



**Report to: Policy and Resources Committee, 16<sup>th</sup> November 2021**

**Report of: Corporate Director – Finance and Resources**

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**Subject: SETTING OF THE BUDGET FOR 2022/23 AND MTFP TO 2026/27**

**1. Recommendation**

- 1.1 That the Committee note the Budgets for the various services identified for 2021/22; and**
- 1.2 That the Committee note the progress made in delivering the projects included in the City Plan relevant to this Committee and confirms the programme of work resourced.**

**2. Background**

- 2.1 The summary budgets contained in **Appendix 1** for 2021/22 were approved by Full Council on 23 February 2021 and published in the annual Budget Book.
- 2.2 These provide detailed budgets for each of the Council's services covering both income and expenditure.
- 2.3 The Council also produces a Medium Term Financial Plan (MTFP) for the next 5 years setting out the high level pressures and opportunities that are likely to need to be addressed. Revenue and capital spending decisions made during each budget cycle feed into the MTFP and determine the level of reserves that the Council needs to ensure that services can be sustained in future.

**3. Review of Service Budgets**

- 3.1 Members are asked to review the existing budget for each service and consider whether it remains appropriate for the required level of service delivery.
- 3.2 The budget approved by Council at the meeting on 23 February 2021 included a new Income and Efficiency Plan for 2021-2025. The progress made in 2021/22 on items relevant to this committee, and the items identified for the forthcoming years, are set out in **Appendix 2**.
- 3.3 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.
- 3.4 Given that the Council faces a reduction in its future funding and has experienced a 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. The MTFP indicates a budget gap which will need to be addressed so that the Council can continue to hold sufficient reserves to meet future needs.

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

- 4.1 In a separate report to this committee meeting, Members have received a quarterly progress report on the various projects aligned to this committee. In addition, the 2021/22 Quarter 2 year-end forecast Capital Programme is shown on **Appendix 3** and the 2021-2025 Capital programme approved as part of the Budget in February 2021 is shown in **Appendix 4**.
- 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 5**. The table shows the amount spent and committed by way of purchase orders to date. In most cases the balance remaining is required to complete the particular project.
- 4.4 Members are asked to confirm that the programme of work supported by the City Plan allocations continues to meet the priorities of the Committee and, if not, whether any of the resources should be allocated to other priorities.

#### **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 2022-23.
- 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