department | 2,006,150 | 2,471,230 | 2,528,260 | 2,587,640 | 2,651,809 |
| 359,290 | 405,701 | Strategic Director of Place | 346,850 | 356,480 | 366,630 | 376,400 | 386,400 |
| 6,290,430 | 7,341,584 | Community Services | 6,816,380 | 7,049,870 | 6,988,940 | 6,975,850 | 7,073,600 |
| 492,260 | 235,340 | Planning & Infrastructure | 713,890 | 704,870 | 513,520 | 651,540 | 690,500 |
| 839,190 | 801,130 | Economic Development | 842,550 | 813,120 | 793,010 | 809,710 | 826,750 |
| 11,630 | 11,630 | Joint Strategic Planning | 11,790 | 12,040 | 12,300 | 12,540 | 12,800 |
| 7,992,800 | 8,795,385 | Total Director of Services | 8,731,460 | 8,936,380 | 8,674,400 | 8,826,040 | 8,990,050 |
| 534,500 | 495,910 | Strategic Housing | 534,920 | 557,680 | 573,040 | 587,850 | 603,020 |
| 3,099,760 | 2,691,630 | Customer Services | 3,104,150 | 2,913,230 | 2,996,680 | 3,085,790 | 3,170,800 |
| 962,050 | 1,046,000 | Finance | 1,073,690 | 1,080,950 | 1,051,950 | 1,074,510 | 1,096,520 |
| 4,596,310 | 4,233,540 | Total Director of Housing & Customer Services | 4,712,760 | 4,551,860 | 4,621,670 | 4,748,150 | 4,870,340 |
| 15,740 | 42,220 | Non Distributed - Revenue Expenditure on Surplus Assets | 16,040 | 16,160 | 16,270 | 16,390 | 16,510 |
| 77,760 | 4,530 | Non Distributed - Retirement Benefits | 75,490 | 75,850 | 76,210 | 76,570 | 76,930 |
| 39,440 | 75,140 | Corporate & Democratic Core | 38,080 | 41,140 | 39,640 | 42,560 | 41,100 |
| (570,000) | (41,000) | Targeted savings in relation to J2SS | (570,000) | (895,000) | (1,120,000) | (1,245,000) | (1,270,000) |
| 885,000 | 885,000 | Climate Change Reserve | | | | | |
| 15,460,290 | 15,634,835 | NET COST OF SERVICES | 15,009,980 | 15,197,620 | 14,836,450 | 15,052,350 | 15,376,739 |
| (1,470,310) | (1,317,027) | Net Recharges from General Fund | (1,582,150) | (1,616,540) | (1,649,850) | (1,683,800) | (1,718,410) |
| 13,989,980 | 14,317,808 | NET COST OF SERVICES AFTER RECHARGES | 13,427,830 | 13,581,080 | 13,186,600 | 13,368,550 | 13,658,329 |
| | | CORPORATE ITEMS AND FINANCING | | | | | |
| | | Corporate Income and Expenditure | | | | | |
| 1,209,643 | 1,175,990 | Net Financing Costs | 1,458,432 | 2,059,043 | 2,242,682 | 2,334,164 | 2,439,286 |
| (190,800) | (109,985) | Investment Income | (5,875) | (4,895) | (3,445) | (2,047) | (2,047) |
| 88,696 | 88,696 | Localisation of Council Tax Support Grant - Parish & Special Expenses | 47,627 | 31,752 | 15,876 | 0 | 0 |
| 115,000 | 146,700 | Revenue Contribution to Capital (Charging Points) | 0 | 0 | 0 | 0 | 0 |
| 15,212,519 | 15,619,208 | NET REVENUE EXPENDITURE | 14,928,014 | 15,666,980 | 15,441,713 | 15,700,667 | 16,095,568 |
| 630,368 | 223,679 | Contribution to/(from) Balances/Reserves | 1,110,893 | 1,362,704 | (362,894) | (2,229,783) | (5,098,084) |
| 0 | 5,048,344 | Contribution to Business Rates Reserve to fund future deficit and safeguard against volatility | 0 | 0 | 0 | 0 | 0 |
| 15,842,887 | 20,891,231 | MET FROM GOVT GRANT & COUNCIL TAX (Budget Requirement) | 16,038,907 | 17,029,684 | 15,078,819 | 13,470,884 | 10,997,483 |

| 2020/21 Budget £ | 2020/21 Forecast Outturn @P9 £ | Service | 2021/22 Budget £ | 2022/23 Indicative £ | 2023/24 Indicative £ | 2024/25 Indicative £ | 2025/26 Indicative £ |
|------------------------|---|--|------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | | Financed By | | | | | |
| 3,410,707 | 3,410,707 | New Homes Bonus | 2,452,094 | 891,117 | 0 | 0 | 0 |
| 66,086 | 66,086 | Transfer from Collection Fund | (99,418) | (74,676) | (74,676) | 0 | 0 |
| 5,484,489 | 5,484,489 | Council Tax | 5,525,086 | 5,615,476 | 5,705,867 | 5,796,258 | 5,886,648 |
| 6,881,605 | 11,694,734 | National Non-Domestic Rates Baseline | 3,337,032 | 4,512,315 | 5,450,729 | 5,721,129 | 4,477,403 |
| | 0 | Business Rates Reserve | 4,273,836 | 318,276 | 318,276 | 0 | 0 |
| | 235,215 | Local Tax Income Compensation: Business Rates and Council Tax (COVID-19) Funding) | 0 | 0 | 0 | 0 | 0 |
| | | Lower Tier Services Grant | 550,277 | 0 | 0 | 0 | 0 |
| 0 | | Damping | 0 | 5,767,176 | 3,678,623 | 1,953,497 | 633,432 |
| 15,842,887 | 20,891,231 | TOTAL FUNDING AVAILABLE | 16,038,907 | 17,029,684 | 15,078,819 | 13,470,884 | 10,997,483 |