

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 |
| Service Area Growth and Efficiencies | 39,166 | (6,753) | 1,388 | 39,166 | 32,413 | 33,801 |
| 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 |