



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

HINCKLEY AREA COMMITTEE 2 March 2022

Wards affected: Hinckley Area

2022/23 GENERAL FUND BUDGET

Report of Head of Finance

1. Purpose of report

1.1 To present the proposed draft revenue budget and council tax for 2022/23 for the Special Expenses Area of Hinckley.

2. Recommendation

2.1 That the Committee endorse the revenue and capital budgets and council tax for 2022/23.

2.2 That the Committee endorse the Fees and Charges for 2022/23.

3. Background to the report

3.1 This report presents the budget relating to the Special Expenses Area of Hinckley for the Committee to consider and make recommendations to Council for approval. The 2022/23 General Fund revenue budget (including the Special Expenses) was presented to Council for approval in February 2022.

3.2 The budget for 2022/23 together with the latest estimate for 2021/22 is shown in **Appendix 1**. The proposed budget has been drawn up in accordance with the principles set out in the 2022/23 Budget Strategy. The key assumptions approved in this Strategy include:

- Reversal of one-off growths from previous years
- 1.75% for the 2022/23 pay award has been included.

- Application of no growth on non contract supplies and services
- No increase in Council Tax for the Special Expenses element.

Revised budget 2021/22

3.3 The net budget as detailed in **Appendix 1** has been revised and has increased by £11,000. This is due to a £11,000 contribution towards proms in the parks

Proposed budget 2022/23

3.4 The proposed expenditure budget for 2022/23 has been detailed in **Appendix 1** and has been prepared using the assumptions identified in 3.2. Compared to the Original estimate for 2021/22, service expenditure for the Special Expense Area has increased by £13,340. The main variance are summarised below:

	£000
Pay Award	4
Ground contract increase	6
Inflation increases on supplies and Services	3
Total	13

Council Tax

3.5 The Tax Base (number of chargeable properties) in the Special Expenses Area has increased by 0.75% in 2022/23 when compared to 2021/22. This is compares against the forecast of 2.0% which was assumed in the Medium-Term Financial Strategy in February 2019.

3.6 Although the financial settlement allows for a potential £5 increase on Council Tax the current recommendation is for no increase in the Special Expenses element of Council Tax. **It is therefore recommended that the Council Tax for the Special Expenses Area remain at £19.37 for 2022/23 for an average Band D property.**

Fees and Charges

3.8 Fees and Charges that relate to this committee are attached in **Appendix 2**. Members are requested to review the charges and endorse the officer recommendations in the Appendix.

Balances and Reserves

3.9 Based on the proposed budget, balances in the Special Expense Area at 31st March 2022 and 2023 are estimated as follows:

	£
Balance at 1 st April 2021	(345,506)
Transfer (to)/from Balances 2021/2022	20,045
Estimated Balance at 31st March 2022	(325,461)
Transfer (to)/from Balances 2022/2023	16,851
Estimated Balance at 31 March 2023	(308,610)

3.10 Earmarked reserves have been set aside for the Special Expense Area to meet the cost of Green Space projects within Hinckley. This reserve at 31 March 2023 is projected to be £248,939 based on the following movements: -

	£
Balance at 1st April 2021	(229,799)
Transfer to Reserves	(110,000)
Transfer from Reserves (revenue)	31,500
Transfer from Reserves (capital)	64,550
Estimated Balance at 31st March 2022	(243,749)
Transfer to Reserves	(110,000)
Transfer from Reserves (revenue)	31,500
Transfer from Reserves (capital)	73,310
Estimated Balance at 31st March 2023	(248,939)

Capital Programme

3.11 The capital programme for the HAC is summarised below:

Hinckley Community Initiatives Fund	2021/22	2022/23	2023/24	2024/25
Total Annual Expenditure	12,000	12,000	12,000	12,000
Special Expenses Areas Reserves	(12,000)	(12,000)	(12,000)	(12,000)
HBBC Element	0	0	0	0

Memorial Safety Programme	2021/22	2022/23	2023/24	2024/25
Total Annual Expenditure	5,950	6,110	6,270	6,440
Special Expenses Areas Reserves	(5,950)	(6,110)	(6,270)	(6,440)
HBBC Element	0	0	0	0

Green Spaces Delivery Plan	2021/22	2022/23	2023/24	2024/25
Total Cost	433,017	0	0	0
Less: Section 106 contributions	(355,537)	0	0	0
Less other private contributions	(77,480)	0	0	0
HBBC Element	0	0	0	0

Argents Mead- Moat Improvements	2021/22	2022/23	2023/24	2024/25
Total Cost	153,500	0	0	0
Less: Section 106 contributions	(26,000)	0	0	0
HBBC Element	127,500	0	0	0

Hinckley Action Zone	2021/22	2022/23	2023/24	2024/25
Total Cost	507,000	775,500	306,500	0
Less: Historic England grant	(396,000)	(632,100)	(237,630)	0
Less: Special Expenses Reserves	(46,600)	(55,200)	(18,200)	0
HBBC Element	64,400	88,200	50,670	0

Apart from the Heritage Action Zone the programme is based on the current Green Spaces Delivery Plan. A detail of the plan is included at Appendix 3. These schemes are primarily funded through external contributions. Where income has not been received officers have based the contribution on the latest information available. If the actual funding is materially different to those anticipated a further report will be presented to the committee to discuss the financial implications

3.12 Any further potential schemes will be brought back to the committee before they are approved.

3.13 Members are requested to endorse the programme.

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 None

7. Corporate Plan implications

- 7.1 A robust budget is required to ensure that resources are effectively allocated in order to ensure delivery of all of 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 of 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
None	None	None

10. Knowing your community – equality and rural implications

- 10.1 All expenditure and income relate to the urban area of Hinckley.

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.
- 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 2022/23 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
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Background papers: None

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