

REPORT TO: Executive Board

DATE: 18th November 2021

REPORTING OFFICER: Operational Director – Finance

PORTFOLIO: Corporate Services

SUBJECT: Initial Budget Proposals 2022/23

WARD(S): Borough-wide

1.0 PURPOSE OF REPORT

1.1 To recommend to Council initial revenue budget proposals for 2022/23.

2.0 RECOMMENDED: That Council approve the initial budget proposals for 2022/23 set out in Appendix 1.

3.0 SUPPORTING INFORMATION

3.1 The Medium Term Financial Strategy (MTFS) elsewhere on the Agenda forecasts potential revenue budget funding gaps for the Council totalling £18.8m over the next three years, with a gap of £12.0m for 2022/23. The forecast assumes that the Council will apply a general council tax increase of 1.99% in each year and will levy a 1% social care precept in 2022/23.

3.2 Budget savings proposals for 2022/23 are currently being developed by the Budget Working Group.

3.3 The initial set of savings proposals totalling £1.783m is listed in Appendix 1. It is proposed to implement these immediately in order to also achieve a part-year saving in 2021/22, which will assist in keeping the Council's overall spending in line with budget. In addition, a number of the proposals will take time to implement and therefore commencing the process as soon as possible will assist with ensuring they are fully implemented by 1st April 2022.

3.4 Appendix 1 includes an indication of whether each saving proposal is permanent or temporary (one-off).

3.5 The Government will announce its Grant Settlement for Local Government in December, which will provide the detailed funding figures for 2022/23 for Halton. It is expected that indicative figures will also be provided for 2023/24 and 2024/25.

- 3.6 A further set of budget saving proposals is currently being developed by the Budget Working Group, which will be recommended to Council on 2 March 2022 to deliver a balanced budget for 2022/23.

4.0 POLICY AND OTHER IMPLICATIONS

- 4.1 The revenue budget supports the Council in achieving the aims and objectives set out in the Council's Corporate Plan.

5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

- 5.1 The revenue budget supports the delivery and achievement of all the Council's priorities. The budget proposals listed in Appendix 1 have been prepared in consideration of all the Council's priorities.

6.0 RISK ANALYSIS

- 6.1 Failure to set a balanced budget would put the Council in breach of statutory requirements. The budget is prepared in accordance with detailed guidance and a timetable, to ensure statutory requirements are met and a balanced budget is prepared which aligns resources with corporate objectives.

7.0 EQUALITY AND DIVERSITY ISSUES

- 7.1 None.

8.0 REASON FOR THE DECISION

- 8.1 To seek approval for the initial set of revenue budget proposals for 2022/23.

9.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

- 9.1 There is no alternative option, as failure to set a balanced budget would put the Council in breach of statutory requirements.

10.0 IMPLEMENTATION DATE

- 10.1 The 2022/23 revenue budget will be implemented from 1st April 2022.

11.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1072

- 11.1 There are no background papers under the meaning of the Act.

2022/23 INITIAL BUDGET PROPOSALS

	DIVISION / SERVICE	DESCRIPTION OF THE BUDGET PROPOSAL	ANNUAL BUDGET £'000	ESTIMATED BUDGET REDUCTIONS / ADDITIONAL INCOME		PERMANENT / TEMPORARY (P/T)
				2022/23 £'000	2023/24 £'000	
PEOPLE DIRECTORATE						
DEPARTMENT: ADULT SOCIAL CARE						
1	Independent Living Services	The budget for Deprivation of Liberty Safeguards assessments was increased previously to meet rising demand. However demand has now stabilised and the budget can therefore be reduced accordingly.	103	30	0	P
2	Independent Living Services	The Council previously made a contribution to the cost of a Pharmacy Technician but Halton Clinical Commissioning Group are now meeting this cost.	390	27	0	P
3	Housing Solutions	A review of supplies and services and premises costs has identified that efficiencies can be made in various budgets.	55	40	0	P
4	Housing Solutions	Removal of a part-time administrative post which has been held vacant for over a year.	67	10	0	P
5	Community Services	Efficiencies identified in various supplies and services budgets for the Positive Behaviour Support Service.	365	50	0	P
6	Independent Living Services	Increased demand for the Lifeline Service has meant that higher income levels are being generated. It is unclear whether this additional demand will continue long term, hence it is proposed as a one-year saving initially.	274	50	-50	T
7	Homelessness	Efficiencies achieved in the delivery of Homelessness Support have enabled funding to be carried forward and held in reserve over recent years. However, continuing low numbers of homeless people in the Borough means that this funding can now be released to provide a one-off saving.	100	100	-100	T

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8	Homelessness	Funding is received each year in respect of Rough Sleepers, some of which has remained unused due to lower numbers than anticipated. This has been carried forward in reserve and can be released to provide a one-off saving.	NA	100	-100	T
9	Community Services	A number of councils purchase Halton's Positive Behaviour Support Service, which has generated some surpluses in previous years. These have been carried forward in reserve and can now be released as a one-off saving.	NA	200	-200	T
10	Adult Social Care	An earmarked reserve established for the development of the Care Financials system is no longer required. It can therefore be released as a one-off saving.	70	70	-70	T
11	Adult Social Care	A number of managed efficiencies have been achieved across the Department, which will be carried forward to provide a one-off saving.	300	300	-300	T
TOTAL PERMANENT SAVINGS				157	0	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				820	-820	T
GRAND TOTAL				977	-820	

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DEPARTMENT: PUBLIC PROTECTION						
12	Environmental, Public Health & Health Protection	Proposed restructure in the Trading Standards and Environmental Health teams, subject to consultation. This will create two new posts and remove three current posts from the structure.	755	50	0	P
TOTAL PERMANENT SAVINGS				50	0	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				0	0	T
GRAND TOTAL				50	0	

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DEPARTMENT: EDUCATION, INCLUSION & PROVISION						
13	Integrated Youth Support Services / Commissioning	Part of the funding for Specialist Advisors (part of the Speech and Language contract) was not allocated for 2020/21 and it is considered that it can be offered as a permanent saving.	624	12	0	P
14	Integrated Youth Support Services / Commissioning	Temporary efficiencies identified in the delivery of youth service provision during Covid-19 restrictions, which will provide a one-off budget saving.	400	88	-88	T
TOTAL PERMANENT SAVINGS				12	0	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				88	-88	T
GRAND TOTAL				100	-88	

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ENTERPRISE, COMMUNITY & RESOURCES DIRECTORATE						
DEPARTMENT: FINANCE						
15	Benefits Division	Delay filling two vacant Housing Benefit Officer posts until 30 September 2022. The position will then be reviewed in terms of claimant rates, workloads and processing performance to establish whether the posts can be removed permanently.	965	25	-25	T
16	Revenues & Financial Management Division	Reduction in the council tax bad debt provision, as Covid-19 has not had as great an impact as expected upon collection rates. The annual budget used to increase the provision will be reduced and also there will be a one-off release of funds from the provision.	100	30	0	P
				90	-90	T
17	Audit, Procurement & Operational Finance Division	A one-year reduction in the public liability, motor vehicle and employer's liability insurance excesses budget. Whilst difficult to predict the level of claims, given measures in place to prevent and handle claims it is considered budgets can be reduced for one year initially. The position will then be reviewed for 2023/24.	559	170	-170	T
18	Audit, Procurement & Operational Finance Division	Increase in the budgeted income target for the Suppliers' Voluntary Early Payment Scheme, whereby Suppliers opt to receive early payment of their invoices in exchange for offering a small discount.	40	10	0	P
19	Audit, Procurement & Operational Finance Division	Increase in the budgeted income target for rebates achieved in respect of the payments to Supplier's via the corporate credit card. This arrangement has proved successful and efforts are being made to increase the number of suppliers who are paid by this method.	30	15	0	P
TOTAL PERMANENT SAVINGS				55	0	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				285	-285	T
GRAND TOTAL				340	-285	

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				2022/23 £'000	2023/24 £'000	
DEPARTMENT: PLANNING, POLICY & TRANSPORT						
20	Traffic, Risk & Emergency Planning	Efficiencies to be achieved in various supplies and services budgets across the Division.	210	40	0	P
21	Highways	Removal of the Local Transport Plan budget, as it will now be funded via the LCR Combined Authority.	43	43	0	P
TOTAL PERMANENT SAVINGS				83	0	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				0	0	T
GRAND TOTAL				83	0	

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DEPARTMENT: LEGAL AND DEMOCRATIC						
22	Member Services	Small efficiencies identified in various budgets across the Service.	57	10	-1	P/T
23	Marketing & Communications	Efficiencies identified in the corporate advertising budget	128	7	-7	T
TOTAL PERMANENT SAVINGS				9	0	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				8	-8	T
GRAND TOTAL				17	-8	

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DEPARTMENT NAME: ECONOMY, ENTERPRISE & PROPERTY						
24	Economy Enterprise and Property	Generate additional income over the next two years, from renting out further office space for external organisations at Rutland House, by re-locating Council staff to other offices and continued home working.	111	25	25	P
TOTAL PERMANENT SAVINGS				25	25	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				0	0	T
GRAND TOTAL				25	25	

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DEPARTMENT: PEOPLE, POLICY, PERFORMANCE & EFFICIENCY						
25	Performance Management	Balance of saving already achieved from restructuring of the Performance Management function.	98	25	0	P
26	Unison Office	Removal of budget for part-time support within the Unison Office, which has existed since March 2020 but the proposed post has not been established or recruited to.	131	16	0	P
TOTAL PERMANENT SAVINGS				41	0	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				0	0	T
GRAND TOTAL				41	0	

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				2022/23 £'000	2023/24 £'000	
DEPARTMENT: COMMUNITY & ENVIRONMENT						
27	Waste & Community	One year reduction in the Area Forum budget, by utilising the balances to be carried forward at year-end, in order to provide the same total funding available for 2022/23.	200	150	-150	T
TOTAL PERMANENT SAVINGS				150	-150	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)				0	0	T
GRAND TOTAL				150	-150	

GRAND TOTALS

TOTAL PERMANENT SAVINGS	582	-125	P
TOTAL TEMPORARY SAVINGS (ONE-OFF)	1,201	-1,201	T
GRAND TOTAL	1,783	-1,326	