

Title of Report	COALVILLE SPECIAL EXPENSES FINANCE UPDATE
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Financial Implications	The Net Revenue Expenditure for 2020/21 is estimated at £533k and the total funding available is £530k. The predicted deficit of £3k will be funded from Coalville Special Expense balances and these are estimated to be £59k as at 31 st March 2021.
Purpose of Report	To inform Coalville Special Expense working party of the 19/20 period 7 actuals and forecast outturn. To present the Coalville Special Expense draft 20/21 budgets and indicative costs for 21/22 to 24/25.
Recommendations	THAT THE COMMITTEE ARE RECOMMENDED TO REVIEW AND COMMENT ON THE PROPOSED COUNCIL TAX PRECEPT INCREASE AND TO CONSIDER ANY ADDITIONAL BUDGET PROPOSALS FOR 2020/21.

1. REVENUE 2019/20

1.1 The 2019/20 period 7 outturn position is forecasting an overspend, with a contribution from balances of £17,341 required (see Appendix 1 for further details).

2. CAPITAL PROJECTS FINANCE UPDATE 2019/20

2.1 The capital projects and breakdown of funding for 2019/20 can be seen at Appendix 2.

3. DRAFT BUDGET POSITION 2020/21 – 2024/25

3.1 In line with the precept freeze for the Council's share of Council Tax, the precepts for Coalville special expenses have been frozen since 2010.

3.2 The impact of this freeze along with the inclusion of the Planned Preventative Maintenance (PPM) programme of works and a replacement play area equipment programme means that Coalville Special expenses will have insufficient funds to meet the reoccurring budget expenditure requirements and to carry out the programme of works.

3.3 As reported at the CSEWP meeting on 22nd October 2019, a 5 year planned preventative maintenance programme along with a programme for play area equipment replacement has now been developed as per the Capital Projects Update (Appendix A).

3.4 In addition, the general fund currently provides a grant to parishes and special expense areas in relation to the localisation of council tax support grant. For 2020/21 this equates to £58,387 for Coalville. The grant to parishes has been phased out over a four year period with the last payments being in 2020/21. The council tax in relation to Special Expenses has been recalculated to phase out the Localisation of Council Tax Support Grant over 4 years commencing in 2021/22 and to provide sufficient funding to cover future planned maintenance and is detailed below.

Band D Special Expenses Council Tax			
	19/20	Increase	20/21
Coalville	£63.53	£3.09	£66.62

- 3.5 In previous years the Special expense budget requirement has not been considered until after such time that the Council Tax Base is approved by Cabinet in January. To enable consultation, a draft budget requirement has been produced based on an indicative Council Tax base and is available at Appendix 3.
- 3.6 CSEWP are requested to comment on the proposed increase in the Council Tax Special Expense precept for 2020/21.
- 3.7 The proposal to increase the precept over a 5 year period (to be reviewed annually as part of the budget process) will only provide sufficient funds to cover reoccurring budgets and the planned preventative maintenance works and the replacement play area equipment. Therefore CSEWP may want to consider any budget proposals which they wish to be included for 2020/21 as it is unlikely that there will be sufficient funding in balances to fund one off items throughout the year.