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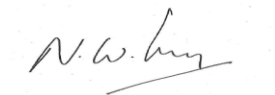
Please ask for:
Alison Marston

27 August 2021

Dear Councillor

You are requested to attend a meeting of the WELWYN HATFIELD BOROUGH COUNCIL CABINET to be held on Tuesday 7 September 2021 at 5.00 pm in the Council Chamber, Council Offices, The Campus, Welwyn Garden City, Herts, AL8 6AE.

Yours faithfully



Corporate Director
Public Protection, Planning and Governance

AGENDA
PART 1

1. **APOLOGIES**

2. **MINUTES**

To confirm as a correct record the Minutes of the meeting held on 10 August 2021 (previously circulated).

3. **PUBLIC QUESTION TIME AND PETITIONS**

Up to thirty minutes will be made available for questions from members of the public on issues relating to the work of the Cabinet and to receive any petitions.

4. **ACTIONS STATUS REPORT** (Pages 5 - 6)

Report of the Corporate Director (Public Protection, Planning and Governance) on the status of actions agreed at the last Cabinet meeting.

5. **NOTIFICATION OF URGENT BUSINESS TO BE CONSIDERED UNDER ITEM 8**

6. DECLARATIONS OF INTERESTS BY MEMBERS

To note declarations of Members' disclosable pecuniary interests, non-disclosable pecuniary interests and non-pecuniary interests in respect of items on the Agenda.

7. ITEM REQUIRING KEY DECISION

To consider the following item for decision in the current Forward Plan:-

- (a) Medium Term Financial Strategy (MTFS) Update (Forward Plan Reference FP1070) (Pages 7 - 18)

Report of the Chief Executive on the review of the Medium-Term Financial Strategy (MTFS) as the opening stage of the 2022/23 Budget Setting process.

8. SUCH OTHER BUSINESS AS, IN THE OPINION OF THE CHAIRMAN, IS OF SUFFICIENT URGENCY TO WARRANT IMMEDIATE CONSIDERATION

9. EXCLUSION OF PRESS AND PUBLIC

The Cabinet is asked to resolve:

That under Section 100(A)(2) and (4) of the Local Government Act 1972, the press and public be now excluded from the meeting for Items 10 and 11 on the grounds that it involves the likely disclosure of confidential or exempt information as defined in Section 100(A)(3) and Paragraph 3 (private financial or business information) of Part 1 of Schedule 12A of the said Act (as amended).

In resolving to exclude the public in respect of the exempt information, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

PART II

10. ITEM OF AN EXEMPT NATURE REQUIRING KEY DECISION

To consider the following item of an exempt nature:-

- (a) Write Offs over £50,000 (Forward Plan Reference FP1073) (Pages 19 - 22)

Exempt report of the Chief Executive on the write-offs of over £50,000.

11. ANY OTHER BUSINESS OF A CONFIDENTIAL OR EXEMPT NATURE AT THE DISCRETION OF THE CHAIRMAN

Circulation: Councillors T.Kingsbury (Chairman) N.Pace
D.Bell (Vice-Chairman) B.Sarson
S.Boulton F.Thomson

Corporate Management Team
Press and Public (except Part II Items)

If you require any further information about this Agenda please contact Alison Marston, Governance Services on 01707 357444 or email – democracy@welhat.gov.uk

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Agenda Item 4

Part I

Main author: Alison Marston

Executive Member: Cllr Nick Pace

Not Ward Specific

WELWYN HATFIELD BOROUGH COUNCIL

CABINET – 7 SEPTEMBER 2021

REPORT OF THE CORPORATE DIRECTOR (PUBLIC PROTECTION, PLANNING AND GOVERNANCE)

ACTIONS STATUS REPORT

1 Executive Summary

1.1 In order to ensure that actions identified at meetings are completed, this report lists the actions from the last Cabinet meeting, those responsible for completing each action and its current status.

2 Recommendation(s)

2.1 That Members note the status of the following actions which were identified at the last Cabinet meeting on 10 August 2021:-

Minute	Action	Responsible	Status/ Date Completed
26.1	Community and Stakeholder Engagement Strategy	Thom Burn	Delegated authority had been given to the Corporate Management Team to oversee the development and implementation of strategies linked to the CASES, except where there were existing governance arrangements in place for Member approval and/or scrutiny of those strategies.
29.	Afghan Locally Employed Staff Relocation Scheme Acceleration	Sian Chambers	The Home Office was notified and the officers are now in discussion with both the East England Strategic Partnership and the Refugee council to discuss options around how we will offer the support.
31.1	Independent Living	Stuart Pearson	Subject to a viable tender bid being received, notices will then be prepared to be served in December 2021 to terminate the necessary contracts in line with relevant contract clauses.
31.2	Award of Land Survey Framework	Andrew Harper	The contract was awarded in August 2021.

During the period 2 August 2021 to 27 August 2021, the following decisions were taken by Cabinet Members exercising their individual delegated powers in accordance with paragraph 18 of the Cabinet Procedure Rules within the Constitution.

	Action	Responsible	Status / Date Completed
2021-21	Award of contract for mains isolator switches (Decision taken 28 July 2021)	Andrew Harper	The contract has been awarded and will start on 1 September 2021
2021-22	Extension of Office Cleaning Contract (Decision taken 28 July 2021)	Andrew Harper	The contract is due to start on 1 December 2021.
2021-23	Extension of Estate Management Contracts (Decision taken 28 July 2021)	Andrew Harper	The contract is due to start on 1 April 2022.
2021-24	Extension of Electrical Maintenance Contract (Decision taken 28 July 2021)	Andrew Harper	The contract is due to start on 1 April 2022.
2021-25	Extension of Garage Maintenance Contract (Decision taken 28 July 2021)	Andrew Harper	The contract is due to start on 1 April 2022.

Part I

Item No:

Main author: Richard Baker

Executive Member: Duncan Bell

All Wards

WELWYN HATFIELD BOROUGH COUNCIL

CABINET – 7 SEPTEMBER 2021

REPORT OF THE CHIEF EXECUTIVE

Review of the Medium-Term Financial Strategy

1 Executive Summary

- 1.1 The Council's Medium-Term Financial Strategy (MTFS) 2021/22 – 2023/24 was approved by Cabinet in January 2021 and it was subsequently approved by Full Council in February 2021. This report summarises the review of the MTFS as the opening stage of the 2022/23 Budget Setting process.
- 1.2 Since the MTFS was set, the council has closed its accounts for 2020/21, and due to additional government support the outturn position was healthier than previously anticipated within the General Fund, and also an improved position on the impact of business rates losses for 2020/21.
- 1.3 Despite the pressures of the pandemic, the Council started 2021/22 in a strong financial position with general revenue reserves standing at £6.7m at the start of 2020/21, which is a direct result of robust financial management and our excellent record in achieving efficiency savings. The last Peer Review report also commented positively on how the council has managed our finances and that the Council is in a strong financial position and has a proven track record of delivering savings.
- 1.4 When the last MTFS was approved by Full Council, savings of £1.7m were required to close the budget gap in 2022/23 and at the time the Council needed to find another £0.6m of efficiency savings to close the indicative budget gap in 2023/24.
- 1.5 The update to the MTFS has been increased by a further year to start to consider longer term sustainability, which supports the council in the longer term in line with the new Financial Management code.
- 1.6 COVID-19 continues to have a significant adverse effect on the economy, along with the council's cost of services, and reductions in income. The ongoing scale of the impact on the economy and public finances resulting from COVID-19 in the medium-to long-term is unknown.
- 1.7 The Council's modernisation programme is well underway to ensure that we can deliver effective and efficient services that meet people's needs within a sustainable budget. Several modernisation reviews are due to be completed by the end of the current financial year and cashable savings from the reviews will be built into the budget setting process going forward.
- 1.8 The HRA also remains in a strong position with reserves at the start of 2021/22 amounting to nearly £2.6m. In particular, our current assessment is that rent collection levels will not be materially impacted by COVID.
- 1.9 The local government financial position remains unclear beyond the current year. In particular, the Spending Review covering 2022/23 – 2024/25 departmental expenditure limits will not be confirmed until the Autumn. Although the government announced in April that the fair funding review and the 75% business rates retention

system would no longer be implemented for 2021/22, it is unclear whether elements of the existing business rates retention system will change and the impact this would have on our income level.

- 1.10 This report sets out the broad principles and objectives for setting the next Budget and also examining the key issues and pressures facing the Council in the medium term. It should be noted that the Council has been proactive in identifying savings required for future years and that the council's modernisation agenda will play a central part to ensure our financial sustainability going forward.

2 Recommendation(s)

- 2.1 Cabinet is asked to note the contents of this report and to approve the principles to be adopted for the 2022/23 budget setting process as highlighted in section 3.3.6, in particular the 2022/23 budget setting process should focus on closing the indicative budget gap beyond next year.

3 Explanation

3.1 Financial Position (approved by Full Council in February 2021)

- 3.1.1 The Medium-Term Financial Strategy (MTFS) approved by the Council in February 2021 shows that the Council delivered nearly balanced budget for 2021/22 but that the Council had challenging savings targets to meet over the next two years.
- 3.1.2 Table 1 below summarises the indicative budget gap in the MTFS agreed by Full Council in February 2021:

	2021/22 £'000	2022/23 £'000	2023/24 £'000
Cost of Services*	13,056	13,137	13,451
Other Income and Expenditure	(12,836)	(11,460)	(11,204)
Budget gap (single year)	220	1,677	570
Budget gap (cumulative)	220	1,897	2,247

* Cost of services assumes previous years savings target has been met

3.2 Changes in Budget Assumptions since February 2021

COVID-19

- 3.2.1 Since the MTFS was last approved COVID-19 has continued to have an impact on the council's finances. The council continues to face expenditure pressures in services such as leisure and homelessness. We are also faced with substantial income shortfall, although part of this would be covered by the government's income guarantee for the first three months of the year.
- 3.2.2 There have been no further government announcements on further pandemic support funding from the government, although the government does continue to collect data monthly to understand the impacts on local authorities.
- 3.2.3 The quarter one monitoring for 2021/22 identified £2.0m of pressures for 2021/22 associated to the pandemic, of which £300k will be met through the income guarantee grant, £610k from pandemic support grants which were to be set aside in earmarked reserves and a drawdown of £425k from the opening balance on the covid earmarked reserve. This will leave a balance £665k to fund from the council's general fund balances.

- 3.2.4 It is too early in the year to be able to determine how income streams are recovering, and whether they will return to pre-pandemic levels. The pandemic has impacted behaviours and the workplace, so there may be ongoing increases in domestic waste which would adversely impact on the income received from the county council. There may also be ongoing reductions to parking, for example in the form of reduced season tickets as many organisations are now looking to home working or hybrid working becoming the norm.
- 3.2.5 The council closed its annual accounts for 2020/21 in May 2021, and there has been an improved position on the impact of business rates losses for 2020/21 than previously forecast. This is due to the government announcing it would implement legislation to prevent business rates valuation appeals associated with the pandemic and provided clarity on the business rates loss support scheme.
- 3.2.6 This means the council had enough business rates and grant income to set aside to fund the deficit up to 31 March 2021. In turn this means the previously forecast £670k per annum to be funded from general fund balances is no longer required. However, the impact on business rates for 2021/22 remains uncertain, with liability being increased from July 2021 following a reduction to the reliefs offered by the government.
- 3.2.7 In addition to these risks, there has been an impact on contractors on obtaining staff within certain fields. This will need to be closely monitored as this may put pressure on contractors or drive up costs on contract renewals.

Spending Review (SR)

- 3.2.8 The Government had previously stated its intention to hold a multi-year SR in 2020. In July 2020, it was confirmed that the next SR covering Government departments' resource budgets for the years 2021/22 to 2023/24 would be announced in Autumn 2020. However, the government later to the decision to implement a single year settlement, as a roll forward so there were no material changes.
- 3.2.9 In recent months, MHCLG has signalled, although not confirmed, that it is unlikely that there will be a medium term settlement given the ongoing uncertainties, so a single year settlement is again likely.
- 3.2.10 Given the state of the economy and the additional COVID-19 cost pressures faced by the Treasury, it is widely expected that this will have a severe impact on the level of local government funding in future years.

Fair Funding Review (FFR)

- 3.2.11 The Government has previously indicated their desire to review the funding baseline for local authorities and the fair funding review was due to be implemented in 2021/22.
- 3.2.12 In April 2020, the Secretary of State has announced that fair funding review will be delayed further due to COVID-19. Although not confirmed, recent discussions with MHCLG suggest this will be postponed for another year.
- 3.2.13 Historically the government has taken the decision to negate negative revenue support grant on an annual basis. Based on discussions with MHCLG, it is not considered likely that they would implement this for 2022/23 given the impact it would have on councils at a time of already significant pressures. Therefore, there is no assumption in the MTFS for this reduction.

Reforming Business Rates Retention (RBRR)

- 3.2.14 The Government has been consulting in the past few years on the reform of the business rates retention system and how the 75% business rates retention system should look like.
- 3.2.15 The reform looked at a number of the key factors, such as the frequency at which the system should be 'reset', the level at which safety net is set, and the apportionment of income between preceptors. During 2019, it was announced that the reform of the business rates retention system would be deferred to 2021/22.
- 3.2.16 However, the government announced that the 75% business rates retention system would not be implemented in 2021/22.
- 3.2.17 Welwyn Hatfield is not currently in a Business Rates Pool and it is unclear whether there would be an opportunity to apply for business rates pooling scheme in 2022/23. The council has benefited from the pooling arrangements in the past, and if the opportunity arises to re-enter the pool, it may be advantageous to do so. A report will be presented later in the year on pooling.
- 3.2.18 It should also be noted that the business rates baseline was also due to be reset in 2022/23, at the time of writing this report, the government has not formally indicated whether this will go ahead. However it is unlikely, based on recent discussions with MHCLG, that this will be implemented for 2022/23. The MTFS includes assumptions that the reset will not take place until 2023/24.
- 3.2.19 Welwyn Hatfield has experienced a relatively high business rates growth in the past few years, prior to COVID-19. It was expected that the business rates baseline would increase in the event of a reset, meaning that it will be harder to achieve a higher business rates growth in the future, other things being equal. This will mean that the amount of business rates retained locally is likely to be reduced should the baseline be revised upwards.

New Homes Bonus Reform

- 3.2.20 At the time of the 2021/22 local government finance settlement, the Government confirmed a one year continuation of the new homes bonus scheme, but with no legacy payments being associated to new allocations.
- 3.2.21 In February 2021, the government published a consultation on the new homes bonus. The consultation covered a number of options for reforming the programme aiming provide an incentive which is more focused and targeted on ambitious housing delivery, that complements the reforms outlined in the government's Planning White Paper, and dovetails with the wider financial mechanisms the government is putting in place, including the infrastructure levy and the Single Housing Infrastructure Fund. The outcome of this consultation is still awaited.
- 3.2.22 The MTFS assumes the last year of legacy payments associated with prior years, and no further funding from 2023/24.

Council Tax Referendum Limits

- 3.2.23 The 2021/22 Council Tax Referendum Limits for district councils were set at the higher of £5 or 2%. It is unknown at this stage what the referendum limits would be for future years, but our MTFS currently assumes an annual 1.5% council tax increase for 2022/23 onwards.

Pay Award

- 3.2.24 The council forms part of the National Joint Council (NJC) pay agreement. The pay award for the current year has not been settled yet and will remain an uncertain position until an agreement is reached nationally.
- 3.2.25 The latest offer by employers for 2021/22 was 2.75% for the lowest band, 1.75% for other officers. The 2021/22 budget assumed a 2% pay award. Unions are seeking views from union members on this, with a recommendation to reject. The MTFS assumes a 2.5% pay increase for future years.

Housing Company

- 3.2.26 The Housing Company commenced trading in December 2020. The MTFS includes assumptions on net interest income based on the last iteration of the Now Housing Business Plan. This is in the process of being updated, to feed into the budget setting process.

Current Forecasts

- 3.2.27 Based on the factors above the latest medium-term forecast has been updated and the revised position is shown below. It is important to note this does not include any ongoing impacts associated with the pandemic, such as lost income from parking.
- 3.2.28 There are two key changes to the budget gap. The first being the slippage of the impact of the business rates reset, which has moved some of the savings requirement back one year from 2022/23 to 2023/24. The other key change is that a review has been undertaken on borrowing and borrowing costs in line with the slippage in the capital programme and future uncertainties around rates. Should rates continue to be as low as they currently are, this will reduce the budget gap in future, but is not something that can be relied upon with any certainty.

	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Cost of Services*	13,081	12,952	12,520	11,024
Other Income and Expenditure	(12,861)	(12,228)	(10,700)	(10,913)
Budget gap (single year)	220	724	1,820	111
Budget gap (cumulative)	220	944	2,764	2,875

* Cost of services assumes previous years savings target has been met

3.3 Options to Address the Budget Gap

- 3.3.1 The Council's financial strategy remains to support an affordable level of council tax by reducing costs, maximising income, sharing good practice, simplifying delivery processes and shrinking the Council's administration cost.
- 3.3.2 In light of the continued uncertainties and risks set out in section 3.2, consideration will be given to a range of options for services to deliver savings for the 2022/23 budget setting process.
- 3.3.3 The use of reserves will be considered as part of the budget setting process; however this will need to balance the need for a minimum reserve level that the Council must retain to meet any unanticipated costs arising in any given year, and ensure an adequate level of reserves is maintained for delivery of corporate aims and objectives.

- 3.3.4 We achieved a good outturn on the 2020/21 financial position, so are in a strong starting position as we move into the budget setting process.
- 3.3.5 Notwithstanding the above, the Council has challenging targets to meet the savings required over the term of the MTFs, proposals will be worked through with member portfolio holders and Cabinet over the autumn months.
- 3.3.6 In order to ensure progress can be made at the pace required to deliver the financial challenge, it is recommended that the 2022/23 budget setting process should adopt the following principles:
- Review the Policy on Reserves and Balances to ensure that it supports the delivery of the corporate priorities, COVID recovery and the council's modernisation agenda.
 - Budget growth (including one-offs growths) should be the last resort and they are primarily reserved for invest to save projects.
 - Frontline services will be protected wherever possible, but savings should be considered as part of modernisation reviews to make the services more efficient and effective for our residents
 - Services will need to find savings/income to fund budget pressures.
 - As in previous years, all the budget growth will be subject to approval by Cabinet.
 - Improve income generated through fees and charges following a review on the existing fees and charges policy. All (non-statutorily set) fees and charges will increase by a minimum of inflation except in exceptional circumstances (where there is a clear case for not doing so).
 - Expected savings from Modernisation Reviews as approved by the Modernisation Board will be removed from services budget and put forward as savings proposals.
 - Savings proposals must be submitted with a view to find ways to address the budget gap beyond 2022/23.

3.4 Housing Revenue Account

- 3.4.1 The budget and longer term forecasts were prepared on the basis of the following high level principles:
- The Council will maintain existing stock to at least decent homes standard.
 - The Council will continue with its aim to maintain stock levels at around 9,000 dwellings.
 - The Council will continue to develop new homes through its Affordable Housing Programme, to fully make use of the retained right to buy receipts available to it and replace those properties sold through Right to Buy.
 - The Council will continue to take a balanced approach to its level of Housing debt, borrowing to support development and ensuring some flexibility is maintained for any future legislative or policy changes.
- 3.4.2 No material changes have been made to the current assumptions in the HRA forecast.
- 3.4.3 There may be requirements to increase certain budgets within the HRA, both in capital and revenue, to ensure stock is adequately maintained. Any such increases will be considered as part of the budget setting process.

- 3.4.4 A summary of the forecasts for the HRA as approved by Full Council in February is shown in the Appendix 2. The HRA has a good track record in rent collection and despite the current challenging circumstances, the rent collection is not adversely impacted.
- 3.4.5 However, it should be noted that some of the other non-rent income was impacted in 2020/21 due to COVID-19 although is now returning to normal.

3.5 Capital Programme and Borrowing

- 3.5.1 The Capital Programme has been structured to enable delivery of the Council's Business Plan and the HRA Business Plan over the medium to long term.
- 3.5.2 The Programme includes all of the capital schemes within both the General Fund and the Housing Revenue for 2021/22 to 2025/26.
- 3.5.3 Although there are some schemes expected to be re-phased from 2021/22, which are reported through the regular budget monitoring reports, it is not anticipated at this stage that this will impact on the Council's finances over the five-year period, as the funding of the schemes will also be re-phased in line with project expenditure.
- 3.5.4 There are risks around the cost of capital projects increasing, with shortages of some materials in the construction industry, and ongoing social distancing measure such as needing to increase welfare facilities and cleaning along with general inflationary increases in construction and goods. An example is in the rising cost of steel. Capital schemes are being closely monitored, and we are working closely with contractors to minimise these risks.
- 3.5.5 During 2020, the Government consulted on borrowing activity, in particular, the introduction of restrictions for investment activity. They then introduced changes which restricted borrowing activity, although the council was unaffected as we have no capital projects which are wholly for investment returns. The Government also lowered borrowing rates following these changes, which the council is benefitting from.
- 3.5.6 The majority of the Council's borrowing requirement is generated through the Housing Revenue Account, which is continuing to see a moderated level of right to buy sales. In order to maximise the use of the receipts it can retain, the Council is committed to the continuation of the Affordable Housing Programme (AHP). This programme will create income generating assets, which will cover the cost of external borrowing.
- 3.5.7 The Council will continue to borrow externally for the HRA to support the continuation of the AHP, and to refinance part of its current debt, but will take advantage of the historically low interest rates and minimise interest costs through utilising a mix of short and long-term borrowing in line with the Treasury Management Strategy.
- 3.5.8 During 2021, as cash balances have decreased, the council took its first loan of £20m against the general fund capital financing requirement. The capital financing requirement at 31 March 2021 was £38.930m, and the remainder remains funded through internal borrowing. This loan was taken at a very low rate of 1.57% which has been locked in for 20 years.
- 3.5.9 Current forecasts show the Capital Programme as affordable, but do highlight that the General Fund capital balances will be significantly reduced by the end of the programme. This will need to be considered in the longer term context, and will form part of the 2022/23 budget setting process.

3.6 Next Steps

- 3.6.1 The Council's budget setting process integrates service and financial planning into a single, seamless process and aims to ensure that resource allocation both reflects corporate priorities and is affordable.
- 3.6.2 Over the autumn months, officers will be preparing assessments of their service that take into account the Council's policies, priorities and performance, national policy, service and budget risks, and value for money.
- 3.6.3 The resulting growth and savings options will include an assessment of their service and financial impact, achievability, sustainability and equalities impact. These options will be reported to Cabinet in January together with overall proposals for the Council's budget.

4 Risk Management Implications

- 4.1 There continues to be a high level of uncertainty from a funding perspective. There are also the ongoing impacts from the pandemic which are still unknown. The Council has been prudent in its assumptions, basing forecasts on previous information and the most up to date information available. These uncertainties do however lead to a high level of risk that the savings requirement could be impacted by national announcements.

5 Security & Terrorism Implications

- 5.1 There are no security or terrorism implications arising from this report.

6 Legal Implications

- 6.1 The council has a legal duty to set a lawfully balanced budget. This paper provides a forward forecast of the budget gap at a point in time, that the council should meet to deliver a lawfully balanced budget.
- 6.2 The MTFs sets out the framework for setting future budgets and levels of Council Tax. Members are reminded that the Council must take into account the advice of the Section 151 Officer on the robustness of the future budget proposals and the adequacy of reserves. This advice will be presented to Council alongside the budget proposals in February 2022.

7 Financial Implications

- 7.1 The financial implications are set out in the body of the report.

8 Procurement Implications

- 8.1 There are no procurement implications arising from this report.

9 Climate Change Implications

- 9.1 There are no direct climate change implications to consider.

10 Health and Wellbeing Implications

- 10.1 There are no direct health and wellbeing implications to consider.

11 Link to Corporate Priorities

11.1 The subject of this report directly linked to the delivery of all of the Council's objectives.

12 Human Resources Implications

12.1 The subject of this report directly linked to the delivery of all of the Council's objectives.

13 Communications and Engagement

13.1 Part of the 2022/23 budget communication and engagement plan includes engaging with opposition members early and the first budget seminar is scheduled to be delivered to all Members in September. A Task and Finish group will be created by the Overview and Scrutiny committee, which will meet monthly. Engagement with public and businesses will be put into place once more details about the budget proposals are available.

14 Equality and Diversity

14.1 An Equality Impact Assessment (EIA) has not been carried out in connection with the proposals as there are no equalities or diversities issues arising from the report.

Name of author Richard Baker
Title Head of Resources
Date 7 August 2021

Appendix A – General Fund Medium Term Forecasts

	2021/22	2021/22	2022/23	2023/24	2024/25
		Q1 Forecast			
Employees	13,775	14,293	14,047	14,396	14,754
Premises	3,426	3,406	3,479	3,549	3,620
Transport	95	126	96	97	98
Third Party Payments	13,815	13,987	14,091	14,373	14,660
Transfer Payments	28,323	28,323	28,323	28,323	28,323
Supplies and Services	4,998	6,079	4,838	4,937	5,037
Income	(46,195)	(45,658)	(46,443)	(46,846)	(47,232)
Recharge to the HRA	(5,156)	(5,150)	(5,259)	(5,364)	(5,471)
Less cumulative savings requirement from prior year(s)			(220)	(944)	(2,764)
Net cost of Services	13,081	15,406	12,952	12,520	11,024
Income from Council Tax	(11,312)	(11,312)	(11,551)	(11,839)	(12,135)
Business Rates Income	(3,812)	(3,812)	(3,869)	(2,950)	(3,009)
Plus/Less collection fund deficit/(surplus)	670	670	670	670	0
New Homes Bonus Grant	(609)	(609)	(156)	0	0
Lower Tier Funding & Other Grants	(124)	(124)	0	0	0
Covid Support Funding	(610)	(910)	0	0	0
Less Interest & Investment Income	(30)	(30)	(30)	(30)	(30)
Net Interest from Now Housing	(40)	(40)	(127)	(210)	(210)
Plus capital financing costs - MRP, finance Leases and interest payable	1,369	1,369	1,732	2,512	2,608
Parish Precepts	1,787	1,787	1,788	1,832	1,878
Contribution (from) / to Reserves	520	(847)	(15)	(15)	(15)
Contribution (from) / to Reserves for collection fund deficit	(670)	(670)	(670)	(670)	0
Budget Gap - Single Year	220	878	724	1,820	111
Budget Gap - Cumulative			944	2,764	2,875

GF Reserve if gap not met	2021/22	2021/22	2022/23	2023/24	2024/25
		Q1 Forecast			
Opening Balance	6,902	6,902	6,024	5,080	2,316
Use	(220)	(878)	(944)	(2,764)	(2,875)
Closing Balance	6,682	6,024	5,080	2,316	(559)

Appendix B – Housing Revenue Account Medium Term Forecasts

	2021/22 Budget £'000	2022/23 Forecast £'000	2023/24 Forecast £'000
Income			
Rental Income	(49,775)	(50,781)	(52,014)
Non Dwelling Rents	(381)	(389)	(397)
Charges for Services and Facilities	(2,520)	(2,570)	(2,622)
Other Income	(268)	(268)	(268)
Total Income	(52,944)	(54,008)	(55,301)
Expenditure			
Repairs and Maintenance	8,873	8,997	9,123
Management, Special Service and Rates/Taxes	14,261	14,546	14,837
Allowance for Doubtful Debt	490	507	520
Depreciation	15,565	15,876	16,194
Other Expenditure	39	39	40
Total Revenue Expenditure	39,228	39,967	40,714
Other Items of Income and Expense			
Interest Payable	6,761	7,365	7,505
Interest Received	(60)	(70)	(63)
Revenue Contribution to Capital	6,839	6,692	7,079
Net (surplus)/deficit	(176)	(53)	(64)

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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