

2022/2023 budget proposals

**General Scrutiny Committee
14 December 2021**

Appendix A

MTFS 2022/23

Draft MTFS - Overview

MTFS 2022/23

Forecast Income 2022/23*

	2021/22 £000	2022/23 £000
Council tax	112,944	119,549
Retained business rates	36,753	37,488
Collection fund (deficit)	(200)	-
Revenue support grant	638	638
Rural sparsity delivery grant	5,353	5,353
Social care support grant	5,508	5,508
NEW – estimated social care funding		200
NEW – estimated supporting families		200
NEW – estimated unallocated funding		500
Total	160,996	169,436
<i>Overall increase</i>		8,440

* Assumes general council tax increase 1.99% plus ASC precept 1.00%

MTFS 2022/2023

Forecast Budget Position 2022/2023

Summary – Budget Status (Draft)

	£000
Council-wide Forecast pressures and budget bids 2022/2023 (adjusted for Children & Families savings waived during Improvement Programme £490k and Corporate savings target not achievable due to additional pressures in Legal and PMO £210k)	8,432
Forecast council income increase 2022/2023	(8,440)
Forecast MTFS 2022/2023 Draft Surplus	(8)

MTFS 2022/2023

Capital

Capital Funding Requests

No	Scheme	Total 22/23 £000	Total 23/24 £000	Total 24/25 £000	Total Future Years £000	Capital Grant funding £000	Redirected funding £000	Capital receipt funding £000	Funded by ROI £000	Corporate Funded PB £000	Total Request £000
1	Residual property works identified in the 2019 condition reports	1,291.6	100.0	0.0	0.0	0.0	0.0	0.0	0.0	1,391.6	1,391.6
2	Estates Building Improvement Programme 22-25	1,454.0	1,289.0	264.0	0.0	0.0	0.0	0.0	0.0	3,007.0	3,007.0
3	Key Network Infrastructure (Core Data Centre Switches & Corporate Wi-Fi)	490.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	490.0	490.0
4	Primary Data Storage Area Network (Plough Lane)	335.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	335.0	335.0
5	Public Realm Maintenance - Mitigating Risk on the Network	3,685.0	1,265.0	0.0	0.0	0.0	0.0	0.0	0.0	4,950.0	4,950.0
6	Winter Resilience	532.0	145.0	290.0	435.0	0.0	0.0	0.0	0.0	1,402.0	1,402.0
7	My Account	313.0	130.0	0.0	0.0	0.0	0.0	0.0	0.0	443.0	443.0
8	Stronger Towns Fund - Hereford Museum & Art Gallery Redevelopment	1,000.0	6,700.0	7,300.0	0.0	10,000.0	0.0	0.0	5,000.0	0.0	15,000.0
9	Stronger Towns Fund - Greening the City	229.9	180.0	0.0	0.0	409.9	0.0	0.0	0.0	0.0	409.9
10	Stronger Towns Fund - Maylord Orchard Redevelopment and Learning Resource Centre	770.0	2,230.0	0.0	0.0	3,000.0	0.0	0.0	0.0	0.0	3,000.0
	Total	10,100.5	12,039.0	7,854.0	435.0	13,409.9	0.0	0.0	5,000.0	12,018.6	30,428.5

NB. Excludes provision for Flexible Futures

MTFS 2022/2023

Capital

Corporate Borrowing Position

Funding Position	22/23 £000	23/24 £000	24/25 £000	Future Years £000	Total £000
Total Corporate Borrowing Required	8,100.6	2,929.0	554.0	435.0	12,018.6
Annual Funding Limit	6,700.0	6,700.0	6,700.0	-	20,100.0
Unspent 20/21 borrowing to reallocate	503.3	-	-	-	503.3
Unspent 21/22 borrowing estimated	1,500.0	-	-	-	1,500.0
Hereford Transport Package	3,750.0	-	-	-	3,750.0
Allocated Previously	(6,826.6)	66.0	10.0	-	(6,902.6)
Total Funding Available	5,626.7	6,634.0	6,690.0	-	18,950.7
Funding Variance	(2,473.8)	3,705.0	6,136.0	(435.0)	6,932.2

The addition of £6.7m corporate borrowing is allowed for each year in the revenue budget. For all requests to go forward this can either be funded from advance borrowing of 23/24 as there is often slippage (to cover the borrowing costs) or use of reserves if none are removed.

MTFS 2022/2023

Council Tax Reduction Scheme

MTFS 2022/2023

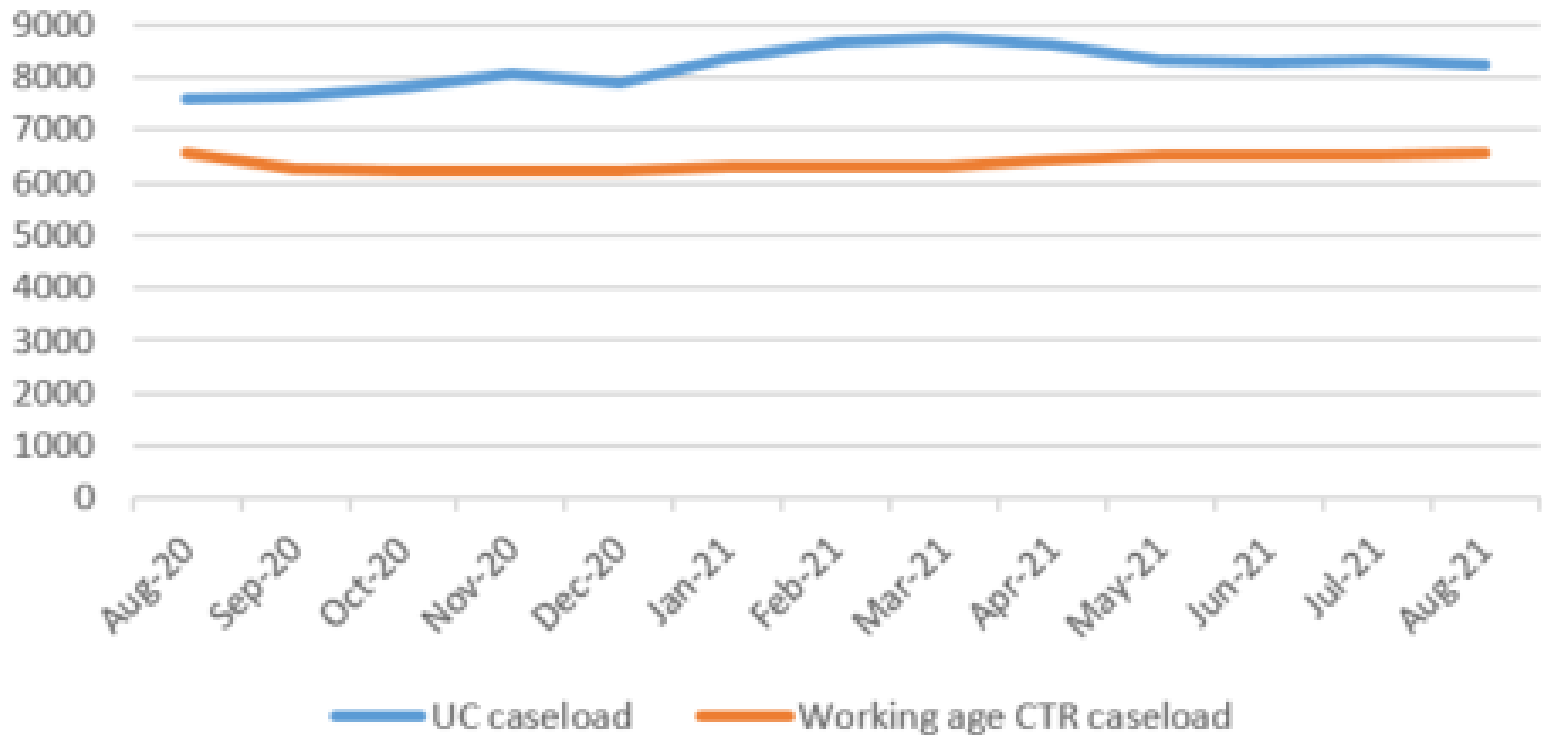
2022/2023 Base budget assumptions

Working age council tax reduction (CTR)

1. Proposed to continue with maximum 100% discount scheme approved for 2021/2022.
2. The current working age caseload is 6,457 with council tax discount of £7.7m. Pre Covid-19, when discount was capped at a maximum of 84%, approximately 5,375 households received £4.9m in council tax discount.
3. In 2020/21 the central government hardship fund allocated an additional £150 reduction in working age CTR council tax bills, this totaled £1,076,354 and was awarded to 7,576 bills.

Households in receipt of UC and working age CTR

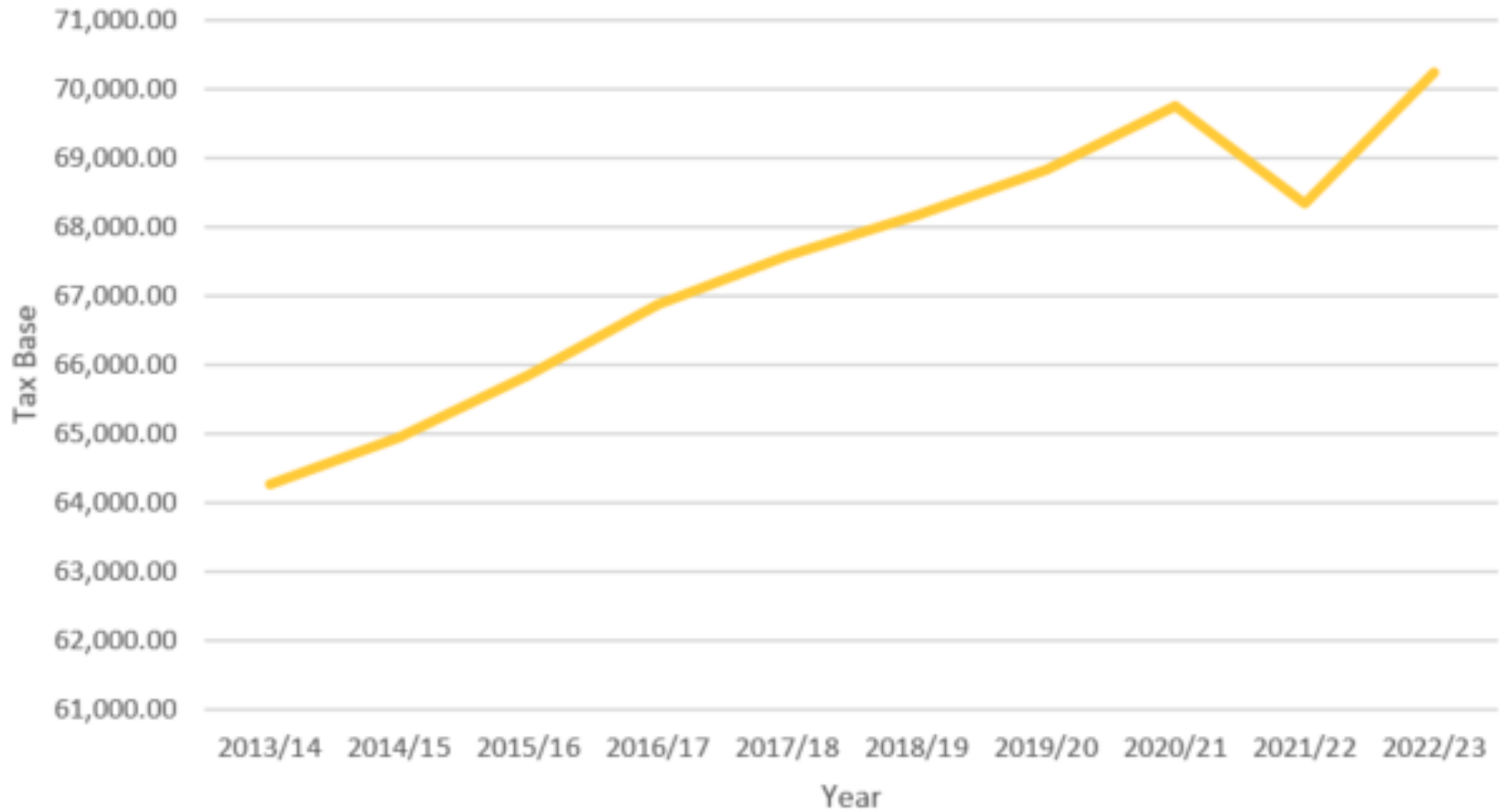
Chart Area



Council tax and business rates collection rates

	2020/21	2019/20	2018/19	2017/18	2016/17
Council tax	97.6%	98.0%	98.2%	98.6%	98.5%
Business rates	94.1%	97.8%	98.2%	98.2%	98.0%

Council Tax Base



Gross Business Rates per annum (£m)

