

Scrutiny & Overview Committee Supplementary Agenda



4. Budget 2021-22 (Pages 3 - 6)

The Committee is asked to consider its views on the Budget Proposals, which will be reported to the Budget Council meeting.

Jacqueline Harris Baker
Council Solicitor and Monitoring Officer
London Borough of Croydon
Bernard Weatherill House
8 Mint Walk, Croydon CR0 1EA

Simon Trevaskis
0208 7266000
simon.trevaskis@croydon.gov.uk
www.croydon.gov.uk/meetings

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BUDGET SCRUTINY

(16th February 2021)

Summary of Budget Report Proposals

- Current year forecast position assumed to be met by 20/21 Capitalisation Direction
- Service Growth of £84m in 2021/22 to meet demographic and cost pressures and to re-base budgets to meet underlying pressures in current run rate
- £45m of service efficiency proposals also being proposed
- Additional Corporate Funding Pressures offset by growth in Business Rate/RSG/Council Tax receipts
- Council Tax increase assumed at 4.99% (3.00% Social Care and 1.99% General) – adds £1.39 per week for a Band D property (£2.00 including GLA increase)
- Budget Balanced predicated on £50m Capitalisation Direction approval
- Re-building of General Reserves includes £10m contribution
- Gap in future years of £78/ £80m which would not be fully offset by requested future capitalisation direction requests so far submitted.

Table 5 – Summary of Proposed Budget Changes

- £45m of service savings proposals in first year (rising to £86m by third MTFS year)
- £83m of service growth proposals in first year rising to £120m by third year)
- Balanced budget in first year (subject to capitalisation direction)
- Gap remains future years

	Incremental Annual Change			Cumulative Change		
	2021/22 (£,000's)	2022/23 (£,000's)	2023/24 (£,000's)	2021/22 (£,000's)	2022/23 (£,000's)	2023/24 (£,000's)
<u>Efficiencies Proposals</u>						
Children, Families & Education	(9,433)	(4,694)	(2,296)	(9,433)	(14,127)	(16,423)
Health, Wellbeing & Adults	(17,494)	(10,745)	(9,505)	(17,494)	(28,239)	(37,744)
Place	(12,759)	(7,378)	(3,513)	(12,759)	(20,137)	(23,650)
Resources	(4,982)	(1,693)	(1,277)	(4,982)	(6,675)	(7,952)
Total Efficiencies Proposals	(44,668)	(24,510)	(16,591)	(44,668)	(69,178)	(85,769)
<u>Growth Requests</u>						
Children, Families & Education	20,433	85	77	20,433	20,518	20,595
Health, Wellbeing & Adults	29,251	6,919	6,880	29,251	36,170	43,049
Place	10,102	800	1,000	10,102	10,902	11,902
Resources	13,585	(720)	(863)	13,585	12,865	12,002
Corporately Held Service Growth	10,463	10,673	10,886	10,463	21,136	32,022
Total Growth Requests	83,834	17,757	17,980	83,834	101,591	119,570
<u>Service Area Growth and Efficiencies</u>						
Corporate Pressures	16,433	47,213	9,614	16,433	63,646	73,260
Corporate Funding (Ctax/NNDR/RSG)	(5,582)	(12,083)	(8,870)	(5,582)	(17,665)	(26,535)
	10,851	35,130	744	10,851	45,981	46,725
TOTAL GROWTH AND EFFICIENCIES	50,017	28,377	2,132	50,017	78,394	80,526
Capitalisation Direction Request				(50,000)	(25,000)	(5,000)
REMAINING GAP				17	53,394	75,526

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