



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

Council 22 February 2023

Wards affected: All

2023/24 GENERAL FUND BUDGET

Report of Head of Finance

1. Purpose of report

- 1.1 To seek approval of the 2023/24 General Fund Revenue Budget.
- 1.2 The General Fund revenue budget has been prepared taking into consideration the capital programme and Housing Revenue Account (HRA) budgets. The capital and HRA budgets are presented separately but should be read in conjunction with this report.

2. Recommendation

- 2.1 That the following are approved:
 - a) The General Fund budget for 2022/23 and 2023/24 shown in section 3.3
 - b) The Special Expenses area budget for 2022/23 and 2023/24 shown in section 3.5
 - c) The proposed one-off movement in the 2022/23 budget as shown in section 3.9
 - d) The proposed movement in General Fund balances and Earmarked Reserves for 2022/23 and 2023/24 shown in sections 3.18 to 3.22 of this report and Appendix 1.

3. Background to the report

- 3.1 The key objectives for the General Fund Revenue budget for 2023/24 can be summarised as follows:
 - To align expenditure on services to the Council's Corporate Plan.

- To provide for reductions in government grant funding for 2023/24 and future years.
- To encourage identification of savings and income generation opportunities across the Council.
- To take decisions which will maintain acceptable and viable levels of General Fund balances and reserves to make provisions for known future funding and expenditure pressures.
- To maintain an acceptable and viable level of balances in the Special Expenses Area.
- To ensure that the Council has acceptable level of reserves for future pressures and development opportunities.

Budget Summary

- 3.2 Local Authorities continue to face financial issues due to another one-year financial settlement, a cost-of-living crisis and inflation pressures over and above what can be collected from the taxpayer.

The current administration has taken difficult decisions in prior years in the face of uncertainty to ensure that pressures are addressed, but also trying to ensure that these actions are proportionate and balanced considering the issues mentioned above

- 3.3 The original budget for the financial year 2022/23, along with the revised budget for 2022/23 and the proposed budget for 2023/24 are set out below. For 2022/23 the overall general fund position is comparable to that presented at Council in November 2022, where explanations were given for the changes to the original budget. In 2023/24 service expenditure has increased from £15.790m to £17.823m. This is an increase of £2.033m. The two key pressures being pay costs of £1.34m and utility pressure of £0.36m.

Table 1	Original Estimate 2022/23	Revised Estimate 2022/23	Original Estimate 2023/24
Support Services	105,810	78,060	202,858
Corporate & Street Scenes Services	7,734,988	8,138,634	9,587,882
Community Services & Development Services	6,224,929	7,130,329	8,032,050
S31 collection Fund Support	1,724,767	1,724,767	0
Impact of Pay Award	0	520,000	0
Impact of Increased Utility and Fuel Costs	0	75,000	0
Total service expenditure (Net)	15,790,494	17,666,790	17,822,790
Less:			
Special Expenses	(719,800)	(740,800)	(783,720)
Capital Accounting Adjustment	(1,554,130)	(1,554,130)	(1,589,700)
Net external interest (received)/paid	(68,960)	(268,960)	227,150
IAS19 Adjustment	(488,620)	(488,620)	(1,958,190)
Transfer to (from) Unapplied Grants Reserve	(55,000)	(433,491)	(15,060)
Carry forwards from prior year	0	(136,740)	0

Transfer to reserves	175,990	175,990	415,000
Transfer from reserves	(652,708)	(1,632,143)	(1,760,582)
Transfer to (from) Collection Fund Reserve	(1,724,767)	(1,724,767)	0
Transfer to/(from) balances	464,625	74,994	227,961
HBBC Budget Requirement	11,167,124	10,938,123	12,585,649

The major variations between the 2022/23 Original Estimate and the 2023-24 Original Estimate are detailed below –

Table 2: Major variations over £50,000	£000s	£000s	Total
Additional agency cover (£215k cost, £100k salary saving)		115	115
Bio-diesel switch- lower carbon		53	53
Capital accounting adjustments		260	260
Car parking (impact of reduction in usage)		130	130
Collection Fund – reversal of Covid 19 support	-1,725		-1725
Election costs		183	183
Enterprise zone (EZ)	-442	0	-442
External Audit fees		98	98
EZ- additional income share	-54		-54
Garden waste income	-63		-63
New rentals Hub (Estimate)- This may be lower, when agreed	-300		-300
Homelessness - Prevention costs		50	50
Homelessness - Temp accommodation costs		100	100
ICT costs -additional upgrades needed		50	50
Increase planning appeal costs		50	50
Inflation (Net)		106	106
Leisure Centre income contractual increase	-235		-235
Leisure Centre Utility clause		200	200
Light fleet replacement additional costs		55	55
Local Plan Budget reprofile	-139		-139
New Waste Round (property number increases)		110	110
Pay cost increases (Includes NI and Pensions)		1,348	1348
Pension lump sum decrease	-180		-180
Pensions adjustments reversed below the line		1,470	1470
Revenues and Benefit Contributions		82	82
UK Shared Prosperity Fund *	-505	505	0
Utility cost inflation		369	369
Waste- agency driver pressure		91	91
Waste Fuel pressure		110	110

Other minor changes		140	140
Total	-3,643	5,675	2,032

**The Council has been successful in bidding for this funding. The funding is based around three key themes: Communities and place, Local business, and People & skills*

Special Expense Area

- 3.4 This represents the cost of parks and cemeteries in the non-parished area of Hinckley. Whilst the cost will only fall on the residents of this area, the net expenditure is built into the service totals above and must be included in the Council's overall budget requirement for Council Tax purposes.
- 3.5 The proposed budgets for the Special Expenses area have been compiled in accordance with an overall increase in the Borough Council Tax Base of 1.015%. Details of the council tax base are included in the Council Tax report. Due to the adequacy of balances, there will be no increase in Council Tax for Special Expenses. This means the £5 increase in Council Tax will be allocated to the Wider Borough in total.

Table 3	Original Estimate 2022/23	Revised Estimate 2022/23	Original Estimate 2023/24
	£	£	£
Expenditure	719,800	750,800	783,719
Transfer to/(from) balances	(16,851)	(26,851)	(70,628)
Transfer to/(from) reserves	78,500	57,500	78,500
S106 Contributions	(25,816)	(25,816)	(28,000)
Budget Requirement	755,633	755,633	763,591

- 3.6 Balances in the Special Expenses Area (SEA) are estimated as follows:

Table 4	£
Balance on 1st April 2023	321,461
Transfer to/(from) Balances 2022/23	(16,851)
Transfer to/(from) Balances 2023/24	(70,628)
Estimated Balance on 31st March 2024	233,982

Total Council Budget for 2023/24.

- 3.7 The total overall budget for 2023/24 in the direct control of the Council is therefore:

Table 5	Original Estimate 2022/23	Revised Estimate 2022/23	Original Estimate 2023/24
	£	£	£
HBBC Budget Requirement	11,167,124	10,938,123	12,585,649
Special Expenses Budget Requirement	755,633	755,633	763,591
Total Budget Requirement	11,922,757	11,693,756	13,349,240

- 3.8 The original budget for 2022/23 has, in accordance with the Council's Financial Procedures, been revised during the year to take account of approved supplementary budgets and virements. These budgets were approved at council in November 2022.

The only major change since November is a successful bid to the UK Shared Prosperity Fund (UKSPF) for funding, which we achieved, getting £2.6m over three years. The Table below is the 2023/24 and gives budget changes that require approval.

Table 6: UKSPF	£
UKSPF expenditure 2022/23	257,780
UKSPF income 2022/23	(257,780)

Forecast Budget 2023/24 – assumptions and process

- 3.9 The original budget for 2022/23 has, in accordance with the Council's Financial Procedures, been revised during the year to take account of approved supplementary budgets and virements. Table 2 above details the major changes.
- 3.10 The budget has been created with clear links to the Council's strategic and service objectives. Clarity of priorities has enabled cross-party members through the Scrutiny and Executive functions to prioritise the projects included in the Capital Programme. Although the Capital Programme is the subject of a separate report, it is important to note that there are links between capital and revenue (e.g., interest from capital receipts, interest on borrowing, staffing costs etc.).
- 3.11 In order to drive efficiency savings within the cost of supplies and services, a rate of 0% has been applied to non-contract related expenditure. As the Retail Price Index (RPI) has stood around 10% in year, the application this represents an effective saving on running costs. For contracts, an inflation rate of 4% has been used, unless otherwise specified within the terms of the specific contract. Again, this represents an effective saving of 6%.

- 3.12 The salaries and wages budget are the most significant element of the revenue budget. For pay costs, the 2023/24 estimates have been based on the latest pension valuation and a provisional pay settlement of 5%. The Council operates a disciplined process of challenging recruitment and filling of posts and therefore a salary saving rate of 5% (General Fund and HRA) has been applied to posts to reflect the savings which will result from this challenge. This rate is unchanged from that used in 2022/23.

In addition to the growths listed above; the following items have been included in the service budgets: -

Table 7 Other pressures and savings 2023/24	Costs £000	Description
MRP	30	Revenue cost of Capital financing via borrowing.
MRP EZ Loan	214	Revenue cost of financing EZ Loan
Interest	296	Includes the increase in EZ loans and loans for other purposes

- 3.13 The Leicestershire Pension Fund is re-valued in accordance with statutory requirements. There is currently an actuarial deficit (i.e., the assets of the fund were less than those required to meet the long-term liabilities in terms of benefits due to members). Whilst action is needed to remedy this position, the timescales involved mean that there is sufficient time to recover the position in a phased manner over several years and valuations. An Employers Contribution rate of 21.9% will be used with an additional 1% being included for Ill Health retirement insurance. In addition, a lump sum value of £606,530 (General Fund Element) is payable to the Local Government Pension Scheme which is contained in a corporate budget.

Original Budget 2023/24 – summary of key issues and considerations

- 3.14 In addition to service priorities, there are a number of wider issues, identified for 2023/24, and previously in the Medium-Term Financial Strategy. A summary of these items and how they have been addressed in the budget is provided below.

Balances

- 3.15 The Council has a current policy of maintaining a general fund balance of 15% of the net budget requirement. This will not be possible for 2023/24 and a target of 10.2% has been used for the budget setting to protect overuse of reserves to support the general fund in the 2023/24 year. Further details will be provided when the MTFS is presented in July 2023. The Council's income from Central Government has reduced significantly since 2016/17, with more emphasis on local sources on funding from Council Tax and Business rate growth The New

Homes Bonus income has also dramatically reduced due changes in the way government fund this activity. The table below show this pressure.

	2016.17	2017.18	2018.19	2019.2	2020.21	2021.22	2022.23
Core Funding (Non- Ctax) £m	6.60	6.00	5.60	5.00	4.40	4.10	3.90
Core Funding (Council Tax) £m	4.30	4.60	4.80	5.10	5.30	5.40	5.66
	10.90	10.60	10.40	10.10	9.70	9.50	9.56
Core Funding (Non- Ctax) %	60.6%	56.6%	53.8%	49.5%	45.4%	43.2%	40.8%
Core Funding (Council Tax) %	39.4%	43.4%	46.2%	50.5%	54.6%	56.8%	59.2%
	2016.17	2017.18	2018.19	2019.2	2020.21	2021.22	2022.23
Buisness rates Growth	0.50	0.51	0.92	1.19	1.78	1.64	2.28

3.16 However, the table also shows that Business Rates funding, which HBBC have benefited from in the past, is a variable source of income and has a higher risk of volatility.

3.17 The Council therefore has the following policies relating to levels of balances and reserves for 2023/24:

- To maintain an average general balance (non-earmarked) at a minimum of 15% of Hinckley & Bosworth Borough Council's budget requirement in 2023/24. Based on the forecast position for 2023/24 this would determine a need for £1,887,847 of General Fund balances, the forecast position is that £1,369,955 will be achieved but is dependent on using £1,307,780 of earmarked reserves to support the general fund position. This comes from reducing the Hinckley Community Development Fund to zero (£350,000), using the Developing Communities Fund (£300,000) and from the Business Rates Equalisation Reserve (£657,780).
- Where possible, all actual service under-spends, and excess balances should be transferred to earmarked reserves to plan for specific future costs or financial risks.
- There should be no direct contribution from revenue to capital except for specific identified projects.
- Any additional notional surplus/deficit earned/incurred by the Direct Service Organisations will be transferred to/from General Fund balances. Any such balance on the Housing Repairs DSO account is transferred to/from the Housing Repairs Account held within the Housing Revenue Account.

3.18 The projected movement of the General Fund Balances is detailed in the table below and indicates that balances forecast as 31st March 2024 for Special Expenses are above 15% but the general fund balance is at 10.9%. Final movements in balances for 2022/23 will be confirmed at year end and considered as part of future review of reserves.

Table 8	Total	General Fund	Special Expenses
	£'000	£'000	£'000
Balances at 1 April 2022	1,353	1,067	286

Amount Taken to /(from) Balances 2022/23	19	75	(56)
Balances at 31 March 2023	1,372	1,142	230
Amount Taken to/(from)Balances 2023/24	260	228	32
Balances at 31 March 2024	1,632	1,370	262
Net Budget Requirement	13,349	12,586	763
Minimum Balance requirement (15%)	2,002	1,888	114
Surplus Balance	(370)	(518)	148

Earmarked Reserves

- 3.19 Appendix 1 provides a summary of earmarked General Fund reserves together with estimated movements during 2022/23 and 2023/24. The tables below summarise the changes required to the current approved budget for 2022/23 and lists the approvals required in 2023/24.

Table 9 Reserve	Transfer to 2022/23 £	Transfer to 2023/24 £	Use
Special Expenses Reserve	0	(110,000)	Set aside to fund future capital costs and one of revenue costs
ICT Reserve	0	(15,000)	Set aside to fund future costs
Elections	0	(25,000)	Set aside to fund future costs
Waste Management Reserve	0	(375,000)	Set Aside for future waste management changes
Total	0	(525,000)	

The following additional transfers from reserves require approval by Council:

Table 10 Reserve	Transfer from 2022/23 £	Transfer from 2023/24 £	Use
Local Plan Procedure	(142,402)	150,000	Re-profiling of expenditure for use on local plan
Special Expenses Reserve	11,000	31,500	To fund proms in the park in 22/23 Free Car Parking in 23/24

Maintenance Fund – Green Towers	0	50,000	Use to support in year pressures
Business Rates Retention	(455,000)	657,780	For 2022/23 release element to cover collection fund deficit not required. 2023/24 Used to support in year pressures.
Elections Reserve	0	50,005	Use to fund 2023/24 local election
Enforcement & Planning Appeals	50,000	120,000	Use to fund in year enforcement and appeals costs
Hinckley Community Development fund		350,000	Used to support in year pressures.
Developing Communities Fund		300,000	Used to support in year pressures.
Environmental Improvement Reserve	0	40,000	Use to fund in year climate costs
S31 Collection Fund	236,072	0	Write out collection fund grant to fund the in-year deficit.
Council Tax Hardship	0	42,797	Release of reserve to support in year costs
Total	(300,330)	1,792,082	

- 3.20 Based on these calculations, it is estimated that the Council will hold £6.2 million in earmarked reserves as at 31st March 2023 and £3.8 million at 31st March 2024, excluding special expenses. This amount excludes any “unapplied grants and contributions” which are treated as earmarked reserves in accordance with accounting regulations but relate to specific grants where conditions have not yet been met.

Local Government Finance Settlement

- 3.21 The Council’s budgets are highly sensitive to changes in the finance settlement and Government policy. Funding announced in the 2023/24 Local Government Finance Settlement (Provisional), along with additional elements of financing are detailed in the table below.

Note that the Business rates growth figure below is highly likely to change and could be higher or lower. This is because from 1 April 2023, the rateable values of all non-domestic properties in England will be updated to reflect the property market as at 1 April 2021. This will ensure business rates bills are fairly distributed across all non-domestic properties and reflect changes in market conditions since 2015. The Business Rates Growth figure is based on the NNDR1 which was finalised in late January 2023. This is based on the latest available information on rateable values and reliefs.

Table 11	2022/23 Original Budget	2023/24 Original Budget	Mvt Inc/(Dec)
	£	£	£
National Non-Domestic Rates BLF (Base Line Funding)	2,687,603	2,696,030	8,427
<i>Business Rates Growth *</i>	2,599,297	3,714,313	1,115,016
<i>Lower Tier Support Grant</i>	236,716	215,616	(21,100)
<i>Services Grant</i>	179,153	100,950	(78,203)
<i>New Homes Bonus</i>	528,875	581,966	53,091
<i>Net Collection Fund Surplus / (Deficit)</i>	39,837	(59,396)	(99,233)
<i>Council Taxpayer</i>	4,895,643	5,144,303	248,660
<i>RSG (included in BLF in 2022/23)</i>	0	191,867	191,867
<i>Total Financing</i>	11,167,124	12,585,649	1,418,525

3.22 The following points should be noted:

- The reset of business rates has been delayed, with an expectation it may occur in either 2025/26 or more likely in 2026/27, and
- An increase in New Homes Bonus Income of £0.53m caused by a redistribution of government funds for a further year,

Business Rates Retention and Pooling

3.23 The Council's NNDR1 form forecasts the level of Business Rates expected to be collected by the Council in year, after taking into account discounts, collection rates and appeals estimates. For 2023/24 HBBC will have a 40% tier which is approximately £16.9m, the table above gives the element retained once Tariff and Levy charges have been made.

The retained business rates of this Council are subject to a tariff, which the government have increased from £9.6m in the 2022/23 to £11.3m in 2023/24 which reduces the gain to HBBC by £1.7m. Any growth over a set baseline (£2.7m) is subject to a "levy" payment of £2.7m, which is paid to the business rates pool. The settlement announced that a safety net threshold for all Councils

of 97.5%. On this basis, this Council would need to lose £5m of Business Rates before a safety net payment will be made

- 3.24 The NNDR1 form which set out the final budgeted position for this Council was approved by the Head of Finance (S151 officer) on 31 January 2023.
- 3.25 The accuracy of these forecasts will be monitored on a regular basis and will be validated only at year end as part of the completion of the NNDR3 form.
- 3.26 Budgeting for business rates is difficult, given the level of volatility in the market and delays in processing of appeals and applications for relief. Ongoing monitoring will be performed of the position in year and reported to the Finance and Performance Scrutiny Committee quarterly. Significant levels of appeals have been lodged with the Valuation Office Agency (VOA), which if successful would have a significant impact on the Council.
- 3.27 Based on the forecast position the Council best option is to remain in the pool.

New Homes Bonus

- 3.28 New Homes Bonus (NHB) was introduced in February 2011 and was designed to encourage housing growth by providing financial incentive for Councils and local people to accept new housing.
- 3.29 The Financial settlement since 2016/17 has seen the continued reduction of NHB funding from £2.9m in 2016/17 to £0.58m for 2023/24. It is not clear if 2023/24 is the last year payments will be made under the current procedures, but it is assumed it will continue at a similar rate until the business rate reset. The Government have noted they wish to introduce a more targeted funding to replace the current NHB scheme but have not yet released any details of how this will operate. Any replacement is expected to be at a much-reduced level on that received historically.

Leisure Centre Income

- 3.30 For 2023/24 the contractual Management fee is estimated to be £1.12m. This cost has been included as a growth. The income based on an indexation increase for 2023/24 was estimated to be £1.12m but will be based on March 2023 inflation figures.

The risk remains on the future profitability of the leisure centre, due to the current economic environment. Places for People (PfP) (the leisure centre operator) has a contractual clause for utilities. This means the Council has to part fund above utility costs above the average rate of inflation, which has been estimated to be £0.2m for 2023/24.

Table 12	2022/23	2023/24
Net Management Fee £	885,000	1,120,400

Leicestershire Revenues and Benefits Partnership

- 3.31 The budget for the Leicestershire Revenues and Benefits Partnership (the Partnership) is split between Hinckley and Bosworth Borough Council, Harborough District Council and North West Leicestershire District Council based on a percentage rate which reflects the case load dealt with by the Partnership. The resulting estimated contributions for 2023/24 are below. The contribution for HBBC has been included within the General Fund budget and reflects an increase of £81,882 compared to 2022/23:

Table 13		HBBC
		£
2023/24 Contribution		1,525,530
2022/23 Contribution		1,443,650
Difference – Increase/(Decrease)		81,882

Investment (Income/Costs)

- 3.32 In recent years, the country has faced unprecedented levels of public sector borrowing which had reached a peak in 2019/20. The government continues to emphasise a need to reduce borrowing which consequently impacts the level of resources available to the sector.
- 3.33 The Base Rate is currently 3.5%. This is due to rise over the forthcoming months then set to level out in the last quarter of 2023 and first quarter of 2024. A rate of 4.5% has been assumed for the 2023/24 budget. This increase in rates means that borrowing rates are higher but investment rate will also increase. This has been allowed for in the interest budget.
- 3.34 Net interest has been estimated at £227,150 expenditure and is based on a cash flow and borrowing forecast. This allows for an increase in income of £228,000 and additional interest costs of 16,000 and interest payment for the EZ loan of Enterprise Zone of £168,400.

Major Projects

- 3.35 Appropriate provision has been made in the budget for the revenue consequences of the Council's major projects including the crematorium.

The full impact of all schemes is detailed in the Capital Programme.

Council Tax

- 3.36 For 2023/24 the financial settlement offered the ability to councils that have been prudent in council tax increments and find themselves in the bottom quartile for the level of council tax charged, to level a £5 increase. The General Fund budget is based on a £5 average band D increase, with no increase specific allocation of this to the special expenses area.

Summary of the overall 2023/24 budget position

- 3.37 The budget proposed for 2023/24 is achieving 10.9% general fund balance in relation to net expenditure against a target of 15% (£1.888m). This target is in place to leave a buffer for unexpected or unplanned pressures. Savings of £518,000 would be needed to be made in 2023/24 to achieve 15%. To achieve the 10.9% forecast, £1,307,780 of earmarked reserves are being released to the general fund to support cost pressures. Without the use of the earmarked reserves, the target would have fallen to 0.5% (£0.062m), which is considered too low a safety margin.
- 3.38 Earmarked reserves are expected to fall from £6.4m to just under £4.14m by 31 March 2024. The general fund balance is forecast to be £1.37m by this date. Therefore, the Council can achieve its financial targets for 2023/24. The longer-term position will be covered in the MTFs, which will be reported in July 2023. Initial indications are that years after 2023/24 will be subject to significant pressures. Members should note, failure to set a balanced MTFs that maintains the financial position of the Council could lead to our auditors qualifying the VFM conclusion, as part of their VFM.
- 3.39 Please note that the 2023/24 budget should be read in conjunction with the Council's Fees and Charges book for 2023/24, which is also agreed by Council. This document reflects the annual review of all Council income streams and any variations in charging regimes. Major Fee changes are summarised in the Fees and Charges report.

4. Exemptions in accordance with the Access to Information procedure rules

- 4.1 Report taken in open session.

5. Financial implications [IB]

- 5.1 Contained in the body of the report

6. Legal implications [MR]

- 6.1 Section 25 of the Local Government Act (2003) requires the Section 151 officer to report on the robustness of the estimates made within the budget and the adequacy of the financial reserves.

7. Corporate Plan implications

- 7.1 A robust General Fund Budget is required to ensure that resources are effectively allocated to ensure delivery of all the aims, outcomes and targets included in the Council's Corporate Plan.

8. Consultation

- 8.1 None

9. Risk implications

- 9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

It is not possible to eliminate or manage all risks all the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

The following significant risks associated with these report / decisions were identified from this assessment:

Management of Significant (Net Red) Risks		
Risk Description	Mitigating Actions	Owner
That the Council has insufficient resources to meet its aspirations and cannot set a balanced budget	A budget is produced to ensure that the objectives of the budget exercise are known throughout the organisation.	Strategic Leadership Team
That decisions made for 2023/24 are made in isolation from the Medium-Term Financial Strategy and the pressures set out in that strategy.	The budget is scrutinised on an ongoing basis to ensure that assumptions are robust and reflective of financial performance.	Strategic Leadership Team
That the MTFS has no robust and costed plan to ensure sustainability, resulting in public criticism on value for money from the internal and external auditors	Decisions are made which provide costed reassurance that sufficient levels of reserves and balances are maintained to ensure financial resilience over the period of the MTFS	Council
	Decisions are made which provide costed reassurance that sufficient levels of reserves and balances are maintained to ensure financial resilience over the period of the MTFS	Council

10. Knowing your community – equality and rural implications

- 10.1 This budget ensures that value for money services can be delivered to all residents and communities within the Borough.

11. Climate implications

- 11.1 There are no direct implications arising from this report. However financial planning is a key tool for delivering the corporate priorities of the Council. Included in those priorities are the Climate change considerations for services. The budget decisions made by members in relation to issues such as Council tax, fees, and charges, and in the longer-term asset investment directly affect the council's abilities to invest in climate change priorities. The financial pressure on the council will mean it become increasingly difficult to meet its carbon emergency targets by 2030.
- 11.2 The council currently wish to reduce the carbon emissions by a range of key initiatives as set out in the adopted Climate Change Strategy, including the program of installing electric charging points to car parks and increase biodiversity through management of our green spaces. The Council also has funds ring fenced to support voluntary and community sector organisations and consider environmental impact as key criteria of where these funds are used.
- 11.3 The pressure that is in the budget for 2023/24 pose risks for all the council's activities, including these areas.

12. Corporate implications

- 12.1 By submitting this report, the report author has taken the following into account:
- Community Safety implications
 - Environmental implications
 - ICT implications
 - Asset Management implications
 - Procurement implications
 - Human Resources implications
 - Planning implications
 - Data Protection implications
 - Voluntary Sector

Background papers: None

Contact officer: Ilyas Bham, Accountancy Manager x5924
Executive member: Cllr K Lynch

Appendix 1 - General Fund Earmarked Reserves

Figures are in £	Closing Balance 31st March 2022	Capital Expenditure Revised	To Revenue Revised Budget	From Revenue Revised Budget	Closing Balance 31st March 2023	Capital Expenditure Revised	To Revenue Original Budget	From Revenue Original Budget	Closing Balance 31st March 2024
Special Expenses Reserve	(286,285)	114,166	52,500	(110,000)	(229,619)	45,750	31,500	(110,000)	(262,369)
Local Plan Procedure	(683,514)	0	191,000	0	(492,514)	0	150,000	0	(342,514)
Business Rates Equalisation Reserve	(2,560,780)	0	0	0	(2,560,780)	0	657,780	0	(1,903,000)
Year End Carry Forwards	(135,760)	0	135,760	0	0	0	0	0	0
Maint Fund - Green Towers	(45,000)	0	0	(5,000)	(50,000)	0	50,000	0	0
ICT Reserve	(74,750)	15,000	54,000	(9,250)	(15,000)	30,000	0	(15,000)	0
Waste Management Reserve	(130,260)	15,000	0	(136,740)	(252,000)	15,000	0	(375,000)	(612,000)
Asset Management Reserve	(400,000)	0	0	0	(400,000)	200,000	0	0	(200,000)
Election Reserve	(25,005)	0	0	(25,000)	(50,005)	0	50,005	(25,000)	(25,000)
Grounds Maintenance	(30,000)	0	0	0	(30,000)	0	0	0	(30,000)
Enforcement & Planning Appeals	(230,000)	0	50,000	0	(180,000)	0	120,000	0	(60,000)
Building Maintenance costs	(588,120)	0	0	0	(588,120)	0	0	0	(588,120)
Hinckley Community	(350,000)	0	0	0	(350,000)	0	350,000	0	0

Figures are in £	Closing Balance 31st March 2022	Capital Expenditure Revised	To Revenue Revised Budget	From Revenue Revised Budget	Closing Balance 31st March 2023	Capital Expenditure Revised	To Revenue Original Budget	From Revenue Original Budget	Closing Balance 31st March 2024
Development Fund									
Developing Communities Fund	(704,810)	282,815	0	0	(421,995)	0	300,000	0	(121,995)
Environmental Improvement Reserve	(62,051)	0	22,051	0	(40,000)	0	40,000	0	0
Crematorium Reserve	(500,000)	48,421	0	0	(451,579)	451,579	0	0	0
Financial Support Reserve	(1,080,000)	0	1,080,000	0	0	0	0	0	0
S31 Collection Fund Reserve	(1,960,839)	0	1,960,839	0	0	0	0	0	0
Enterprise Zone - Covid	(295,911)	0	0	0	(295,911)	295,911	0	0	0
S31 Ctax Hardship Support	(42,797)	0	0	0	(42,797)	0	42,797	0	0
Total	(10,185,882)	475,402	3,546,150	(285,990)	(6,450,320)	1,038,240	1,792,082	(525,000)	(4,144,988)