



**Report to: Environment Committee, 27<sup>th</sup> October 2020**

**Report of: Head of Finance**

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**Subject: SETTING OF THE BUDGET FOR 2021/22 AND MTFP TO 2025/26**

**1. Recommendation**

**1.1 That the Committee note the Budgets for the various services identified for 2020/21;**

**2. That the Committee consider the priorities within each service and recommends any change of emphasis for the services' Income and Efficiency plans.**

**3. Background**

3.1 The summary budgets contained in **Appendix 1** for 2020/21 were approved by Full Council on 18<sup>th</sup> February 2020 and published in the annual Budget Book.

3.2 These provide detailed budgets for each of the Council's services covering both income and expenditure.

3.3 The Council also produces a Medium Term Financial Plan for the next 5 years setting out the high level pressures and opportunities that are likely to need to be addressed.

**4. Review of Service Budgets**

4.1 Members are asked to review the budget for each service and consider whether it is appropriate for the service delivery requirements.

4.2 The Council adopted an Income and Efficiency Plan for the three years from 2019-2020 to deliver savings and improvements to the Council's finances. A summary of these and an indication of whether they have been achieved is shown in **Appendix 2**.

4.3 With most of the items in the Council's Income and Efficiency Plan now achieved or no longer considered practical, the Council's services have carried out a thorough review to identify new areas for efficiency improvement. These have been collated and are being considered for inclusion in a new Income and Efficiency Plan for 2021-2025. This will be presented to members in due course.

4.4 Members are invited to submit suggestions of potential service improvements that could be included in the services' Income and Efficiency Plan plans in order to continue to achieve service objectives and to deliver the relevant aims of the City Plan.

- 4.5 Given that the Council faces a reduction in its future funding and has experienced a significant reduction in its income, this exercise is likely to result in a reduction or reallocation of resources rather than an increase in the net budget available.

#### **4. Projects and Capital Expenditure**

- 4.1 In a separate report to this committee meeting, Members have received a progress report on the various projects aligned to this committee. In addition, the 2020/21 Q2 year-end forecast Capital Programme is shown on **Appendix 4a** and the 2020-2024 Capital programme approved as part of the Budget in February 2020 is shown in **Appendix 4b**.
- 4.2 Members are asked to consider whether the current projects are still appropriate for each service and whether there are any further needs that require addressing. This should include phasing the projects across the full 5 year term of the MTFP based on the need and importance of each one.
- 4.3 The original £3.3m budget allocated to the City Plan was previously split into broad themes by members. Since then a number of projects have been approved against this funding. The summary of the original allocations, the projects that have been approved and the balance of funding remaining in each City Plan theme are shown in **Appendix 3**.
- 4.4 Members are asked to consider whether the amounts allocated to the City Plan themes are still appropriate and whether there are any further needs that require addressing through a reallocation of the funds available.
- 4.5 Given that the Council faces a reduction in its future funding, recommendations should be prioritised to ensure the limited resources are allocated most effectively.

#### **5 Implications**

- 5.1 Financial and Budgetary Implications  
None arising directly from this report.
- 5.2 Legal and Governance Implications  
The Council has a requirement to set a balanced budget for 2021-22.
- 5.3 Risk Implications  
None arising directly from this report.
- 5.4 Corporate/Policy Implications  
None arising directly from this report.
- 5.5 Equality Implications  
None arising directly from this report.
- 5.6 Human Resources Implications  
None arising directly from this report.
- 5.7 Health and Safety Implications  
None arising directly from this report.

**Ward(s):** All  
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**Background Papers:** None