

REPORT TO: Executive Board
DATE: 27 February 2020
REPORTING OFFICER: Operational Director – Finance
SUBJECT: Budget 2020/21
PORTFOLIO: Resources
WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To recommend to Council the revenue budget, capital programme and council tax for 2020/21.

2.0 RECOMMENDATION: That;

- (i) Council be recommended to adopt the resolution set out in Appendix A, which includes setting the budget at £115.770m, the Council Tax requirement of £52.179m (before Parish, Police, Fire and LCR Combined Authority precepts) and the Band D Council Tax for Halton of £1,475.70;**
- (ii) Council be recommended to approve the revenue budget proposals for 2020/21 set out in Appendix B and capital programme set out in Appendix F;**
- (iii) From 01 April 2020 the level of Empty Homes Premium on dwellings that have been unoccupied for between 2 and 5 years remain at 100%. The level of Premium on dwellings unoccupied for more than 5 years be increased to 200%.**

3.0 SUPPORTING INFORMATION

Medium Term Financial Strategy

3.1 The Executive Board approved the Medium Term Financial Strategy (MTFS) at its meeting on 14 November 2019. In summary, funding gaps of around £7.9m in 2020/21, £15.1m in 2021/22 and £4.4m in 2022/23 were identified. The Strategy had the following objectives:

- Deliver a balanced and sustainable budget
- Prioritise spending towards the Council's priority areas
- Avoid excessive Council Tax rises
- Achieve significant cashable efficiency gains

- Protect essential front line services and vulnerable members of the community
- Deliver improved procurement

Budget Consultation

- 3.2 The Council uses various consultation methods to listen to the views of the public and Members' own experience through their ward work is an important part of that process.
- 3.3 Individual consultations are taking place in respect of specific budget proposals and equality impact assessments will be completed where necessary.

Review of the 2019/20 Budget

- 3.4 The Executive Board receives regular reports summarising spending in the current year against the budget. The latest report indicates that spending may be over budget in the current year by approximately £5.1m against a net budget of £108.6m. The main reason for the projected overspend is the continued significant pressure in respect of Children's Social Care costs. Adult Social Care costs are also greater than forecast for the year due to increasing demand for direct payments and initial set-up costs for a number of care homes which the Council has acquired over the last 18 months. The Community and Environment Department continues to experience significant financial pressures, primarily due to shortfalls in various areas of income. The other significant budget pressure is within the Education, Inclusion and Provision department due to increasing costs for school transport.
- 3.5 The potential overspend is a worst case scenario, as actions are being taken to mitigate the impact of these pressures and bring net spending back in line with budget as far as possible. A review of earmarked reserves is also being undertaken to identify options which might assist with funding the overspend. The general reserve balance is currently around £5.0m, equivalent to approximately 4.3% of the net budget for 2020/21, which is considered a prudent level. Any overspend would reduce the level of the general reserve, however the actions being taken should help to mitigate the impact.

2020/21 Revenue Budget

- 3.6 The proposed revenue budget totals £115.770m. The departmental analysis of the budget is shown in Appendix C and the major reasons for change from the current budget are shown in Appendix D.
- 3.7 Included at Appendix B are proposed budget savings for 2020/21 totalling £4.230m.

- 3.7 The proposed budget incorporates the grant figures announced in the Local Government Grant Settlement. It includes £2.207m for the New Homes Bonus 2020/21 grant. This is inclusive of additional grant of £0.339m for 2020/21, confirmed by Government that it would be paid for one year only rather than a four year legacy payment which has been the case in past years.
- 3.8 The budget includes Better Care Funding (BCF) of £6.777m, this is inclusive of £5.234m for the improved BCF element, £0.904m for the additional BCF element and £0.639m covering Winter Care Pressures. The grant has been awarded at the same allocation levels as for 2019/20.
- 3.9 Announced in the Government's 2019 Spending Review was additional funding for both Adult and Children's Social Care. Confirmation was given that the 2019/20 grant used for wider social care measures of £1.092m was to continue in 2020/21. An additional £1bn grant was announced for 2020/21, the value of the allocation to Halton is in the region of £2.915m. This funding will be included in the Council budget to help fund existing pressures within Social Care services.
- 3.10 Government have confirmed the continuation of the 100% Business Rates Retention pilot within the Liverpool City Region for 2020/21. The pilot comes with a no detriment guarantee from Government that no authority will be worse off than had they not been in the pilot. In balancing the budget for 2020/21 £2m of gain from the pilot scheme has been used to fund future spending.
- 3.11 Pay rates for 2020/21 have not yet been agreed but the budget provides for an increase in pay awards in the region of 2.5%.
- 3.12 Inflation of 2% has been applied to contractual (non-controllable) budgets for 2020/21. Additional inflation has been applied to social care contract costs which will increase at above normal inflation rates due to the increase of 6.2% in National Living Wage rates from April 2020.
- 3.13 The risk to the Council's budget continues over the next year due to increasing service demand pressures. To mitigate the risk budgets have been increased in 2020/21 to help manage the current departmental budget overspends, inclusive of £5.2m across adults' and children's social care and £0.490m for the Community and Environment Department.
- 3.14 It is considered prudent for the budget to include a general contingency of £1.0m. At this stage it is considered sufficient to cover the potential for price changes, increases in demand led budgets, as well as a general contingency for uncertain and unknown items. The latter includes potential increased costs arising from the retendering of bus

support contracts previously operated by Halton Borough Transport Limited.

- 3.15 The Council invited the LGA to conduct a Peer Review during September 2019, from which a number of recommendations were made. An amount of £0.5m has been allocated within the 2020/21 budget to provide resources to implement the resulting action plan.
- 3.16 The Local Government Act 2003 places a requirement on the Chief Financial Officer to report on the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides. In my view the budget setting process and the information provided should be sufficient to allow the Council to come to an informed view regarding the 2020/21 revenue budget, capital programme and council tax. Balances and reserves should provide sufficient resilience to meet the financial consequences of any unforeseen events.

Local Government Finance Settlement

- 3.17 The Government announced the provisional Local Government Finance Settlement on 20 December 2019. At the time of writing the report the final settlement is still to be announced. In addition, the Council are waiting on confirmation of some 2020/21 grant allocations, including the Public Health grant.
- 3.18 As part of the Liverpool City Region, the Council will continue to participate in a pilot scheme of 100% business rates retention. Government have reiterated that the pilot scheme will operate under a “No Detriment” policy, in that no council operating as part of the pilot will see a reduction in their funding in comparison to what it would have received under the 49% national scheme. The pilot will result in additional business rates being retained by the Council although offset by Revenue Support and Better Care Fund grants no longer being received.
- 3.19 From 2021/22 it is expected the Business Rates Retention Scheme will be rolled-out on a national basis, with the level of retained rates for each Council being set at 75%. In conjunction with this, Government will continue to undertake a review of needs and resources of Local Government, the first review since April 2013, and will also reconsider the business rate “baselines” for each council.
- 3.20 For 2020/21 the Council’s total Government Settlement Funding Allocation is £52.372m. This is made up of £46.857m Business Rates Baseline Funding and Top-Up grant of £5.515m. Excluding the rolled in Better Care Funding grant, the increase to the Settlement Funding Assessment from 2019/20 is 1.6%.

- 3.21 The Government's Spending Power analysis (the total of business rates, council tax and Government grant funding available to each council) calculates that over the period 2011/12 to 2020/21, in cash terms there has been a reduction in funding for Halton of £27.5m or 19.7%. This compares with a national average reduction over the same period of 10.3%.
- 3.22 The Council is required to provide an annual forecast of business rates to Government by the end of January of the preceding year. The forecast has been undertaken and the Council expect net collectable rates to be £54.250m for 2020/21.
- 3.23 As far as non-domestic premises are concerned, the business rates multiplier rate is fixed centrally by Government and then applied to each premises' rateable value. For 2020/21 the multiplier rate has been set at 51.2p in the pound and 49.9p in the pound for small businesses.
- 3.24 In 2016/17 the Council set an Adult Social Care council tax precept level of 2%. For the three years from 2017/18 to 2019/20 Government extended the flexibility in order that councils could apply a further precept of up to 6% over the period, with a limit of 3% being in place for the first two years and a limit of 2% for 2019/20. In 2017/18 and 2018/19 the Council set Adult Social Care precept levels of 3% in each of the years.
- 3.25 The Government Spending Review published 04 September 2019 confirmed that a further Adult Social Care council tax precept of 2% could be applied for 2020/21.

Budget Outlook

- 3.26 Beyond 2020/21 there is great uncertainty regarding the funding of Local Government, due to the potential impact of a number of changes to the Local Government funding regime and other associated areas. There is therefore further continued uncertainty regarding the Council's funding resources in 2021/22.
- 3.27 The impact of the following developments will have to be assessed when considering the 2021/22 budget and beyond. Further information will be known as we progress through the coming year:
- Fair Funding Review – A review of how cumulative Local Government funding should be apportioned between Councils. The last review was in April 2013 and since then reductions made to Local Government funding have been made on a percentage basis. This has had the impact of protecting those authorities less reliant on Government grant funding, whilst those councils who are more reliant (such as Halton) have had to deal with the larger reductions in funding on a per capita basis.

- 75% Business Rate Retention – Government have indicated that from 2021/22 the percentage share of retained rates at a local level will be 75%. It is unclear how this will impact on pilot authorities, such as Halton, as to whether they will continue at 100% or switch to 75% retention.
- Business Rates Baseline Reset – It is proposed there will be a reset of the business rates baseline in April 2021, which could work against Halton and similar authorities who have seen significant growth in business rates since the current baseline was set in 2013. It is not yet known if there will be a transition process put in place to protect authorities from excessive losses in funding from an increase to the baseline position.
- 2020 Public Spending Review – The next medium term review of public spending for the period from 2021 onwards is expected to be announced during the coming year.
- Social Care Green Paper – It is uncertain what impact this will have on the future of Local Government funding.

3.28 The Medium Term Financial Strategy has been updated to take into account the 2020/21 Local Government Finance Settlement and multi-year allocations and saving measures already agreed or proposed. It includes a number of assumptions for 2021/22 including:

- Settlement Funding Assessment as per 2020/21 plus 2% inflation.
- Business rate growth since 2013 to be lost as a result of the reset to business rates system.
- Pay, prices and income growth of 2%.
- Reversal of 2020/21 one-off savings proposals.

3.29 The resulting funding gap over the subsequent three financial years (2021/22 to 2023/24) is forecast to be in the region of £22.7m.

Halton's Council Tax

3.30 The Government no longer operates council tax capping powers, but instead there is a requirement for councils to hold a local referendum if they propose to increase council tax by more than a percentage threshold prescribed by the Government.

3.31 The Government have confirmed the council tax referendum threshold at 2% for 2020/21.

3.32 On 12 December 2018 the Council's Executive Board agreed council tax premiums for empty properties be applied as follows:

- From 01 April 2019, 100% premium in addition to the full council tax charge for each dwelling unoccupied and unfurnished for more than two years.

- From 01 April 2020, 100% premium in addition to the full council tax charge for each dwelling unoccupied and unfurnished between two and five years, and 200% premium for dwellings unoccupied for more than five years.
- From 01 April 2021, 100% premium in addition to the full council tax charge for each dwelling unoccupied and unfurnished between two and five years, 200% for dwellings unoccupied between five and ten years, and 300% for properties unoccupied for more than ten years.

3.33 As a result of the additional council tax premium applied in April 2019 the number of long term empty properties in Halton reduced from 160 to 117. The number of properties empty for over five years and therefore billed a 200% premium from April 2020 is currently 51.

3.34 The tax base (Band D equivalent) for the Borough has been set by Council at 35,359.

3.35 The combined effect of the budget proposals presented within this report, Government grant support, business rate retention and the council tax base, requires the Council to set a Band D council tax for Halton of £1,475.70 (equivalent to £28.38 per week), in order to deliver a balanced budget for 2020/21 as required by statute. This is an increase of 3.99% (£56.62 per annum or £1.09 per week) over the current year.

Parish Precepts

3.36 The Parish Councils have set their precepts for the year as shown below, with the resultant additional Council Tax for a Band D property in these areas being as follows:

	Precept	Precept Increase		Additional Council Tax	Basic Council Tax
	£	£	%	£	£
Hale	49,002	5,777	13.4%	73.91	1,549.61
Daresbury	5,359	424	8.6%	29.94	1,505.64
Moore	5,225	473	10.0%	15.98	1,491.68
Preston Brook	xx,xxx	x	x%	xx.xx	x,xxx.xx
Halebank	39,235	18,330	87.7%	75.02	1,550.72
Sandymoor	36,799	4,240	13.0%	29.09	1,504.79

Average Council Tax

3.37 In addition, it is also necessary to calculate the average Council Tax for the area as a whole. This is the figure required by Government and used for comparative purposes. For a Band D property the figure is £x,xxx.xx, an increase of £xx.xx per annum.

Police Precept

- 3.38 The Cheshire Police and Crime Commissioner has set the precept on the Council at £7.441m which is £210.44 for a Band D property, an increase of £10.00 or 4.99%. The figures for each Band are shown in Recommendation 5 in Appendix A.

Fire Precept

- 3.39 The Cheshire Fire Authority has set the precept on the Council at £2.804m which is £79.29 for a Band D property, an increase of £1.55 or 1.99%. The figures for each Band are shown in Recommendation 6 in Appendix A.

Liverpool City Region Mayoral Precept

- 3.40 The Liverpool City Region Combined Authority has set the precept on the Council at £0.672m which is £19.00 for a Band D property, an increase of £0.00 or 0%. The figures for each Band are shown in Recommendation 7 in Appendix A.

Total Council Tax

- 3.41 Combining all these figures will give the Total Council Tax for 2020/21 and these are shown in Recommendation 8 in Appendix A. The total Band D Council Tax (before Parish precepts) is £x,xxx.xx an increase of £xx.xx or x.xx%. The inclusion of parish precepts means the increase in Hale is x.xx%, in Daresbury is x.xx%, in Moore is x.xx%, in Preston Brook is x.xx%, in Halebank is x.xx% and in Sandymoor is x.xx%.
- 3.42 It is expected that Halton's total council tax will continue to be amongst the lowest in the North West. Given that nearly half of all properties in the Borough are in Band A, and also 82% of properties are in Bands A-C, most households will pay less than the "headline" figure. In addition, many households will receive reduced council tax bills through discounts, and these adjustments will be shown on their bills.
- 3.43 A complex set of resolutions, shown in Appendix A, needs to be agreed by Council to ensure that the Budget and Council Tax level are set in a way which fully complies with legislation, incorporating changes required under the Localism Act 2012.

Capital Programme

- 3.44 The following table brings together the existing capital programme spend and shows how the capital programme will be funded.

	2020/21	2021/22	2022/23
	£000	£000	£000
<u>Spending</u>			
Scheme estimates	38,536.9	35,826.5	8,145.0
Slippage between years	1,335.8	591	5,536.3
	<u>39,872.7</u>	<u>36,417.5</u>	<u>13,681.3</u>
<u>Funding</u>			
Borrowing and Leasing	7,822.0	11,791.9	6690.0
Grants and External Funds	26,273.4	20,853.5	586.0
Direct Revenue Finance	443.0	0.00	0.0
Capital Receipts	2,907.3	2,330.0	1,869.0
Slippage between years	2,427.0	1,442.1	4,536.3
	<u>39,872.7</u>	<u>36,417.5</u>	<u>13,681.3</u>

3.45 The committed Capital Programme is shown in Appendix F.

3.46 As the Capital Programme is fully committed, there are no funds available for new capital schemes unless external funding is available or further savings are identified to cover capital financing costs.

Prudential Code

3.47 The Local Government Act 2003 introduced the Prudential Code which provides a framework for the self-regulation of capital expenditure. The key objectives of the Code are to ensure that the Council's:

- capital expenditure plans are affordable;
- external borrowing is within prudent and sustainable levels;
- treasury management decisions are taken in accordance with good professional practice; and
- there is accountability through providing a clear and transparent framework.

3.48 To demonstrate that Councils have fulfilled these objectives, the Prudential Code sets out a number of indicators which must be used. These are included in the Treasury Management Strategy report elsewhere on the Agenda. The prudential indicators are monitored throughout the year and reported as part of the Treasury Management monitoring reports to the Executive Board.

School Budgets

3.49 Schools are fully funded by Government Grants, primarily the Dedicated Schools Grant (DSG) which is mainly used to fund the Individual School Budgets. DSG is now allocated in four blocks;

Schools Block, Central Schools Services Block, Early Years Block and High Needs Block. The funding is allocated to schools by way of a formula in accordance with the National Funding Formula introduced in 2018/19.

- 3.50 Schools Block pupil numbers in mainstream primary and secondary schools have increased slightly from 18,148 for 2019/20 to 18,281 for 2020/21. Funding for mainstream primary and secondary schools is based on the pupil cohort on the October 2019 census. The DSG settlement was announced on 19 December 2019 giving a total of £92.6m for the Schools Block for 2020/21, which is a significant increase of £5.7m (6.2%) from the previous year. This includes an amount of £0.7m for 'growth funding'.
- 3.51 The Central Schools Services Block (CSSB) was split from the Schools Block for the first time in 2018/19, following the introduction of the ring-fenced requirement for the Schools Block to be wholly passed to primary and secondary schools, with the exception any agreed transfer to the High Needs Block. For 2020/21 we are not transferring any Schools Block funding to High Needs. There are regulations in place which limit what the CSSB grant can be used for and limit budgets to the same level as previous years. The CSSB includes budgets that are de-delegated from maintained schools. As more schools convert to academy status, so the de-delegated funds are reduced, unless schools are asked to contribute a higher amount
- 3.52 The Early Years Block allocation for 2019/20 was £9.629m and the indicative Early Years Block grant for 2020/21 is £9.982m. The hourly rate the Council are funded at for 3 and 4 year old provision, as opposed to the hourly rate we pay providers, is remaining the same at £5.12 per hour. This includes transitional protection of £0.44 per hour. The hourly rate the Council are funded at for 2 year old provision has increased from £5.28 per hour to £5.36 per hour.
- 3.53 The High Needs Block for 2019/20 was £16.771m with £2.907m recouped by the Department for Education for commissioned places in special academies and independent special schools, leaving £13.864m available. For 2020/21 the High Needs Block is £19.041m with £2.884m recouped for commissioned places leaving £16.157m available, an increase of £2.29m.
- 3.54 The Minimum Funding Guarantee has been agreed by Schools Forum at plus 1.84% which is the highest level possible.
- 3.55 The Teachers' Pay Grant and Teachers' Pension Grant are continuing to be paid separately to the DSG but the indications are that these will be rolled into the DSG in future years. There has been a request for transparency when the new grants are combined and we have been told that we will be consulted on this change. However, there is some support for the grant to be left as a separate entity, including the impact

on the Minimum Funding Guarantee. There is also an issue around the inclusion of these grants in the High Needs Block and Early Years Block determinations.

- 3.56 There is consideration being given to the design of the funding formula to make it fairer to smaller schools. Whilst this should have minimal impact on the majority of Halton's schools, it should be beneficial to our small schools.
- 3.57 The Pupil Premium has been increased to £1,345 per Primary pupil and £955 per Secondary pupil who are or have been eligible for Free School Meals in the last six years. Children who have been adopted from care and children who leave care under a special guardianship order or residence order will be funded at £2,345 per pupil. Eligibility for the Service Children Premium remains at £310 per pupil. The amount for Looked after Children which comes to the Council for distribution is £2,345 per pupil. The Pupil Premium will be added to school budgets on top of the Minimum Funding Guarantee.

4.0 POLICY IMPLICATIONS

- 4.1 The Council's budget will support the delivery of all of the Council's services.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The financial implications relating to the Council's budget are as set out within the report and appendices.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

The budget will support the Council in achieving the aims and objectives set out in the Community Strategy for Halton and the Council's Corporate Plan and has been prepared in consideration of the priorities listed below.

- 6.1 **Children and Young People in Halton**
- 6.2 **Employment, Learning and Skills in Halton**
- 6.3 **A Healthy Halton**
- 6.4 **A Safer Halton**
- 6.5 **Halton's Urban Renewal**

7.0 RISK ANALYSIS

7.1 The budget is prepared in accordance with detailed guidance and timetable to ensure the statutory requirements are met and a balanced budget is prepared that aligns resources with corporate objectives.

7.2 A number of key factors have been identified in the budget and a detailed risk register has been prepared. These will be closely monitored throughout the year and the Contingency and the Reserves and Balances Strategy will help to mitigate the risks.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 Equality Impact Assessments will be undertaken in relation to the individual savings proposals as required.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

Document	Place of Inspection	Contact Officer
Local Government Finance Report (England) 2020/21	Financial Management Halton Stadium	Steve Baker

10.0 REASON FOR THE DECISION

10.1 To seek approval for the Council's revenue budget, capital programme and council tax for 2020/21.

11.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

11.1 In arriving at the budget saving proposals set out in Appendix B, numerous proposals have been considered, some of which have been deferred pending further information or rejected.

12.0 IMPLEMENTATION DATE

12.1 04 March 2020.

APPENDIX A

DRAFT RESOLUTION FOR SUBMISSION TO THE COUNCIL AT ITS MEETING ON 04 March 2020

RECOMMENDATION: that the Council adopt the following resolution:

1. The policies outlined in this paper be adopted, including the budget and council tax for 2020/21, the savings set out in Appendix B and the Capital Programme set out in Appendix F.
2. That it be noted that at the meeting on 18 December 2019 the Council agreed the following:
 - (a) The Council Tax Base 2020/21 for the whole Council area is 35,359 (item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the Act) and
 - (b) For dwellings in those parts of its area to which a Parish precept relates, be set out as follows:

Parish	Tax Base
Hale	663
Daresbury	179
Moore	327
Preston Brook	368
Halebank	523
Sandymoor	1,265

being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which special items relate.

3. Calculate that the Council Tax requirement for the Council's own purposes for 2020/21 (excluding Parish precepts) is £52,179,276.
4. In accordance with the relevant provisions of the Local Government Finance Act 1992 (Sections 31 to 36), the following amounts be now calculated by the Council for the year 2020/21 and agreed as follows:
 - (a) £xxx,xxx,xxx – being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the said Act, taking into account all precepts issued to it by Parish Councils.

- (b) £xxx,xxx,xxx– being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £xx,xxx.xx – being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year (item R in the formula in Section 31A(4) of the Act).
- (d) £x,xxx,xx– being the amount at 3(c) above (item R), all divided by item T (2 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £xxx,xxx – being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act, each individual Parish precept being:

	£
Hale	49,002
Daresbury	5,359
Moore	5,225
Preston Brook	xx,xxx
Halebank	39,235
Sandymoor	36,799

- (f) £1,475.70 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by item T (2(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.
- (g) Part of the Council's Area

	£
Hale	73.91
Daresbury	29.94
Moore	15.98
Preston Brook	xx.xx
Halebank	75.02
Sandymoor	29.09

being the amounts given by adding to the amounts at 3(e) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 2(b) above, calculated by the

Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings of its area to which one or more special items relate.

(h) Part of the Council's Area

Band	Hale	Daresbury	Moore	Preston Brook	Halebank	Sandymoor	All other Parts of the Council's Area
	£	£	£	£	£	£	£
A	1,033.07	1,003.76	994.45	xx.xx	1,033.81	1,003.19	983.80
B	1,205.25	1,171.05	1,160.20	xx.xx	1,206.12	1,170.39	1,147.77
C	1,377.43	1,338.35	1,325.94	xx.xx	1,378.42	1,337.59	1,311.73
D	1,549.61	1,505.64	1,491.68	xx.xx	1,550.72	1,504.79	1,475.70
E	1,893.97	1,840.23	1,823.16	xx.xx	1,895.32	1,839.19	1,803.63
F	2,735.73	2,658.11	2,154.65	xx.xx	2,239.93	2,173.59	2,131.57
G	2,582.68	2,509.40	2,486.13	xx.xx	2,584.53	2,507.98	2,459.50
H	3,099.22	3,011.28	2,983.36	xx.xx	3,101.44	3,009.58	2,951.40

being the amounts given by multiplying the amounts at 3(f) and 3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular band divided by the number which in that proportion is applicable to dwellings listed in Valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

5. It is further noted that for the year 2020/21 the Cheshire Police and Crime Commissioner has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown below:

	£
A	140.29
B	163.68
C	187.06
D	210.44
E	257.20
F	303.97
G	350.73
H	420.88

6. It is further noted that for the year 2020/21 the Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with the Local Government Act 2003 for each of the categories of dwellings shown below:

	£
A	52.86
B	61.67
C	70.48
D	79.29
E	96.91
F	114.53
G	132.15
H	158.58

7. It is further noted that for the year 2020/21 the Liverpool City Region Combined Authority have stated the following amounts in precepts issued to the Council, in accordance with the Local Government Act 2003 for each of the categories of dwellings shown below:

	£
A	12.67
B	14.78
C	16.89
D	19.00
E	23.22
F	27.44
G	31.67
H	38.00

8. That, having calculated the aggregate in each case of the amounts at 4h, 5, 6 and 7 above, the Council, in accordance with Section 30(2) of

the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2020/21 for each of the categories of dwellings shown below:

Band	Hale	Daresbury	Moore	Preston Brook	Halebank	Sandymoor	All other Parts of the Council's Area
	£	£	£	£	£	£	£
A	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx
B	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx
C	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx
D	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx
E	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx
F	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx
G	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx
H	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx	xxxx.xx

being satisfied that:

- (a) The total amount yielded by its Council Taxes for the said financial year will be sufficient, so far as is practicable, to provide for items mentioned at 4(a) to (c) above; and, to the extent that they are not, to be provided for by any other means.
 - (b) Those amounts which relate to a part only of its area will secure, so far as is practicable, that the precept or portion of a precept relating to such part will be provided for only by the amount yielded by such of its Council Taxes as relate to that part.
8. The Operational Director Finance be authorised at any time during the financial year 2020/21 to borrow on behalf of the Council by way of gross bank overdraft such sums as he shall deem necessary for the purposes of this paragraph, but not such that in any event the said overdraft at any time exceeds £10m on an individual bank account (£0.5m net across all bank accounts) as the Council may temporarily require.

APPENDIX B

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM /TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2020/21 £'000	2021/22 £'000		
DIRECTORATE: PEOPLE							
INCOME GENERATION OPPORTUNITIES							
1	Childrens & Families Dept/ Children in Care Division	Income target for the generation of income from reviewing how additional accommodation at Inglefield (no longer required for use by Ashley School) might be utilised	N/A	53	0	P	M
2	Education, Inclusion & Provision Dept/ Education Div	Increase in income received from the LEP/BSF	N/A	30	0	P	D
3	Education, Inclusion & Provision Dept/ IYSC & Troubled Families Div	One-off increase in income from the payment-by-results grant received in respect of the Troubled Families Programme.	N/A	50	-50	T	M
SHARED SERVICES / PARTNERSHIP ARRANGEMENTS							
4	Adult Social Care Dept/	Reduction in the cost of supporting the Halton Safeguarding Board as a result of the new Chairmanship arrangement	77	10	0	P	M

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING		PERM /TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
			£'000	2020/21 £'000	2021/22 £'000		
PROCUREMENT OPPORTUNITIES							
5	Adult Social Care Dept/ Commissioning Div	Reduction in the grant provided to the Carers Association.	109	56	0	P	D
6	Adult Social Care Dept/ Commissioning Div	Reduction of 10% in the contract with Age UK (Age Concern)	183	18	0	P	D
7	Education, Inclusion & Provision Dept/ IYSS & Commissioning Div	Target reduction of 10% in the Youth Service budget. This will involve a review of the service specification, comparison with independent providers and doing more targeted work.	550	55	0	P	D
EFFICIENCY OPPORTUNITIES							
8	Adult Social Care Dept/ Community Svcs Div	Review of premium pay arrangements for the Halton Supported Housing Network.	2,148	140	0	P	D
9	Adult Social Care Dept	One-off use of earmarked reserves established due to uncertainty with funding levels.	400	400	-400	T	D

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING		PERM /TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
			£'000	2020/21 £'000	2021/22 £'000		
10	Children & Family Services/ Education, Inclusion & Provision/ Community & Environment Departments	Review of community based facilities including community centres, children's centres and other locality based facilities, in order to seek an overall reduction in costs. The proposed saving is at this stage an initial target for the review and reports will be brought to Executive Board detailing the specific proposals.	N/A	200	0	P	M
11	Education, Inclusion & Provision Dept/ IYSS & Commissioning Div	Deletion of a vacant Commissioning Post.	276	50	0	P	D
12	Education, Inclusion & Provision Dept/ Policy, Provision & Perform Div	Restructure of the 14-19 Advisory Service	210	73	0	P	M
13	Education, Inclusion & Provision Dept/ Inclusion Div	Restructure of the Portege Service which provides a home-visiting educational service for pre-school children with SEND.	74	15	0	P	M
14	Children & Family Services Dept/ Locality Services	Change in funding of the home equipment budget as now part-funded by Halton CCG.	14	9	0	P	M

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM /TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2020/21 £'000	2021/22 £'000		
15	Adult Social Care Dept/ Commissioning Div	Deletion of a vacant Policy Support Officer post.	340	20	0	P	D
16	Adult social Care Dept/Community Services Div	Target for efficiency savings to be achieved within the Halton Supported Housing Network.	994	50	0	P	M
TOTAL PERMANENT				779	0		
TOTAL TEMPORARY (ONE-OFF)				450	-450		
GRAND TOTAL				1,229	-450		

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
			£'000	2020/21 £'000	2021/22 £'000		
DIRECTORATE: ENTERPRISE, COMMUNITY & RESOURCES							
INCOME GENERATION OPPORTUNITIES							
17	Community & Environ Dept / School Meals	Increase the price of "snack" food items by between 5p and 10p which have been set at 20p for over 10 years.	578	25	0	P	D
18	Community & Environ Dept / School Meals	Apply an above inflation increase in the price of "less healthy" food items in Secondary Schools.	2,305 total paid meal income	100	0	P	D
19	Community & Environ Dept / Waste Management Div	Introduction of a single charge of £35pa for the collection of Green Waste (currently £32pa online £37pa at HDL).	523	40	0	P	D
20	Finance Dept / Audit, Procuremt & Op Fin Div	Income generation from the introduction of late payment penalties to be applied to debts owed to the Council by commercial organisations.	N/A	5	0	P	D
21	Finance Dept / Audit, Procuremt & Op Fin Div	Income generation following the introduction of legislation permitting the charging of penalties in respect of fraudulently claimed council tax discounts and reliefs.	N/A	4	0	P	D

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2020/21 £'000	2021/22 £'000		
22	EE&P Dept / Employment Learning and Skills Div	Additional contribution towards overhead costs from grant funding provided for Adult Learning courses and externally funded contracts.	4	10	0	P	D
23	EE&P Dept / Property Services/Asset Management Div	Introduction of charges for property/asset management support and advice e.g. leases; land transfer work.	0	10	0	P	D
24	Policy, People, Performance & Efficiency Dept	Increased income from school SLAs for the provision of Employee Relations and Payroll, through extending the range of services available and increased charges.	76	18	0	P	D
25	Planning, Provision & Tran Dept / Planning	Introduction of a charge on Section106 agreements, as permitted by legislation, to cover the Council's cost of monitoring compliance with those agreements.	N/A	47	0	P	M
26	Planning, Provision & Tran Dept / Traffic	Increase in income generation relating to road work permits provided to the Utilities. This will be both from an increase in charges and by increased vigilance of poor reinstatements or road works time overruns.	188	100	0	P	M
PROCUREMENT OPPORTUNITIES							
27	Community & Environ Dept / Waste Management Div	Capitalise the purchase of new waste bins with a corresponding reduction in the required revenue budget.	40	35	0	P	M

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
			£'000	2020/21 £'000	2021/22 £'000		
28	Finance Dept / Audit, Procuremt & Op Fin Div	Reduction in budget for vehicle insurance which has been achieved following the retendering of insurance contracts.	135	10	0	P	M
EFFICIENCY OPPORTUNITIES							
29	Community & Environ Dept / School Meals	Review Nursery/Special school meals provision in order to identify efficiencies without affecting service delivery, in order to ensure provision of meals is cost effective.	1,271	25	0	P	D
30	Community & Environ Dept / School Meals	Review the school meals Service Level Agreement in respect of Academy Schools, in order to ensure that it is provided on a cost effective basis.	436	75	0	P	D
31	Community & Environ Dept / Waste Management Div	Deletion of a vacant part-time Community Development Officer post.	153	25	0	P	D
32	Finance Dept / Audit, Procuremt & Op Fin Div	Deletion of a vacant Purchase to Pay Assistant post.	265	24	0	P	M
33	Finance Dept / Revenues and Financial Management Div	Reduction in the budget for court costs relating to council tax and business rates cases, but usually underspent.	33	10	0	P	D

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2020/21 £'000	2021/22 £'000		
34	EE&P Dept / Property Services	Remaining balance of the saving from completion of the relocation of staff from Kingsway House, taking into account relocation and dilapidation costs.	190	175	0	P	D
35	EE&P Dept / Property Services	A reduction in the building maintenance budget. This would result in only being able to deliver essential maintenance, plus no further accommodation moves and no internal decoration projects could be supported from this budget.	1,959	50	0	P	D
36	EE&P Dept / Regeneration	Fund two vacant Regeneration Officer posts from the forthcoming allocation of Town Centre grant funding, as they will be fully utilised to deliver these initiatives.	83	83	0	P	D
37	EE&P Dept Regeneration	Implement a reduction in hours in the Business Support Team through use of flexible retirements.	156	15	0	P	D
38	ICT & Support Services / Support Svcs Div	Increase staff turnover target by increasing the period for filling vacancies within the Support Services Division to approximately six months, other than for certain key roles.	3,616	307	0	P	D
39	ICT & Support Services / Support Svcs Div	Cease providing minute taking services for non-statutory meetings across all Services. This will enable approximately 9fte posts to be removed from the Support Services Division. There will be an increased workload for officers involved in those meetings.	3,616	226	0	P	D

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2020/21 £'000	2021/22 £'000		
40	ICT & Support Services / Support Svcs Div	Cease the corporate provision of the majority of stationary supplies for all Services. Existing stocks would be run down and thereafter Services or staff would provide for themselves, other than key items eg. printer paper.	69	50	0	P	D
41	ICT & Support Services / ICT Services	Review of ICT Services staffing structures, without affecting service delivery, in order to adapt our approach to delivery with changing technologies eg. Virtual Desktop Infrastructure (VDI).	2,335	400	0	P	D
42	Legal & Democratic Dept/ Members Services	Reduced leasing cost achieved for the mayoral vehicle.	11	3	-3	T	D
43	Legal & Democratic Dept/ Members Services	Reduction in allowances following the reduction of two Members in total.	877	20	0	P	D
44	Legal & Democratic Dept/ Legal Services	Realignment of the Legal Services Practice Manager post.	41	12	0	p	D
45	Legal & Democratic Dept/ Legal Services	Budget reduction arising from a temporary reduction in hours already approved for a member of staff in the Licensing Team.	40	12	-12	T	M

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2020/21 £'000	2021/22 £'000		
46	Policy, People, Performance & Efficiency Dept	Temporary reduction to funding arrangements for the salary costs of new apprenticeship placements, whereby relevant Departments provide funding themselves from existing budgets. The position will be reviewed after a year to see whether it can be made permanent.	192	96	-96	T	D
47	Policy, People, Performance & Efficiency Dept	Review and restructuring of some functional areas of the Department, resulting in the reconfiguration of activity in Learning & Development, Employment Relations, Policy, and Performance Management.	1,172	40	0	P	D
48	Planning, Provision & Tran Dept / Highways	Reduction in the Highways development and Highways maintenance technical surveys budgets. These budgets provide highways modelling work and asset surveys, therefore, slightly older data will be used in some instances when considering asset management decisions.	140	40	0	P	M
49	Planning, Provision & Tran Dept	Reduction in various supplies and services budgets eg. contracted services, personal protective equipment etc. by creating a centralised budget which can be better utilised across the whole Department.	81	60	0	P	D
OTHER BUDGET SAVINGS							
50	Community & Environ Dept / School Meals	Net saving from replacing plastic bottles of water with re-usable bottles, from the set lunch meal of secondary schools.	40	40	0	P	D

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2020/21 £'000	2021/22 £'000		
51	Community & Environ Dept / Open Spaces Div	Seek alternative sources of funding for the Borough fireworks display, with options being reported to Executive Board.	48	48	0	P	D
52	Community & Environ Dept / Community Safety Div	Commence discussions with Police and other Partners regarding all potential options for how the CCTV monitoring service should be provided and funded. Reports will then be presented to Executive Board outlining potential options.	119	119	0	P	D
53	Policy, People, Performance & Efficiency Dept	Restructuring of the Unison Office.	140	8	0	P	D
54	Policy, People, Performance & Efficiency Dept	Consolidate employee training budgets and reduce by 5% (Training Resources, In-house consultants, PET and short courses).	132	7	0	P	D
55	Planning, Provision & Tran Dept / Traffic	Release of a reserve accumulated from charging developers a service fee for providing works as part of their developments eg. installation of street lights and signage.	300	300	-300	T	D
56	Corporate	Reduction in the capital financing budget as a result of holding increased cash sums which reduce the need for additional borrowing.	300	300	0	P	D

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2020/21 £'000	2021/22 £'000		
TOTAL PERMANENT				2,563	0		
TOTAL TEMPORARY (ONE-OFF)				411	-411		
GRAND TOTAL				2,974	-411		

APPENDIX C**DEPARTMENTAL OPERATIONAL BUDGETS****£000****People Directorate**

Children and Families Service	20,663
Education, Inclusion & Provision	5,044
Adult Social Care	12,260
Complex Care Pooled Budget	29,883
Public Health & Public Protection	156
	<hr/>
	68,006

Enterprise, Community & Resources Directorate

Finance	6,691
Policy, Planning & Transportation	9,119
ICT & Support Services	7,038
Legal & Democratic Services	1,848
Policy, People, Performance & Efficiency	1,875
Community and Environment	14,021
Economy, Enterprise and Property	4,339
	<hr/>
	44,931

Departmental Operational Budgets

Corporate and Democracy	<hr/>
	2,833

Total Operational Budget	<hr/>
	115,770

APPENDIX D

2020/21 BUDGET – REASONS FOR CHANGE

	£000
2019/20 Approved Budget	108,621
Add back One-Off savings	4,920
	<hr/> 113,541
<u>Policy Decisions</u>	
Capital Programme	44
<u>Inflation and Service Demand Pressures</u>	
Pay (including Increments)	1,940
Prices	3,058
Income	-607
Existing Service Demand Pressures	4,435
<u>Other</u>	
Net Adjustment to Specific Grants	-687
Contingency Increase	36
Peer Review	500
Social Care Grant	-2,915
Reserves	628
Base Budget	<hr/> 119,973
Less Savings (Including savings agreed by Council)	-4,203
Total 2020/21 Budget	<hr/> 115,770

APPENDIX E

MEDIUM TERM FINANCIAL FORECAST

	2021/22 £000	2022/23 £000	2023/24 £000
Spending			
Previous Year's Budget	115,770	105,464	106,394
Add back one-off savings	861	0	0
<u>Inflation</u>			
Pay	1,278	1,673	1,707
Prices	968	988	1,008
Income	-613	-625	-638
<u>Other</u>			
Capital Financing	374	2	0
Contingency	1,000	1,500	2,000
Reduction to New Homes Bonus Grant	851	687	670
Reverse Use of Reserves (Business Rates Retention)	-5,555	0	0
Loss of S31 Business Rate Grant	5,351	0	0
Terms and Conditions – 4 Day Xmas Saving	0	750	0
Budget Forecast	120,285	110,439	111,141
Resources			
Baseline Business Rates Funding and Top-Up Grant	53,284	54,214	55,163
Council Tax	52,180	52,180	52,180
	105,464	106,394	107,343
Funding Gap	-14,821	-4,045	-3,798

APPENDIX F

COMMITTED CAPITAL PROGRAMME 2020/23

SCHEME	2020/21 £000	2021/22 £000	2022/23 £000
Schools Capital Projects	1,714.5	-	-
ALD Bungalows	199.0	-	-
Disabled Facilities Grant	-	-	-
Adapted Properties	-	-	-
Care home acquisition and refurbishment	1,437.0	-	-
People Directorate	3,350.5	-	-
Stadium Minor Works	30.0	30.0	30.0
Brookvale Pitch Refurbishment	500.0	-	-
Leisure Centre	5,000.0	10,000.0	5,000.0
Children's Playground Equipment	65.0	65.0	65.0
Landfill Tax Credit Schemes	340.0	340.0	340.0
Crow Wood Park Play Area	14.9	-	-
Open Spaces Schemes	0	-	-
Peelhouse Lane Cemetery	40.0	20.0	-
Sandymoor Playing Fields	30.0	-	-
Widnes & Runcorn Cemeteries - garage & storage	8.9	-	-
Runcorn Town Park	280.0	280.0	280.0
Bowling Greens	2.0	-	-
Litter Bins	20.0	20.0	20.0
IT Rolling Programme	700.0	700.0	700.0
3MG	0	-	-
Widnes Waterfront (Including Bayer)	1,000.0	-	-
Linnets Club House	58.5	-	-
Murdishaw Redevelopment	38.0	-	-
Equality Act Improvement Works	300.0	300.0	300.0
Widnes Market Refurbishment	39.8	-	-
Broseley House	4.7	441.0	-
Advertising screen at The Hive	100.0	-	-
Foundary Lane Residential Area	1,800.0	-	-
Street Lighting - Structural Maintenance	200.0	200.0	200.0
Street Lighting – Upgrades	1,799.6	-	-
SJB Lighting	500.0	-	-
Sustainable Urban Development	435.0	267.5	-
Risk Management	120.0	120.0	120.0
Fleet Replacements	1,760.0	3,043.0	1,090.0
Early Land Acquisition Mersey Gateway	0	-	-
Runcorn Station Quarter / Runcorn Delinking	20,000.0	20,000.0	-
Economy, Community & Resources Directorate	35,186.4	35,826.5	8,145.0
Total Capital Programme	38,536.9	35,826.5	8,145.0
Slippage between years	1,335.8	591	5,536.3
GRAND TOTAL	39,872.7	36,417.5	13,681.3

