

REPORT TO: Executive Board
DATE: 25 February 2021
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 2021/22.

2.0 RECOMMENDATION: That;

- (i) Council be recommended to adopt the resolution set out in Appendix A, which includes setting the budget at £111.446m, the Council Tax requirement of £54.509m (before Parish, Police, Fire and LCR Combined Authority precepts) and the Band D Council Tax for Halton of £1,549.34;**
- (ii) Council be recommended to approve the revenue budget proposals for 2021/22 set out in Appendix B and capital programme set out in Appendix F;**

3.0 SUPPORTING INFORMATION

Medium Term Financial Strategy

3.1 The Executive Board approved the Medium Term Financial Strategy (MTFS) at its meeting on 19 November 2020. In summary, funding gaps of around £15.2m in 2021/22, £3.9m in 2022/23 and £3.0m in 2023/24 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 2020/21 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 £1.2m against a net budget of £115.8m. The Council has worked hard to reduce the cost of day to day operational activities and the forecast for the current year shows that net expenditure on these costs will be below budget by approximately £1.0m. Over the past year children's social care demand has continued to grow and has shown a continued increase in costs, but generally other service costs have been well managed and a forecast overspend at the start of the year has been reduced to bring net costs in line with budget.
- 3.5 The greatest impact on the budget has been the Covid pandemic. Whilst Government have provided general un-ringfenced funding of £12.8m together with other funding for specific tasks and compensation for lost income this has proven to be insufficient. The current forecast shows the Council will be approximately £2.2m short on funding required to meet the costs of the pandemic during the current year.
- 3.6 The Council are continuing to take measures 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 £4.0m, equivalent to approximately 3.5% 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.

2021/22 Revenue Budget

- 3.7 The proposed revenue budget totals £111.446m. 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.
- 3.8 Included at Appendix B are proposed budget savings for 2021/22 totalling £1.369m.

- 3.9 The proposed budget incorporates the grant figures announced in the Local Government Finance Settlement. It includes £1.703m for the New Homes Bonus grant. This is inclusive of additional grant of £0.347m for 2021/22, confirmed by Government that it would be paid for one year only rather than a four year legacy payment which has been the case prior to the 2020/21 financial year. Government are due to consult on a replacement for the New Homes Bonus grant in Spring 2021.
- 3.10 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 2020/21.
- 3.11 Announced in the Government's 2020 Spending Review was additional funding for both Adult and Children's Social Care. Confirmation was given that the 2020/21 grant used for wider social care measures of £4.006m was to continue in 2021/22. An additional £300m grant was announced for 2021/22; the value of the allocation to Halton is £1.050m. This funding will be included in the Council budget to help to fund existing pressures within Social Care services.
- 3.12 Government have confirmed the continuation of the 100% Business Rates Retention pilot within the Liverpool City Region for 2021/22. 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.
- 3.13 Pay rates for 2021/22 have not yet been agreed but the budget reflects the announcement at the Comprehensive Spending Review 2020 that, for those earning over £24k per year, public sector pay would be frozen. In order to meet the Chancellor's guarantee that public sector workers earning under £24k will receive a minimum pay rise of £250, a 1.5% increase has been applied to the budgets of the lower pay bands.
- 3.14 Inflation of 1% has been applied to contractual (non-controllable) budgets for 2021/22. Additional inflation has been applied to social care contract costs which will increase at above normal inflation rates due to the increase of 2.2% in National Living Wage rates from April 2021 and an increase in charges from social care suppliers to reflect the impact of Covid-19 on their services.
- 3.15 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 2021/22 to help manage the current departmental budget overspends, inclusive of £1.927m across Adults' and Children's Social Care and £1.045m for the Education, Inclusion and Provision Department.

- 3.16 It is considered prudent for the budget to include a general contingency of £0.5m. 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. Additionally, £2.376m of Covid-19 grant funding for 2021/22 currently remains unallocated and will be used to fund additional costs which are likely to be incurred as part of the Council's response to Covid-19, but which have not been identified at present.
- 3.17 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 2021/22 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

- 3.18 The Government announced the provisional Local Government Finance Settlement on 17 December 2020. 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 2021/22 grant allocations, including the Public Health grant.
- 3.19 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.
- 3.20 It was anticipated that the Business Rates Retention Scheme would be rolled out on a national basis from April 2021, with the level of retained rates for each Council being set at 75%. In conjunction with this, Government had stated their intention to undertake a review of needs and resources of Local Government, the first review since April 2013, and also reconsider the business rate "baselines" for each council. These funding reforms have been delayed due to the disruption caused by Covid-19 and it is currently unclear when they will be introduced.
- 3.21 For 2021/22 the Council's total Government Settlement Funding Allocation is £52.424m. This is made up of £46.857m Business Rates Baseline Funding and Top-Up grant of £5.568m. Excluding the rolled in

Better Care Funding grant, the increase to the Settlement Funding Assessment from 2019/20 is 1.3%.

- 3.22 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 2021/22, in cash terms there has been a reduction in funding for Halton of £22.5m or 16.1%. This compares with a national average reduction over the same period of 6.3%.
- 3.23 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 £51.056m for 2021/22.
- 3.24 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 2021/22 the multiplier rate has been frozen at 51.2p in the pound and 49.9p in the pound for small businesses. This is unchanged from 2020/21.
- 3.25 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. For 2020/21, the Adult Social Care council tax precept was set at 2%.
- 3.26 The Government Spending Review published 25 September 2020 confirmed that a further Adult Social Care council tax precept of 3% could be applied for 2021/22.
- 3.27 As part of the Local Government Finance Settlement, several new, one-off sources of grant funding were announced for 2021/22. Halton will receive a fifth tranche of grant funding to reflect the additional costs incurred due to Covid-19, worth £4.376m. £1.976m of this funding has been included in the 2021/22 budget to fund additional Covid-related costs which have already been identified. The remaining £2.400m will be held in reserve to meet unanticipated costs in 2021/22. Halton has been allocated £1.5m of Local Council Tax Support Grant which will be used to offset the loss of income arising from a reduction in Council Tax base due to an increase in Local Council Tax Support claimants. To reflect the lower legacy payments in the New Homes Bonus grant, Government have introduced a new Lower Tier Services grant for 2021/22 only, with Halton receiving an allocation of £0.2m.

Budget Outlook

3.28 Beyond 2021/22 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 the ongoing impact of Covid-19 on social care services and income streams. There is therefore further continued uncertainty regarding the Council's funding resources in 2022/23.

3.29 The impact of the following developments will have to be assessed when considering the 2022/23 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.
- New Homes Bonus – Government have announced that 2021/22 will be the final year of the New Homes Bonus grant in its current form. A consultation is due to be launched in Spring 2021 on a replacement for the scheme.
- 75% Business Rate Retention – Government have indicated that 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, 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.
- 2021 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.

3.30 The Medium Term Financial Strategy has been updated to take into account the 2021/22 Local Government Finance Settlement and multi-year allocations and saving measures already agreed or proposed. It includes a number of assumptions for 2022/23 including:

- Settlement Funding Assessment as per 2021/22 plus 2% inflation.
- Pay, prices and income growth of 2%.

- Reversal of 2021/22 one-off savings proposals.

3.31 The resulting funding gap over the subsequent three financial years (2022/23 to 2024/25) is forecast to be in the region of £19.8m.

Halton's Council Tax

3.32 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.

3.33 The Government have confirmed the council tax referendum threshold at 2% for 2021/22.

3.34 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.

3.35 The number of long-term empty properties in Halton is currently 158. The number of properties empty for between five and ten years, and therefore billed a 200% premium, is currently 63, and the number of properties empty for over ten years and billed at a 300% premium from April 2021, is 36.

3.36 The tax base (Band D equivalent) for the Borough has been set by Council at 35,182.

3.37 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 £1,549.34 (equivalent to £29.80 per week), in order to deliver a balanced budget for 2021/22 as required by statute. This is an increase of 4.99% (£73.64 per annum or £1.42 per week) over the current year.

Parish Precepts

- 3.38 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	43,724	-5,278	-10.77%	66.75	1,616.09
Daresbury	6,700	1,341	25.02%	37.43	1,586.77
Moore	5,625	400	7.66%	17.36	1,566.70
Preston Brook	13,000	916	7.58%	36.41	1,585.75
Halebank	39,085	-150	-0.38%	75.02	1,624.36
Sandymoor	38,573	4,240	4.82%	29.09	1,578.43

Average Council Tax

- 3.39 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 £1,553.51, an increase of £73.63 per annum.

Police Precept

- 3.40 The Cheshire Police and Crime Commissioner has set the precept on the Council at £7.931m which is £225.44 for a Band D property, an increase of £15.00 or 7.13%. The figures for each Band are shown in Recommendation 5 in Appendix A.

Fire Precept

- 3.41 The Cheshire Fire Authority has set the precept on the Council at £2.845m which is £80.87 for a Band D property, an increase of £1.58 or 1.99%. The figures for each Band are shown in Recommendation 6 in Appendix A.

Liverpool City Region Mayoral Precept

- 3.42 The Liverpool City Region Combined Authority has set the precept on the Council at £0.668m which is £19.00 for a Band D property, an increase of £0.00. The figures for each Band are shown in Recommendation 7 in Appendix A.

Total Council Tax

- 3.43 Combining all these figures will give the Total Council Tax for 2021/22 and these are shown in Recommendation 8 in Appendix A. The total Band D Council Tax (before Parish precepts) is £1,874.65, an increase

of £90.22 or 5.06%. The inclusion of parish precepts means the increase in Hale is 4.47%, in Daresbury is 5.39%, in Moore is 5.09%, in Preston Brook is 5.16%, in Halebank is 4.85%, and in Sandymoor is 4.97%.

- 3.44 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.
- 3.45 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

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

	2021/22	2022/23	2023/24
	£000	£000	£000
<u>Spending</u>			
Scheme estimates	24,582	14,000	4,322
Slippage between years	4,802	2,117	1,936
	29,384	16,117	6,258
<u>Funding</u>			
Borrowing and Leasing	14,815	9,191	807
Grants and External Funds	7,089	1,726	1,446
Direct Revenue Finance	0	0	0
Capital Receipts	2,678	3,083	2,069
Slippage between years	4,802	2,117	1,936
	29,384	16,117	6,258

- 3.46 The committed Capital Programme is shown in Appendix F.
- 3.47 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

- 3.48 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.

3.49 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

3.50 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.

3.51 Schools Block pupil numbers in mainstream primary and secondary schools have increased very slightly from 18,281 for 2020/21 to 18,285 for 2021/22. Funding for mainstream primary and secondary schools is based on the pupil cohort on the October 2020 census. The DSG settlement was announced on 18 December 2020 giving a total of £99.05m for the Schools Block for 2021/22. While this is an increase of £6.5m, £4.1m relates to the Teachers Pay and Pension Grants which have been rolled into the DSG for 2021/22 onwards.

3.52 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 2021/22 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.

- 3.53 The Early Years Block indicative allocation for 2021/22 is £9.82m. 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. The hourly rate the Council are funded at for 2 year old provision has increased from £5.36 per hour to £5.44 per hour.
- 3.54 The High Needs Block for 2020/21 was £16.15m after recoupment by the Department for Education for commissioned places in special academies and independent special schools. For 2021/22 the High Needs Block is £18.55m after recoupment, which is an increase of £2.4m.
- 3.55 The Minimum Funding Guarantee has been agreed by Schools Forum at plus 1.29%. This is within the range allowed by the DfE of 0.5% to 2.0%.
- 3.56 The Pupil Premium Grant rates have remained the same at £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 will be funded at £310 per pupil. The amount for Looked after Children which comes to the Council for distribution is £2,345 per pupil. There is a major change to the Pupil Premium Grant for 2021/22 in that the school census upon which it is calculated has been changed from January to October. This will have a negative impact on the amounts we receive as pupil numbers tend to be lower in October than in January.

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) 2021/22	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 2021/22.

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 03 March 2021.

**DRAFT RESOLUTION FOR SUBMISSION TO THE COUNCIL
AT ITS MEETING ON 03 March 2021**

RECOMMENDATION: that the Council adopt the following resolution:

1. The policies outlined in this paper be adopted, including the budget and council tax for 2021/22, 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 11 November 2020 the Council agreed the following:
 - (a) The Council Tax Base 2021/22 for the whole Council area is 35,182 (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	655
Daresbury	179
Moore	324
Preston Brook	357
Halebank	521
Sandymoor	1,326

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 2021/22 (excluding Parish precepts) is £54,508,880.
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 2021/22 and agreed as follows:
 - (a) £419,777,326 – 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) £365,121,739– being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £54,655,587 – 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) £1,553.51 – 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) £146,707 – 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	43,724
Daresbury	6,700
Moore	5,625
Preston Brook	13,000
Halebank	39,085
Sandymoor	38,573

- (f) £1,549.34 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	66.75
Daresbury	37.43
Moore	17.36
Preston Brook	36.41
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	1,077.39	1,057.85	1,044.47	1,057.17	1,082.91	1,052.29	1,032.89
B	1,256.96	1,234.15	1,218.54	1,233.36	1,263.39	1,227.67	1,205.04
C	1,436.52	1,410.46	1,392.62	1,409.56	1,443.88	1,403.05	1,377.19
D	1,616.09	1,586.77	1,566.70	1,585.75	1,624.36	1,578.43	1,549.34
E	1,975.22	1,939.39	1,914.86	1,938.14	1,985.33	1,929.19	1,893.64
F	2,334.35	2,292.00	2,263.01	2,290.53	2,346.30	2,279.95	2,237.94
G	2,693.48	2,644.62	2,611.17	2,642.92	2,707.27	2,630.72	2,582.23
H	3,232.18	3,173.54	3,133.40	3,171.50	3,248.72	3,156.86	3,098.68

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 2021/22 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	150.29
B	175.34
C	200.39
D	225.44
E	275.54
F	325.64
G	375.73
H	450.88

6. It is further noted that for the year 2021/22 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	53.91
B	62.90
C	71.88
D	80.87
E	98.84
F	116.81
G	134.78
H	161.74

7. It is further noted that for the year 2021/22 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 2021/22 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	1,294.27	1,274.72	1,261.34	1,274.04	1,299.78	1,269.16	1,249.77
B	1,509.98	1,487.17	1,471.56	1,486.38	1,516.41	1,480.69	1,458.06

C	1,725.69	1,699.63	1,681.79	1,698.72	1,733.04	1,692.21	1,666.36
D	1,941.40	1,912.08	1,892.01	1,911.06	1,949.67	1,903.74	1,874.65
E	2,372.82	2,336.99	2,312.46	2,335.74	2,382.93	2,326.79	2,291.24
F	2,804.24	2,761.89	2,732.90	2,760.42	2,816.19	2,749.85	2,707.83
G	3,235.67	3,186.80	3,153.35	3,185.10	3,249.45	3,172.90	3,124.42
H	3,882.80	3,824.16	3,784.02	3,822.12	3,899.34	3,807.48	3,749.30

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.
9. The Operational Director Finance be authorised at any time during the financial year 2021/22 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)
				2021/22 £'000	2022/23 £'000		
DIRECTORATE: PEOPLE							
PROCUREMENT OPPORTUNITIES							
1	Education, Inclusion & Provision Dept	Revision of the Emotional Health and Wellbeing contract to include services currently commissioned separately, with a contribution being provided by Halton CCG and savings in areas such as court costs, children's act section 17 children in need provision and placement costs.	159	47	0	P	M
EFFICIENCY OPPORTUNITIES							
2	Education, Inclusion & Provision Dept/ Youth Service	Following consultation with young people and partners, the provision for young people has been reviewed. The priorities identified can be met through providing the service differently and more efficiently.	378	100	0	P	D
3	Children & Family Dept/ Children's Centres	Cease use by children's centres of satellite rooms within premises at All Saints Upton and Halton Brook. Services can be delivered within other settings in the respective communities. This will be subject to consultation.	56	56	0	P	D

4	Children & Family Dept/ Children's Social Work Training	Reduction in the Children's Social Work Training budget This budget supports specialist training for social workers usually delivered face to face. The reduction is possible due to the move to increased virtual and online e-learning approaches.	66	16	0	P	M
OTHER BUDGET SAVINGS							
5	Education, Inclusion & Provision Dept/ Troubled Families	Halton has achieved 100% funding in terms of payment-by-results for the Troubled Families programme. Funding was set-aside to continue to support some of the key elements of the programme in 2021/22, which it has now been confirmed will be grant funded. Therefore a one-off saving is available from the set-aside funds.	n/a	150	-150	T	M
6	Adult Social Care Dept	Transfer of the Care Arrangement function to Care Management, as a result of now operating with fewer care providers and with increased use of technology based support.	171	171	0	P	D
TOTAL PERMANENT				390	0	P	
TOTAL TEMPORARY (ONE-OFF)				150	-150	T	
GRAND TOTAL				540	-150		

	DEPARTMENT/ DIVISION / SERVICE AREA	DESCRIPTION OF PROPOSAL	TOTAL BUDGET £'000	ESTIMATED BUDGET SAVING		PERM / TEMP (P/T)	MANDATORY OR DISCRETIONARY SERVICE AFFECTED (M / D)
				2021/22 £'000	2022/23 £'000		
DIRECTORATE: ENTERPRISE, COMMUNITY & RESOURCES							
INCOME GENERATION OPPORTUNITIES							
7	Legal & Democratic Svcs Dept/ Legal Services	Income generated from an SLA agreed with the National Consortium for Examination Results (NCER) from March 2021.	n/a	6	0	P	M
PROCUREMENT OPPORTUNITIES							
8	Legal & Democratic Svcs Dept/ Member Services	A one-off procurement saving from a vehicle lease arrangement.	11	3	-3	T	D
EFFICIENCY OPPORTUNITIES							
9	Legal & Democratic Svcs Dept/ Member Services	A one-off saving from delaying the recruitment of the second Mayoral Attendant.	17	7	-7	T	D
10	Finance Dept/ Benefits Division	Two existing Benefits Officer vacancies will be held until 30 th September 2021. At that point the situation will be reviewed in light of benefit claimant numbers and	923	24	-24	T	M

		processing performance. Initially therefore, a part-year one-off budget saving will be achieved. These posts relate to claims processing rather than the provision of advice.					
11	Finance Dept/ Audit & Op Finance Division	Restructuring of the Procurement Team to enable the deletion of vacant posts.	450	65	0	P	D
12	Policy, People, Performance & Efficiency	Reconfiguration of the Performance Management function leading to a reduction in the staffing establishment by the deletion of vacant posts.	97	25	0	P	D
OTHER BUDGET SAVINGS							
13	Legal & Democratic Svcs Dept/ Marketing & Communications	Reduction in the corporate marketing budget.	135	8	0	p	D
14	Legal & Democratic Svcs Dept/ Member Services	Reduction in the small functions budget.	49	5	0	P	D
15	Finance Dept/ Concessionary Travel	Reduction in the concessionary travel budget, to realign the budget with forecast costs, given the anticipated reduction in concessionary passenger numbers going forward.	2,218	110	0	P	M

16	Community & Environment Dept	<p>Area Forums:</p> <p>(i) Remove the £200,000 budget provision for Area Forums for one year only.</p> <p>(ii) Deletion of an associated vacant part-time post, leave another post in place.</p> <p>This will be on the basis that the total underspend remaining at 31/03/21 (currently forecast to be £223,000) will be fully carried forward and reallocated on the usual basis to the new Area Forums in order to provide funding for 2021/22.</p>	200	200	-200	T	D
			26	26	0	P	D
17	Community & Environment Dept/ Library Services	Reduction in the Libraries Book Fund budget, by way of a one year reduction of £35,000 plus a permanent reduction of £15,000. The Book Fund provides for the purchase of new books, other print items, dvds, computer games and other digital media.	155	15 35	0 -35	P T	M
18	Policy, Transport & Planning Dept	Restructure of the Department to facilitate the deletion of the vacant Traffic DM post.	991	100	0	P	D
19	Economy, Enterprise & Property Dept/ Operations	Capitalisation of major building maintenance works, so as to provide a reduction in the revenue budget without reducing the amount of works which can be provided.	n/a	200	0	P	D

TOTAL PERMANENT	560	0	P	
TOTAL TEMPORARY (ONE-OFF)	269	-269	T	
GRAND TOTAL	829	-269		

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

Children and Families Service	21,923
Education, Inclusion & Provision	5,904
Adult Social Care	22,589
Complex Care Pooled Budget	22,508
Public Health & Public Protection	294
	<hr/>
	73,218

Enterprise, Community & Resources Directorate

Finance	7,106
Policy, Planning & Transportation	9,359
ICT & Support Services	8,037
Legal & Democratic Services	1,843
Policy, People, Performance & Efficiency	2,100
Community and Environment	15,542
Economy, Enterprise and Property	4,387
	<hr/>
	48,374

Departmental Operational Budgets

Corporate and Democracy	<hr/>
	-10,146

Total Operational Budget	<hr/>
	111,446

APPENDIX D

2021/22 BUDGET – REASONS FOR CHANGE

	£000
2020/21 Approved Budget	115,770
Add back One-Off savings	861
	<hr/> 116,631
<u>Policy Decisions</u>	
Capital Programme	264
<u>Inflation and Service Demand Pressures</u>	
Pay (including Increments)	811
Prices	1,462
Income	-326
Existing Service Demand Pressures	3,723
<u>Other</u>	
Net Adjustment to Specific Grants	-3,171
Contingency Increase	500
Social Care Grant	-1,200
Reserves	-5,879
Base Budget	<hr/> 112,815
Less Savings (Including savings agreed by Council)	-1,369
Total 2021/22 Budget	<hr/> 111,446 <hr/>

APPENDIX E

MEDIUM TERM FINANCIAL FORECAST

	2022/23	2023/24	2024/25
	£000	£000	£000
Spending			
Previous Year's Budget	111,446	114,375	117,789
Add back one-off savings	419	0	0
<u>Inflation</u>			
Pay	1,450	1,479	1,508
Prices	1,352	1,379	1,406
Income	-603	-615	-628
<u>Other</u>			
Capital Financing	2,942	1,191	1,315
Contingency	1,500	2,000	2,000
Reduction to New Homes Bonus Grant	513	0	0
Reverse Use of Reserves	6,422	0	0
Reverse One-Off Grant Funding	3,676	0	0
Terms and Conditions – 4 Day Xmas Saving	1,000	0	0
Budget Forecast	130,117	119,854	123,437
Resources			
Baseline Business Rates Funding and Top-Up Grant	57,736	58,891	60,069
Council Tax	56,684	58,945	61,297
	114,420	117,836	121,366
Funding Gap	-15,697	-2,018	-2,071

APPENDIX F

COMMITTED CAPITAL PROGRAMME 2021/24

SCHEME	2021/22 £000	2022/23 £000	2023/24 £000
Schools Capital Projects	1,520	-	-
ALD Bungalows	199	-	-
Disabled Facilities Grant	600	600	600
Stairlifts	270	270	270
Adapted Properties	270	270	270
Care home acquisition and refurbishment	1,000	-	-
People Directorate	3,859	1,140	1,140
Stadium Minor Works	30	30	30
Brookvale Pitch Refurbishment	12	-	-
Leisure Centre	10,000	8,000	-
Children's Playground Equipment	65	65	65
Landfill Tax Credit Schemes	340	340	340
Crow Wood Park Play Area	20	-	-
Runcorn Town Park	330	280	-
Litter Bins	20	20	20
IT Rolling Programme	700	700	700
3MG	167	-	-
Murdishaw Redevelopment	38	-	-
Equality Act Improvement Works	480	300	300
Widnes Market Refurbishment	3	-	-
Broseley House	388	15	-
Foundry Lane Residential Area	1,682	-	-
Halton Lea TCF	550	-	-
Property Improvements	200	200	200
Street Lighting - Structural Maintenance	200	200	200
Street Lighting – Upgrades	2,000	-	-
Sustainable Urban Development	268	-	-
Windmill Hill Flood Risk Management	68	-	-
Risk Management	120	120	120
Fleet Replacements	3,043	2,590	1,207
Economy, Community & Resources Directorate	20,724	12,860	3,182
Total Capital Programme	24,583	14,000	4,322
Slippage between years	4,802	2,117	1,936
GRAND TOTAL	29,385	16,117	6,258