

9 September 2022

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Dear Councillor,

A meeting of **CABINET** will be held in the **COUNCIL CHAMBER** at these offices on **MONDAY, 26TH SEPTEMBER, 2022 at 4.00 pm** when your attendance is requested.

Yours sincerely,  
KATHRYN HALL  
Chief Executive

#### **A G E N D A**

	<b>Pages</b>
1. To receive Declarations of Interest from Members in respect of any matter on the Agenda.	
2. To receive apologies for absence.	
3. To confirm Minutes of the previous meeting held on 18 July 2022.	<b>3 - 6</b>
4. To consider any items that the Leader agrees to take as urgent business.	
5. Budget Management 2022/23 - Progress Report April to July 2022.	<b>7 - 18</b>
6. Service and Financial Planning - Guidelines for 2023-24.	<b>19 - 30</b>

To: **Members of Cabinet:** Councillors J Ash-Edwards (Chair), J Belsey, R Cromie, R de Mierre, S Hillier, R Salisbury and N Webster

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## **Minutes of a meeting of Cabinet held on Monday, 18th July, 2022 from 4.00 pm - 4.47 pm**

**Present:** J Ash-Edwards (Chair)  
J Belsey (Deputy)

R Cromie  
R de Mierre

S Hillier  
R Salisbury

N Webster

**Also Present:** Councillors Bates & Dabell

**1. TO RECEIVE DECLARATIONS OF INTEREST FROM MEMBERS IN RESPECT OF ANY MATTER ON THE AGENDA.**

None.

**2. TO RECEIVE APOLOGIES FOR ABSENCE.**

None.

**3. TO CONFIRM MINUTES OF THE PREVIOUS MEETING HELD ON 6 JUNE 2022.**

The minutes of the meeting held on 6 June 2022 were agreed as a correct record and signed by the Leader.

**4. TO CONSIDER ANY ITEMS THAT THE LEADER AGREES TO TAKE AS URGENT BUSINESS.**

None.

**5. BUDGET MANAGEMENT 2022/23 - PROGRESS REPORT APRIL TO MAY 2023.**

Stephen Fitzgerald, Interim Head of Corporate Resources, introduced the report which set out the progress on the Revenue Budget, Capital Programme and Revenue Projects and Treasury Management for 2022/23. He noted it was the first report for 2022/23, and there is a projected underspend of £81,000 but it is difficult to make accurate predictions for the year end. He highlighted car parking income, and the leisure contract which is consistent with other national contracts for leisure facilities. Other areas of concern are the current inflationary pressures affecting all large organisations and the movement of interest rates.

The Leader welcomed the positive start outlined in the first progress report.

The Cabinet Member for Community noted that the report demonstrates the Council's competent in financial management, expressed concerns on inflation, energy costs, wage demands and increasing construction costs which will impact on future projects.

The Cabinet Member for Leisure and Parking queried whether the Council had budgeted sufficient additional funds for increases in energy costs and wages increases. She congratulated the officers on good financial management after a couple of challenging years.

The Deputy Leader welcomed the positive start to the year, he confirmed there will be national and global challenges which will impact on the budget as the year progresses. He highlighted the Centre for Outdoor Sports in Burgess Hill which will deliver high quality sports provision, noting the work to continue consulting with local sports clubs in the area to try and fulfil their future aspirations.

The Cabinet Member for Economic Growth referenced Paragraph 8 of the report expressing optimism that car parking income would continue to increase as footfall figures return to pre-pandemic levels, and that any changes to the use of sustainable transport should be noted.

In response to a Member's questions Judy Holmes, Assistant Chief Executive advised there were no concerns with the garden waste income, the discrepancy was due to profiling. With regard to the Domestic Violence Fund the Government had asked councils to develop a strategy with county councils and other district and boroughs, she confirmed the money is ring fenced to deliver that strategy.

The Leader noted that no Member wished to speak further and moved to vote on the recommendations which were agreed unanimously.

## **RESOLVED**

Cabinet recommended to Council:

- (i) that £7,293 grant income in respect of a payment for Rough Sleepers be transferred to Specific Reserve as detailed in paragraph 27;
- (ii) that £20,761 grant income relating to Implementing Welfare Reform be transferred to Specific Reserve as detailed in paragraph 28;
- (iii) that that £23,237 grant income for new burdens relating to Verify Earnings & Pensions be transferred to Specific Reserve as detailed in paragraph 29;
- (iv) that £33,660 grant income relating to Domestic Abuse Safe Accommodation funding be transferred to Specific Reserves as detailed in paragraphs 30;
- (v) that £50,000 grant income relating to delivery of the Local Land Charges Programme timetable for the transition of LLC1 be transferred to General Reserve as detailed in paragraphs 31;
- (vi) the variations to the Capital Programme contained in paragraph 43 in accordance with the Council's Financial Procedure rule B3.

To note:

- (vii) The remainder of the report.

## **6. CLAIR HALL: INTERIM REPORT OF WORK TO DEVELOP INVESTMENT OPTIONS FOR THE SITE.**

Rafal Hejne, Interim Head of Organisational Development introduced the report to update the Cabinet on the work of the officers and external partners. The work has

been delivered at an accelerated pace, he introduced Chris Carey, Development surveyor and Rachel Kuhn, of BOP Consulting. He highlighted that the work was data driven and a Member Steering Group had been set up to guide the work. He confirmed the main reports were included in the appendices, the property report and the cultural landscape report. The latter had been produced by BOP Consulting, a renowned consultancy in the arts and entertainment sector. The reports and site surveys are available on the engagement hub. He thanked Cllr Bennett for her questions about the reports and confirmed he had responded to the Member.

The Leader welcomed Rachel Kuhn and thanked her for her work on the project to date. The Leader confirmed he had shared Cllr Bennett's questions with the Cabinet.

The Cabinet Member for Community acknowledged the work completed to date, noted the three models offered in the report and added that the Council must make the valuable site work hard for the town for more than daylight hours. He noted there was little mention of the Chequer Mead Theatre in East Grinstead in the initial consultation. He requested more details of the subsidy offered on an annual basis to the Depot in Lewes and an overview of the state of the sector post and pre-pandemic. The Interim Head of Organisational Development advised the subsidy received by the Depot from local donors is significant and they are trying to get more information. These facilities are usually heavily subsidised, or donor funded. The Consultant advised pre-pandemic some cultural facilities were flourishing, and they had been working with clients on innovating projects; some projects have since been halted. Cultural facilities are now working hard to capture funding and are now facing new challenges i.e., fatigue, inflation, cost of living. It is not so favourable to secure funding for sites that require activation.

The Cabinet Member for Economic Growth noted the difficult times but felt that there are still clients looking for investment opportunities. He congratulated the officers and partners for the work to date. The Council he said, is committed to full utilisation of the site and Haywards Heath should have provision for cultural and leisure activities.

The Cabinet Member for Leisure and Parking expressed a concern that a wider cultural community than Haywards Heath must be considered. Planning housing developments should also be included in the data used to inform the multi-use facility and queried whether the Council is looking for a single or a group of investors. In response the Interim Head of Organisational Development advised the data from the recent census will be used to determine trends and predict the future, the next steps will focus on gathering market feedback to identify opportunities, including potential sources of investment. Obtaining information on the market from complimentary sectors should ensure the future proposal has the potential to succeed.

The Deputy Leader thanked the officers and partners for the comprehensive report, he sought assurance that cultural facilities already serviced within the district could still be provided at the new centre on the Clair Hall site. The Consultant confirmed a multi-cultural arts centre is a space where many art forms take place i.e., dance, drama theatre, gallery, cinema and leisure activities etc. The new facility will be determined by surveys on the state of the market and their viability. She confirmed the drive time mapping did go beyond the Haywards Heath area.

The Cabinet Member for Customer Services and Housing requested clarification on the aims of further investigation into local clusters. The Consultant advised that this would be covered in the next phase of the project and could provide information on

what these clusters are, how these groups work together and what this could mean for this project.

The Cabinet Member for Planning asked what weighting had been given to travel times and to developing a modern attractive building to draw people to the venue; he also confirmed that the Council had no intentions to sell the site. The Consultant confirmed the next phase would look at the success criteria and how the three options would deliver against those criteria; they would use markets experts to inform this work.

The Cabinet Member for Community asked if the options for the site would be informed by discussions with the current users who may have specific needs and if the building was safe to use as a survey identified the existence of asbestos on the site. The Interim Head of Organisational Development confirmed they are monitoring the needs of the current users and that they would be consulted. Chris Carey, Development Surveyor advised the Council is working closely with the NHS to ensure continued compliance with current Health and Safety legislation.

The Leader confirmed a successful project should contribute to economic development of the local economy; this is one of the desirable criteria.

In response to a Member's question on potential funding the Consultant confirmed they will be working with officers to combine data from the recent census along with planned housing for the next 10 years. The Interim Head of Organisational Development confirmed that the Council would explore available grant funding, using the guidance from BOP Consulting. It was confirmed that the work is on schedule and a further report to Cabinet is planned for October. The outcome of the soft market testing will be discussed with the Member Steering Group.

The Leader welcomed the interim report, thanked BOP Consulting and the officers for their work which has been provided at pace. He highlighted that Haywards Heath Town Council have helped shape the work and success criteria, reiterated that the Council is not selling the site, noted the current status of the Beehive Project and that the Council has the right models to explore further. The research for the project will be robust and will identify a project that can be delivered.

The Leader noted that no Member wished to speak further and moved to vote on the recommendations which were agreed unanimously.

## **RESOLVED**

Cabinet resolved to:

- (i) Note the interim report and the findings contained in the property report and the report of the Lead Advisor;
- (ii) Agree the strategic success criteria and the financial context statements in paragraphs 37-42 as the guidelines for consideration of options in the next phase of work;
- (iii) Approve the next steps in this work set out in paragraphs 43-48.

The meeting finished at 4.47 pm

Chairman

## BUDGET MANAGEMENT 2022/23 – PROGRESS REPORT APRIL TO JULY 2022

REPORT OF: Interim Head of Corporate Resources  
Contact Officer: Cathy Craigen, Chief Accountant  
Email: [Cathy.craigen@midsussex.gov.uk](mailto:Cathy.craigen@midsussex.gov.uk) Tel: 01444 477384  
Wards Affected: All  
Key Decision: No  
Report to: Cabinet  
12 September 2022

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### EXECUTIVE SUMMARY AND RECOMMENDATIONS

#### Purpose of Report

1. This report reviews the progress on the Revenue Budget, Capital Programme and Revenue Projects and Treasury Management for 2022/23.

#### Summary

2. The forecast revenue outturn position for 2022/23 at the end of July is showing a projected net overspend of £701,000 against the original budget. The last report Cabinet on 18 July 2022 highlighted the forthcoming challenges facing the Council in relation to both rising energy costs and inflation on the Council's budget for 2022/23.
3. As previously explained, although modest inflationary increases were budgeted in the Corporate Plan and Budget report approved at Council in March 2022, prices have risen sharply since the start of the year. The Consumer Price Index (CPI) rose to 10.1% by the end of July. As a result, further work to quantify the projected inflationary pressures for the year has now been undertaken showing these are currently predicted to be circ. £762,000. These are partly offset by the net on-going 2021/22 savings previously reported to Members in the last Budget Management Report. Appendix A of this report provides further detail.
4. However, Members can be assured that officers will continue to closely monitor the overall position for the Council as the year progresses and will be working to mitigate the projected overspend in 2022/23.

#### Recommendations

5. To recommend to Council for approval:
  - (i) that £150,000 grant income from WSCC in respect of a payment for Ukraine Support be transferred to Specific Reserve as detailed in paragraph 27;
  - (ii) that £20,000 grant income relating to Neighbourhood Planning be transferred to Specific Reserve as detailed in paragraph 28;
  - (iii) that £445 grant income for new burdens relating to Council Tax Submissions be transferred to Specific Reserve as detailed in paragraph 29;
  - (iv) that £16,335 grant income relating to Housing Benefit Award Accuracy Initiative be transferred to Specific Reserves as detailed in paragraph 30;
  - (v) that £62,857 grant income from WSCC relating to Employment Projects Coordinator be transferred to Specific Reserve as detailed in paragraph 31;

- (vi) the variations to the Capital Programme contained in paragraph 35 in accordance with the Council's Financial Procedure rule B3.

To note:

- (vii) the remainder of the report.
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## **REVENUE SPENDING**

### **Position to the end of July 2022**

- 6. This is the second budget management report for the current financial year. This is intended to inform Members how key income and expenditure targets are performing after the first four months of 2022/23 and to give an indication of the likely position at the end of the year.

### **Expenditure and Income to date**

- 7. Table 1 details 'actuals' to date for the key income categories and salaries expenditure, compared to their profiled budgets. It gives a snapshot position on performance to the end of July only. This table also details the projected year-end position for these key income categories, but this only forms part of the consideration for the year-end predictions for the Council's overall revenue budget.



**Table 1: Key income/expenditure to the end of July 2022**

<b>INCOME</b>	2022/23 Actual to July £'000	Profiled 2022/23 Budget £'000	2022/23 Original Budget £'000	Pressure/ (Saving) To end July £'000	Pressure/ (Saving) To end May £'000	Projected Year-end Variance £'000	*To Note: 2022/23 Budget Unadjusted For Covid-19 £'000
Car Park Charges	(613)	(606)	(1,831)	(7)	15	0	(2,151)
Development Management Fees	(409)	(406)	(1,216)	(3)	58	0	(1,494)
Building Control Fees	(149)	(181)	(447)	32	14	0	(447)
Land Charges	(52)	(41)	(107)	(11)	(8)	0	(107)
Licensing Act Fees	(40)	(16)	(146)	(24)	(12)	(15)	(146)
Hackney Carriage Fees	(38)	(46)	(139)	8	9	25	(139)
Outdoor Facilities Income	(144)	(100)	(276)	(44)	26	(57)	(276)
Garden Waste	(492)	(488)	(1,548)	(4)	20	0	(1,548)
Leisure Contract Income	0	(200)	(600)	200	100	0	(1,444)
Industrial Estates Rents	(631)	(537)	(1,340)	(94)	(58)	(94)	(1,340)
Town Centre Rents	(754)	(881)	(2,231)	127	92	121	(2,231)
Depot Rent	(44)	(40)	(81)	(4)	(1)	(6)	(81)
General/Miscellaneous Property	(179)	(150)	(309)	(29)	(7)	(30)	(309)
<b>Total Income</b>	<b>(3,545)</b>	<b>(3,692)</b>	<b>(10,271)</b>	<b>147</b>	<b>248</b>	<b>(56)</b>	<b>(11,713)</b>
<b>EXPENDITURE</b>							
Salaries	4,705	4,545	13,636	160	80	526	13,636

\*For information only - It shows the 22/23 budgets without the income reductions built in. (i.e., Before budgets were reduced to take account of the income decreases where demand has been affected by the pandemic).

8. Car parking income is above budget by £7,000 in the first four months of the financial year. This is detailed in Table 2 below. This is made up of lower than budgeted Season Ticket income, £9,000 and better than budgeted Pay and Display £16,000.
9. A pressure for Season ticket income was included in 2021/22 budget of £87,000 representing an expected 45% continued annual loss in income resulting from the pandemic, and season ticket holders not renewing. By outturn 2021/22 the shortfall was a 38% loss on the pre covid position. However, income for this year to July 2022 is recording a £9,000 shortfall. Therefore, it is too early to identify a recovery of income on the pre-covid position, and this will be kept under review throughout the year.
10. For Pay and Display, there was a pressure of £583,000 included in 2021/22 budget, which represented a 30% annual shortfall on 2020/21 pre pandemic budget. Some recovery was forecast in the 2022/23 budget process of £350,000, leaving a forecast shortfall on the pre covid budget of £233,000. The first four months have recorded a further recovery of £16,000. This will be kept under review throughout the year and any further recovery reported as it occurs.

	2022/23 Actual to July (Over)under target £'000	2022/23 Original Budget £'000	2020/21 Unadjusted For Covid-19 £'000	Outturn 2021/22 (Over)under target £'000	Forecast 2022/23 (Over)under target £'000
Pay and Display	(16)	(1,725)	(1,958)	<b>172</b>	<b>0</b>
Season Tickets	9	(106)	(193)	<b>(12)</b>	<b>0</b>
<b>Total</b>	<b>(7)</b>	<b>(1,831)</b>	<b>(2,151)</b>	<b>160</b>	<b>0</b>

11. At the end of July planning application fee income is above target by £3,000. A pressure of £285,000 was included in 2021/22 budget, representing an anticipated 20% continued loss of Planning Fee income as a result of the pandemic, where a reduction in larger applications resulted following the uncertainty and loss of confidence in the Economy. Whilst recovery of income to pre-pandemic levels is not anticipated for this financial year there are indications that, with the adoption of the Site Allocations DPD, several major applications will be submitted before the end of the financial year. Any upturn in income will be closely monitored. Minor recovery of £7,000 was allowed for as part of 2022/23 Corporate Plan and Budget.
12. At the end of July, Building Control Income is under target by £32,000. This is mainly due to the profiling of income, which can fluctuate. Therefore, no full year variation is anticipated at this stage.
13. At the end of July Land Charges income is over target by £11,000. However, search levels are expected to slow down this year. Therefore, no variation to the full year projection is anticipated at this stage.
14. Licencing income is £24,000 above target for April to July. The forecast has been previously amended to reflect additional income achieved by 2021/22 outturn of £15,000 and therefore too late for inclusion in the budget.
15. Hackney Carriage Fees are below target by £8,000 for the first four months of this financial year. The forecast has been amended to reflect the ongoing shortfall in income identified by 2021/22 outturn of £25,000 and therefore too late for inclusion in the budget.
16. Outdoor facilities income is £44,000 above budget after the first four months of the year. The full year forecast has been previously amended to reflect ongoing additional income identified by outturn 2021/22 of £57,000 and therefore too late for inclusion in the 2022/23 budget.
17. Based on the current budget profile, Garden Waste income is £4,000 above target at the end of July. The budget allows for further expansion of the service to 23,000 customers by the end of the year. No variation is forecast at this stage.

18. The target for Management Fee income from the leisure centre contractor was removed for the 2021/22 budget, a loss of £1,444,000. This was subject to ongoing negotiations due to the forecast operational losses, resulting from the ongoing effects of the pandemic. Forecast recovery of £600,000 was included in the Corporate Plan and Budget 2022/23 and in addition, the Management Fee will also be adjusted to include 75% of any further contractor surplus above the £600,000, to be identified through ongoing open book reconciliations. No further variation to the £600,000 budget is forecast at this stage in the year.
19. The actual to July for the four income areas below in paras 20 to 23 relates to income where an invoice has been raised rather than actual income received.
20. Industrial Estates rent is showing as £94,000 above target at the end of July. This is due to some rent reviews being undertaken and invoices raised for the backdated rent arrears. £59,000 was reported in the April – May Budget Management report. An additional £35,000 saving is now being reported for further rent reviews as shown in Appendix A. The full year projection is expected to be £94,000 above target.
21. Town Centre rent is £127,000 below target at the end of July. This shortfall is mainly due to a refund of the Market Place Supplementary Car Park income from 2020-21 offset by additional supplementary rent for Market Place Shopping Centre relating to 2020-21 for which £66,000 was reported in the April – May report. There is an additional £55,000 pressure now being reported relating to write offs and credit notes on the Orchards retail rents as shown in Appendix A. The full year projection is anticipated to be a £121,000 pressure at this stage.
22. Depot rent is showing as £4,000 above budget for April to July. This is due to a rent increase last year which has not yet been reflected in the budget. A previously reported £6,000 saving against the full year projection is anticipated at this stage.
23. General/miscellaneous property income is showing a £29,000 surplus at the end of July due to ongoing estate management of ground rents and renewal of licences. A previously reported £30,000 surplus against full year projection is anticipated at this stage.
24. The salaries expenditure to the end of July is a small pressure of £160,000 against the profiled budget, which mainly relates to the cost of agency staff across a number of the Council's services. However, those relating to Housing and Revenue and Benefits will be met from external grant or reserves at year end. In addition, the pressure partly relates to redundancy costs incurred which will also be mitigated when met from earmarked reserves as part of the year-end adjustments for 2022/23. In comparison, the forecast year-end variance currently stands at an increased pressure of £526,000, of which £458,000 relates to the proposed flat rate pay offer for 2022/23 of £1,925 per employee, which is more than the 2% pay award estimate included in the budget. This offer has not yet been accepted/confirmed, but due to the additional value, an estimate for pay inflation is being forecast on this basis. This is also detailed in Appendix A of this report. This position will continue to be monitored closely as we progress through the year.
25. In summary, based on current information available and as outlined in Appendix A, the current forecast year-end position (at the end of July 2022), is an overspend of £701,000.

## **Miscellaneous**

26. The total remaining in Balance Unallocated is unchanged at £20,000 as there has been no utilisation to date.
27. In July, the Council received £150,000 from WSCC in respect of a payment for Ukraine Support Grant. The purpose of this grant is to provide relevant Community projects. Members are requested to approve that this sum be earmarked in Specific Reserve to fund this.
28. In July, we received a grant payment of £20,000 from the DLUHC in respect of Neighbourhood Planning Grant. Members are requested to approve the transfer of this sum to the existing specific reserve to meet costs arising.
29. In July, grant totalling £445 was received from the Office for National Statistics for New Burdens Funding to meet the costs of new burdens relating to Council Tax Submissions. Members are requested to approve the transfer of this sum to the Revenues and Benefits New Burdens specific reserves to meet this additional cost.
30. In June, the Council received £16,335 from DWP in respect of Housing Benefit Award Accuracy Initiative. Members are requested to approve the transfer of this sum to the Revenues and Benefits New Burdens specific reserves to meet this additional cost.
31. In June, we received £62,857 from WSCC for Employment Projects Coordinator. Members are requested to approve the transfer of this sum to the Revenues and Benefits New Burdens specific reserves to meet this additional cost.

## **SPENDING ON CAPITAL PROGRAMME AND REVENUE PROJECTS**

### **Position to the end of July 2022**

32. The Capital Programme and Revenue Projects for 2022/23 now stands at £12,824,000. This includes additions to the programme as detailed in the Capital Programme Update reports to Cabinet 21 March 2022 and Cabinet 6 June 2022. This also includes slippage from the 2021/22 Programme of Capital and Revenue Projects and current year project variations, as reported to Cabinet 18 July 2022. The actual and commitments to the end of July 2022 total £2,302,902.

### **Variances to the 2022/23 Capital Programme and Revenue Projects**

33. At this early stage in the year the major variances are set out in Table 3 below, the remainder being several smaller variations totalling less than £100,000.

**Table 3: Expenditure Variations on the 2022/23 Capital Programme and Revenue Projects**

	<i>Variances</i> £'000 (overspend)	<i>Variances</i> £'000 (underspends)	<i>Notes</i>
Burgess Hill Place and Connectivity Programme		(418)	1
Hill Place Farm (SANG) (RP)		(693)	2
Rural Connectivity Programme		(341)	3
Telephony System Replacement (RP)		(196)	4
Affordable Housing		(690)	5
Temporary Accommodation		(1,730)	6
Disabled Facility Grants		(931)	7
Replacement Wheelie Bins		(117)	8
Orchards Shopping Centre - Changing Places WC		(189)	9
Hickman's Lane Pavilion Renovation		(255)	10
Swan Mead Redevelopment		(1,500)	11
Bedelands Gypsy & Traveller Site Repairs		(500)	12
Centre for Outdoor Sport (Master Planning) (RP)		(418)	13
Hemsleys Meadow and Finches Field, PP			
Masterplan Park Imps (RP)		(900)	14
Victoria Park, HH Masterplan Parks Imps RP		(326)	15
Mount Noddy, EG Masterplan - Parks Imps RP		(180)	16
About the Place - Public Art Project - RP		(106)	17
<b>Total</b>	<u>0</u>	<u>(9,490)</u>	

Notes:

*Planning Policy*

- (1) Burgess Hill Place and Connectivity Programme. This Programme has a number of phases some of which have already been delivered; some are on site and in delivery now; and some programmed for later years. The balance of the project budget is being funded through a grant claimed from Coast to Capital LEP. No forecast variation is anticipated at year end.
- (2) Hill Place Farm SANG (RP) - £693K was approved in a Capital update report to Cabinet on 21<sup>st</sup> March 2022. This is for an easement which is required under the Bluebell Railway line to allow access to part of the SANG. This is due to be paid shortly.

*Digital & Technology*

- (3) Rural Connectivity Programme - Works underway. All spend is funded by the Coast to Capital LEP). No forecast variation is anticipated at by year end.
- (4) Telephony System Replacement (RP) – Digital and Technology are currently assessing our needs following on from the Management Team restructure – this project will need to be considered alongside other business priorities as it will require considerable resources.

*Housing*

- (5) Affordable Housing – Project updated to reflect (£40K) Rough Sleeper grant, now expected to be paid in 2022/23 and (£650K) for the East Grinstead Police station site, which is now no longer planned to go ahead. However, this budget is entirely funded by Affordable Housing Commuted sums and no underspend is forecast at this stage pending other opportunities which may arise in 2022/23.
- (6) Temporary Accommodation – This project has allocated funding of £1.88m. This includes £150K from an earlier approved sum of £1.4m which did not form part of the budgeted programme. Due to the nature of the project, it is anticipated that this will be utilised in 2022/23 and 2023/24.

*Environmental Health*

- (7) Demand-led Housing adaptations service for which a further £434,563 has been committed as at end of July. No forecast variation is anticipated at this stage.

### *Cleansing Services*

- (8) Replacement Wheelies Bin Purchase -full spend anticipated by close of this financial year.

### *Corporate Estates and Facilities*

- (9) Orchards Shopping Centre -Changing Places WC – additional work in procurement has been required. It is anticipated that the project will be completed this financial year.
- (10) Hickman's Lane Pavilion Renovation £255K was approved in a Capital update report to Cabinet on 21 March 2022 – this project has been delayed due to negotiations and consultation with stakeholders and is subject to securing external funding from the Football Foundation This project is therefore unlikely to commence until 2023/24.
- (11) Swan Mead Redevelopment £1.5m was approved in a Capital update report to Cabinet on 6 June 2022 to develop a former community building at Swan Mead and rebuilding 6 flats for use as temporary housing. We are now in the process of implementing the pre-construction phase which includes technical design prior to development commencing. This work will inform a more detailed spending profile.
- (12) Bedelands Gypsy & Traveller Site Repairs (RP) £500K was approved in a Capital update report to Cabinet on 6 June 2022. Negotiations are ongoing leading to a delayed anticipated start date in Spring 2023. A detailed spending profile will be produced once the negotiations have been concluded.

### *Landscapes and Leisure*

- (13) Centre for Outdoor Sport (Master Planning) (RP) - Consultants/ Project Manager appointed and progress with project is underway. This is a two-year long project. Detailed design and development work is currently underway, but implementation will not commence until 2023/24. A more accurate proposed spend profile will be provided later in the year once the programme has been finalised.
- (14) Hemsleys Meadow and Finches Field, PP Masterplan Park Imps (RP). Spend anticipated to start in September following appointment of consultant. This is a multi-year project, with initial detailed design currently underway, and construction due to commence before the end of the financial year; but some funding will not be spent until 2023/24. It is not possible to accurately profile anticipated spend at this early stage and this will be reported later.
- (15) Victoria Park, HH Masterplan Parks Imps (RP). Spend anticipated to start in September following appointment of consultant. As above, this is a multi-year project, with initial detailed design currently underway, and construction due to commence before the end of the financial year; but some funding will not be spent until 2023/24. It is not possible at this early stage to accurately profile the project spend, and this will be reported later.
- (16) Mount Noddy, EG Masterplan - Parks Imps (RP). Spend anticipated to start in September following appointment of consultant. As above, this is a multi-year project, with initial detailed design currently underway, and construction due to commence before the end of the financial year; but some funding will not be spent until 2023/24. It is not possible at this early stage to accurately profile the project spend, and this will be reported later.

### *Community Services, Policy and Performance*

- (17) About the Place - Public Art Project – RP. Artist now commissioned and purchase order raised to be invoiced in stages, completion due September 2023. Remainder of works will be delivered over the course of the next year. A more detailed spending profile will be produced later in the year.

## **Proposed Variations to the Capital Programme and Revenue Projects**

34. The current programme includes £1,730,000 for Temporary Accommodation. However, the balance earmarked in Capital Receipts to finance the Temporary Accommodation budget is £1,880,000. This is because it includes an additional £150,000 being the unspent balance from an earlier approved sum of £1.4M which did not form part of the budgeted programme. The Capital Programme has now been updated to reflect this in order that the Budget for 2022/23 matches the planned spend for the year.

35. Proposed capital variations are summarised in table 4 below:

<b>Table 4: Capital Programme and Revenue Project Variations April to end July 2022</b>		
	<i>Apr to July</i> £'000	<i>Ref</i>
<u>Capital Projects</u>		
Temporary Accommodation	150	<i>Para 34</i>
Total Capital Projects Variations	<u>150</u>	

36. Considering the changes detailed above, the overall effect is an increase to the current programme of Capital and Revenue Projects for 2022/23 by £150,000. Therefore, the revised programme total for 2022/23 now stands at £12,974,000.

### **Capital receipts and contributions received to the end of July 2022**

37. Capital Receipts, S106s and grant contributions of £457,920 have been received in the period April to July 2022.

### **S106 contributions committed/utilised to the end of July 2022**

38. The following S106 contributions have been utilised during this period:

<b>Table 5 S106 utilisation 2022/23</b>		
	<i>Apr to July</i> £'000	<i>Note</i>
Ardingly Parish Council	23	1
1st Copthorne Scout Group	11	2
Total	<u>34</u>	

#### **Notes**

- 1 Utilisation of Formal Sport contribution (PL12-000981 £22,621.00) S106 monies for tennis court improvements at Ardingly Recreation Ground, as agreed by the Deputy Leader on 18 May 2022 MIS 20 18 May 2022.
- 2 Utilisation of Community Buildings contribution (PL12-000910 £10,791.00) S106 monies for landscaping, surfacing, and fencing works at the Scout Centre and Guide Hall, as agreed by the Cabinet Grants Panel on 22 June 2022 MIS 25 22 June 2022.

39. A full breakdown of S106 contributions secured and utilised is published each year in the Council's Infrastructure Funding Statement which can be found on the Council's website here: <https://www.midsussex.gov.uk/planning-building/consultation-monitoring/>

### **TREASURY MANAGEMENT INTEREST**

40. Treasury Management interest for this financial year was projected in the Budget Report to be £223,918 at an average rate of 0.5%. The Budget Report is prepared well before many of the cash flow items are known.

41. The interest receivable forecast currently exceeds the budget due to the improved interest rates available. Although, the calculated average rate shows as 0.895%, several maturities occurring in the early part of this year will allow us to secure better rates. This has been accounted for in the forecast. Therefore, the estimated year-end projection for Treasury Management to be earned in the year is £1,159,231 being £935,313 over target. This position will continue to be monitored closely as we progress through the year.

### *Local Authority Property Fund Dividends*

42. Members will recall that £6m is invested in the Local Authorities' Property Fund administered by the CCLA. Dividends on these investments are paid to the Council on a quarterly basis being due for the quarters ending 30 June; 30 September; 31 December and 31 March. Dividends received for the quarter ending 30 June are £66,968 less management expenses of £10,837. Therefore, the net income to the Council is £56,131 as at the end of June 2022. £240,000 is budgeted to finance the Revenue Budget in the current year. Based on the first quarter dividend, this is likely to result in a shortfall of £15,476 by year-end, therefore any shortfall will need to be funded from General Reserve. However, this will continue to be monitored and further updates will be reported in future Budget Management Reports

### **POLICY CONTEXT**

43. This report shows actual financial performance against the original budget, which was approved within the context of the Financial Strategy.

### **FINANCIAL IMPLICATIONS**

44. The financial implications are detailed within the body of this report.

### **RISK MANAGEMENT IMPLICATIONS**

45. There are no risk management implications.

### **EQUALITY AND CUSTOMER SERVICE IMPLICATIONS**

46. There are no Equality and Customer Service implications.

### **OTHER MATERIAL IMPLICATIONS**

47. There are no legal implications as a direct consequence of this report.

### **SUSTAINABILITY IMPLICATIONS**

48. There are no sustainability implications as a direct consequence of this report.

### **Background Papers**

Revenue Budget Report 2022/23



## Appendix A

### Forecast Budget Variations for 2022/23 at the end of July 2022 - Pressures

	<b>Pressures in 2022/23</b>	<i>Notes</i>
	<i>£'000</i>	
April to May pressures Cabinet 18 July 2022	269	
On-going Inflationary pressure – Pay award Offer 22/23	458	1
On-going Inflationary pressure – Estimated Refuse Contract Inflation	181	2
On-going Inflationary pressure – Arboriculture Contract	15	3
On-going part year inflationary pressure - Energy	108	4
The Orchards retail rent	55	5
	1,086	
	1,086	

Notes:

- (1) A flat rate pay offer for 2022/23 has been made of £1,925 per employee, which is more than the 2% pay award estimate included in the budget. This offer has not yet been accepted/confirmed, but due to the additional value, an estimate for pay inflation is being forecast on this basis.
- (2) Refuse Contract Inflation is based on a weighted average of four indices, including RPI and the Public Sector Pay Award. This has yet to be confirmed but due to the additional cost anticipated as a result of sharply rising inflation, an estimate of the likely impact is being forecast.
- (3) An increase of 7% inflation has been agreed for Arboriculture contract for 2022/23.
- (4) Part year effect of an estimated increase for annual Energy Inflation, effective from when the contract renews on 1<sup>st</sup> October 2022. As this pressure is ongoing, the full year effect of £216,000 will be included in the Budget process for 2023/24.
- (5) Write offs and credit notes on The Orchards retail rents.

### Forecast Budget Variations for 2022/23 at the end of July 2022 - Savings

	<b>Savings in 2022/23</b>	<i>Notes</i>
	<i>£'000</i>	
April to May savings Cabinet 18 July 2022	(350)	
Industrial Estates rent	(35)	6
	(385)	
	(385)	

Notes:

- (6) Increased and backdated rent due to rent reviews.

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## **GENERAL REVENUE BUDGET SERVICE AND FINANCIAL PLANNING – GUIDELINES FOR 2023/24**

REPORT OF: INTERIM HEAD OF CORPORATE RESOURCES  
Contact Officer: Stephen Fitzgerald, Interim Head of Corporate Resources  
Email: [stephen.fitzgerald@midsussex.gov.uk](mailto:stephen.fitzgerald@midsussex.gov.uk) Tel: 01444 477244  
Wards Affected: All  
Key Decision: Yes  
Report to: Cabinet  
12<sup>th</sup> September 2022

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### **Purpose of Report**

1. This report sets out the service and financial context within which the authority will operate over the next two years and sets out guidelines for developing the Corporate Plan and Budget for 2023/24. It is intended to set a direction for the authority when considering future service and financial decisions, against a background of post-pandemic recovery.

### **Summary**

2. Subject to discussion at Cabinet, the content of this report will guide the preparation of service plans and budget proposals through the autumn and will enable a draft Corporate Plan and Budget to be published for Members' consideration in December.

### **Recommendations**

#### **3. The Cabinet is recommended to:**

- (i) **Endorse the guidelines set out within this report and use these principles in preparing the 2023/24 Corporate Plan and Budget**
  - (ii) **Note the need to increase Council tax levels by the maximum permissible level, without needing a referendum**
  - (iii) **Instruct officers to undertake a detailed review of reserves and revenue balances**
- 

### **Background**

#### The national picture

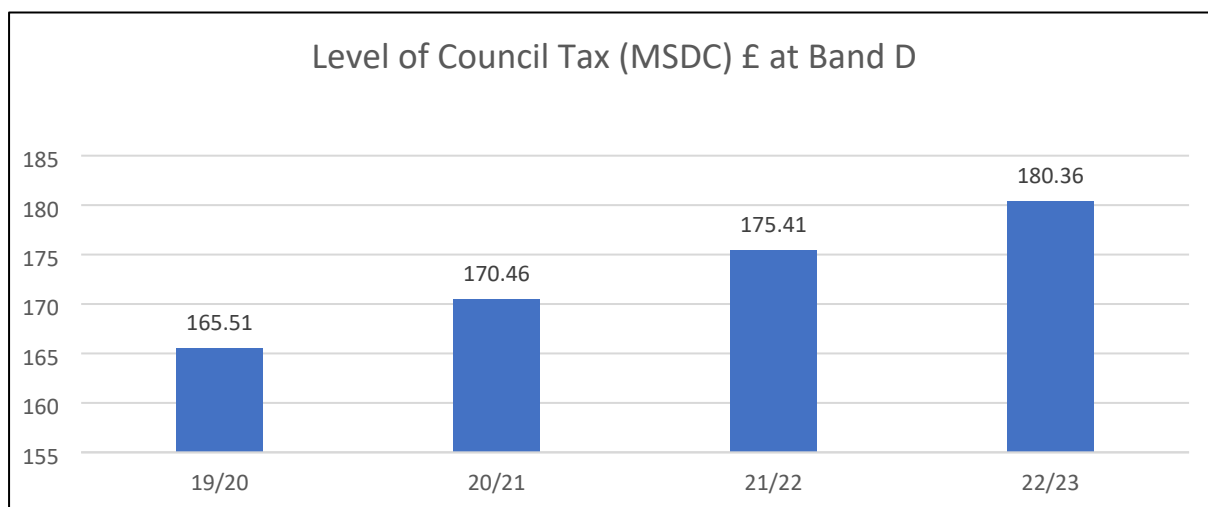
4. Local Government has played a key role in the delivery of local services during the period of the pandemic. In support of this, after a ten-year period of expenditure constraint in 2022/23 there was a significant increase in core spending power (the basis on which central government support is distributed to local authorities) which has seen a growth in support to district councils generally and Mid Sussex District Council (MSDC) in particular.
5. Overall, funding settlements for MSDC have been much better than for shire districts as a whole – but districts have done much less well than authorities with social care responsibilities. Since 2015/16 Core Spending Power (CSP) to MSDC has increased by 4.2% compared with a reduction of 8.6% for Shire Districts as a whole.
6. Related to this at the Local Government Association Conference on 28 June 2022 the then Secretary of State for Levelling Up Housing and Communities (LUHC), Michael Gove MP announced that the next local authority finance settlement would cover two financial years 2023/24 and 2024/25. This settlement would be in December 2022 and would be a welcome initiative to local authorities as it would provide a degree of stability in the

medium term. Since that announcement has been made Greg Clark MP has replaced Michael Gove MP as Secretary of State and it is yet to be clarified whether the two-year settlement will continue to be Government policy.

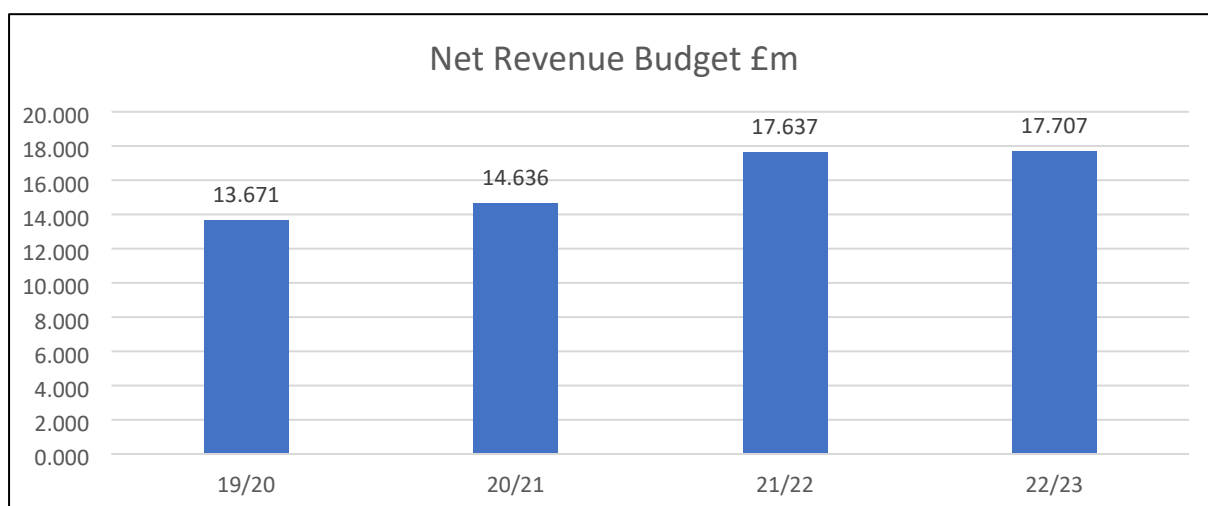
7. Relating to this, the Council will be making comprehensive representations prior to the settlement announcement.

MSDC Historical Position

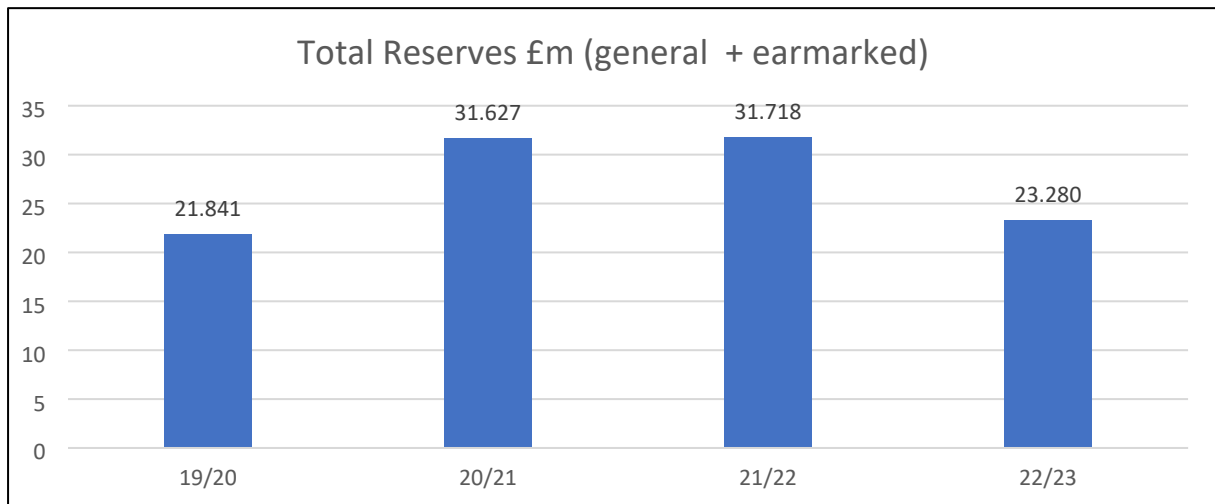
8. MSDC has a positive history of stable financial management. In terms of council tax MSDC has, in recent years set the maximum increase that central Government allow before the triggering of a referendum. The chart below shows the movement in the council tax at band D level over the last four years:



9. The increase in the council tax is one of the factors which has enabled the maintenance and development of services during what has been an especially challenging time for local government. The movement in the level of the revenue budget over the past four years is shown below:



10. To support the revenue budget and provide reliance the council has put aside significant revenue reserves. The movement in reserves over the past four years is shown in the chart below:



11. Members should be aware that the high level of reserves in 2020/21 and 21/22 was inflated by funding provided by the government to support costs associated with the Covid 19 pandemic. MSDC reserves are at 26.4% of net revenue expenditure about the shire district average.
12. MSDC is consistent with the shire district average which is materially above the levels for England local authorities.
13. Overall, the historical position of MSDC is financially sustainable, however in the current turbulent financial environment there are significant challenges and risks for 2023/24 and beyond.

Income from fees and charges

14. A significant amount of MSDC income is from fees and charges. The table below shows our projection on the key income streams forecast for 2023/24.

<b>Key income items</b>					
<b>INCOME</b>	2021/22	2022/23	2022/23	2023/24	To Note: *2022/23 Budget Unadjusted For Covid-19* £'000
	Original Budget £'000	Original Budget £'000	Forecast Outturn £'000	Forecast Budget £'000	
Car Park Charges	(1,481)	(1,831)	(1,831)	<b>(1,831)</b>	<b>(2,151)</b>
Development Management Fees	(1,209)	(1,216)	(1,216)	<b>(1,216)</b>	<b>(1,494)</b>
Building Control Fees	(446)	(447)	(447)	<b>(447)</b>	(447)
Land Charges	(153)	(107)	(107)	<b>(107)</b>	(107)
Licensing Act Fees	(145)	(146)	(161)	<b>(146)</b>	(146)
Hackney Carriage Fees	(139)	(139)	(114)	<b>(139)</b>	(139)
Outdoor Facilities Income	(279)	(276)	(333)	<b>(276)</b>	(276)
Garden Waste	(1,638)	(1,548)	(1,548)	<b>(1,548)</b>	(1,548)
Leisure Contract Income	0	(600)	(600)	<b>(1,444)</b>	(1,444)
Industrial Estates Rents	(1,340)	(1,340)	(1,399)	<b>(1,340)</b>	(1,340)
Town Centre Rents	(2,063)	(2,231)	(2,165)	<b>(2,231)</b>	(2,231)
Depot Rent	(77)	(81)	(87)	<b>(81)</b>	(81)
General/Miscellaneous Property	(293)	(309)	(339)	<b>(309)</b>	(309)
<b>Total Income</b>	<b>(9,263)</b>	<b>(10,271)</b>	<b>(10,347)</b>	<b>(11,115)</b>	<b>(11,713)</b>

#### New Homes Bonus (NHB)

15. The long-term future of the NHB has been consulted upon. Decisions on the future of the scheme have not yet been issued. The Government can continue the scheme as is, modify or end the scheme.
16. As the position is currently certain we are currently budgeting only for a legacy payment from previous years. This shows a material reduction from previous years.
17. Past practice in MSDC has been to use NHB to contribute to the general reserve. However, the government guidance on the use of NHB is that it can be used for any purpose that the government considers appropriate, including either revenue or capital spend.

<b>New Homes Bonus (NHB)</b>			
<b>Year</b>	<b>2021/22 £000s</b>	<b>2022/23 £000s</b>	<b>2023/24 £000s</b>
<b>8</b>	878		
<b>9</b>	548	548	
<b>10 (Rollover settlement one-year payment only)</b>			
<b>11 (Rollover settlement one-year payment only)</b>	885		
<b>12 (Rollover settlement one-year payment only)</b>		1,680	
<b>Total</b>	<b>2,311</b>	<b>2,228</b>	<b>TBC</b>

#### Business Rate Retention (BRR) scheme

18. This is an area that has proved successful for Mid Sussex, due to the levels of economic growth in the area.
19. We have seen our rate base debit rise from £47.276m to £62.687m over the period from 2013 with corresponding increases in the level of retained income. Significantly, MSDC has also benefited from the Rampion Windfarm substation being situated in the district, since this adds some £983k pa to our income, and is protected by specific legislation, designating that income as for MSDC and now other public authority.
20. Although the pandemic adversely affecting the retail and office sectors of the economy, we, can be forecast income, for 22/23 as shown below. Of course, this will need reviewing later in the process to ensure it remains prudent but does act as a good estimate for these strategy purposes.

<b>Year</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Retained income	3.4	5.2	5.1	6.1	4.4	4.6

21. Thus, income from retained business rates looks to be stable for 2023/24. The following year there is predicted to be a fall income. This is due to a potential reset of the business rate baseline. As with NHB it is unclear if this will happen and if it will be in 2024/25.

### Status of national reviews

22. For some years central government has been discussing a revenue of resource distribution. This has is known as the Fair Funding Review. Greg Clark MP has yet to announce his intentions as to the future of this review and when, if at all it will be implemented. This is linked with the overall, “Levelling up Agenda” of national government. It is undoubtedly the case that it presents risks for MSDC and other local authorities with similar geographic, social, and economic characteristics, however, attempts to predict the outcome on the review are pure speculation at this stage.

### Council tax base

23. The Council will set the tax base at the December meeting. Our forecast is an increase of 1.4% for next year but this will be kept under review for 24/25 and future years.

### Council tax levels

24. The limit on the increase of Council Tax levels for District Councils has been limited to either 1.99% or £5 at band D before the requirement for a referendum. MSDC has increased tax at Band D by £5 per annum, each year since 2010. This has enabled a measured increase in the net revenue budget each year, in support of the delivery and development of high-quality services over recent years.

25. The underlying assumption of the Medium-Term Financial Strategy (MTFS) is that MSDC will set the maximum increase for 2023/24 and this is a key recommendation of this report. If this is excepted, it would give MSDC at Council Tax at band D of £185.31 for 2023/24.

### 2022/23 in-year position

26. The forecast revenue outturn position for 2022/23 at the end of July is showing a projected net overspend of £701,000 against the original budget. The last report Cabinet on 18 July 2022 highlighted the forthcoming challenges facing the Council in relation to both rising energy costs and inflation on the Council’s budget for 2022/23.

27. As previously explained, although modest inflationary increases were budgeted in the Corporate Plan and Budget report approved at Council in March 2022, prices have risen sharply since the start of the year. The Consumer Price Index (CPI) rose to 10.1% by the end of July. As a result, further work to quantify the projected inflationary pressures for the year has now been undertaken showing these are currently predicted to be circ. £762,000. These are partly offset by the net on-going 2021/22 savings previously reported to Members in the last Budget Management Report.

### Inflation

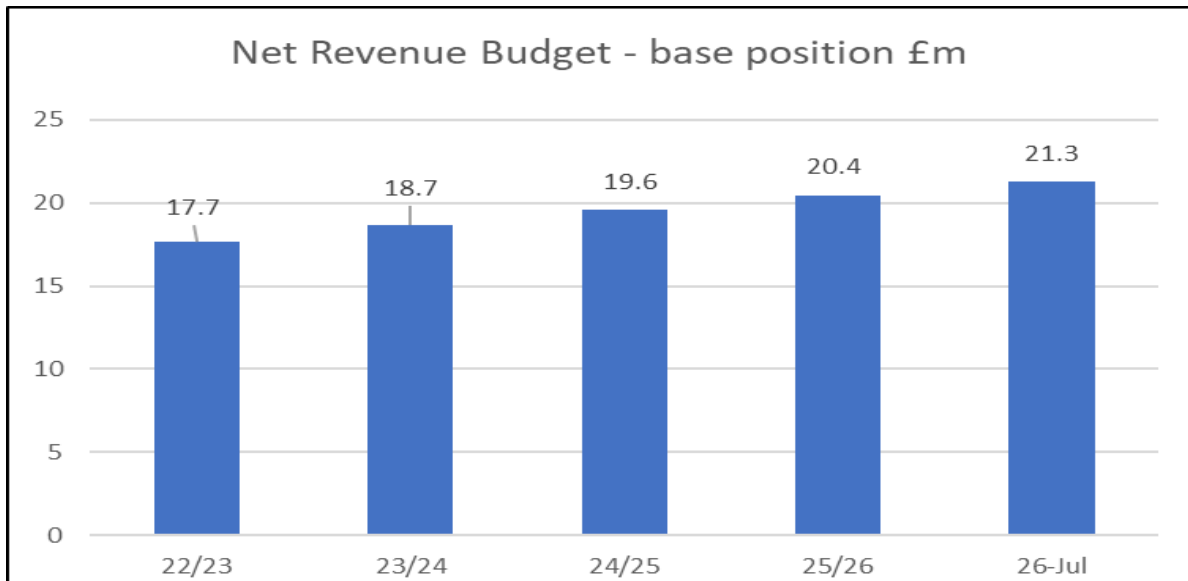
28. Inflation in table below shows our current assumptions for inflation in the current MTFS:

<b>Year</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<i>£m</i>	<i>£m</i>	<i>£m</i>	<i>£m</i>
Inflation	1.2	2.0.	2.7	3.5

### The 2023/24 base position

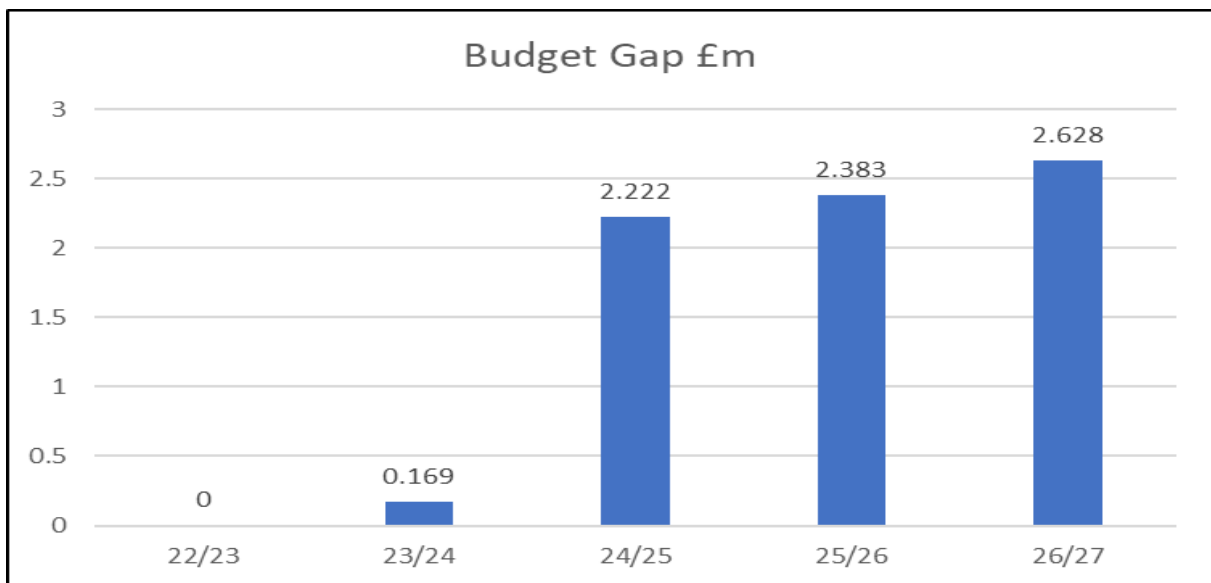
29. The chart below shows the base position going forward to 2026/27 taking account of known inflationary pressures.





The budget gap 2023/24 and beyond

30. Considering the assumptions, we have made over the next four years; we have a total budget gap of £7.4m spread as shown in the chart below. The underlying figures are detailed in Appendix A.



To meet the deficit shown in this budget gap MSDC will either have to make savings, increase income or draw down from reserves.

Growth

31. At this point is time we can already report some growth items that were not included in the budget when it was set in March 2022. These are set out in the table below:

	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>

	£'000	£'000	£'000	£'000
Hackney Carriage Income	25	25	25	25
Revenues and Benefits Card charges	14	14	14	14
Cashless parking transaction processing	27	27	27	27
Corporate Estates & Facilities Salaries	33	33	33	33
	99	99	99	99

### Savings

32. There are also some ongoing legacy savings that were not reported in the March budget report:

Licencing Income	(15)	(15)	(15)	(15)
Environmental Health Staff	(27)	(27)	(27)	(27)
NNDR	(27)	(27)	(27)	(27)
Pay award 2021/22 1.75%	(42)	(42)	(42)	(42)
Rateable Value finder consultancy	(27)	(27)	(27)	(27)
Housing support	(20)	(20)	(20)	(20)
Car Park repairs	(21)	(21)	(21)	(21)
Additional Playgroup Income	(47)	(47)	(47)	(47)
Outdoor Facilities Ground Rent	(10)	(10)	(10)	(10)
Bulky waste Income	(19)	(19)	(19)	(19)
Depots rent	(6)	(6)	(6)	(6)

Operational Properties rents & licences	(30)	(30)	(30)	(30)
Industrial Estates rents	(42)	(42)	(42)	(42)
<b>Total</b>	<b>(333)</b>	<b>(333)</b>	<b>(333)</b>	<b>(333)</b>

### Leisure Contract

33. As a result of Covid 19 the leisure contract has been underperforming in its contribution to MSDC. So far as the plans for 2023/24 are concerned the full contractual contribution of £1.4m is assumed in the based position.

### Pension Fund

34. The triennial revaluation of the West Sussex County Council pension fund (which provides pensions for MSDC) took place on in March 2022. The results of this are that the funding levels are reasonably stable. The implications for the MSDC have been considered and taken account of in the financial plans outlined in this report.

### Reserves

35. Members were last updated on the Council's position when adopting the Corporate Plan in March 2022. At that time the medium-term financial plan net position was as shown below:

<b>Year</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>
	<i>£'000s</i>	<i>£'000s</i>	<i>£'000s</i>
Deficit to be financed from General Reserve	181	1,395	1,330

36. We will need to review the Reserves position including the split between ring fenced and earmarked reserves considering the 2022/23 in-year spend and the budget gap for 2023/24 and beyond.

### The journey to a balanced budget

37. This paper updates members on the budget guidelines and lays out the process. Appendix B of this report is the timetable for the setting of the budget going forward.

### **Policy Context**

38. Setting a financial strategy and understanding the environment within which the authority operates is a fundamental requirement in preparing the annual Corporate Plan and Budget. The strategy and supporting service plans will be informed by the Councils' agreed corporate policies in the usual way.

### **Other Options Considered**

39. MSDC has a limited financial flexibility within the local government financial system that exists at present. The major policy option would be not to increase the Council Tax. In

2023/24 each £1 of council tax forgone loses the council £64,116 in one year. Therefore a 0% increase in the council tax would forego £317,000 in one year and £1,268,000 over four years. A decision not to put up the tax to the maximum would increase financial risks to the council over the long term. It is also worth noting that the MSDC element of the tax only amounts to 8.8% of the overall tax so the gain to the taxpayer of not taking the whole tax will be minimal.

### **Financial Implications**

40. The entire report deals with financial issues.

### **Risk Management Implications**

41. The forecasts contained are based on the best information available to the Council at this time and have been subjected to an appropriate level of due diligence to ascertain that the financial position is as described.

### **Equality and Customer Service Implications**

42. The impact assessment has been on the subjects covered by this report; these will be drawn up and considered when such decisions are implemented.

### **Sustainability Implications**

43. None

### **Background Papers**

None

## APPENDIX A

### Cabinet 12 September 2022 (inflation at latest CPI)

Revenue Spending	Year 0 2022/23 £'000	Year 1 2023/24 £'000	Year 2 2024/25 £'000	Year 3 2025/26 £'000	Year 4 2026/27 £'000
<b>Base Net Expenditure</b>	17,024	16,266	16,353	16,410	16,441
Benefits	(119)	(119)	(119)	(119)	(119)
Drainage levies	-	-	-	-	-
<b>Base Revenue Spending</b>	16,905	16,147	16,234	16,291	16,322
Balance Unallocated	20	20	20	20	20
<b>Council Net Expenditure</b>	16,925	16,167	16,254	16,311	16,342
Contribution to Development Plan Reserve	300	300	300	300	300
Contribution to Job Evaluation Reserve	532	594	594	594	594
Net On-going savings from 2021/22	-	(234)	(234)	(234)	(234)
Increase on 2022/23 budgeted inflation to be built into base net expenditure	-	870	870	870	870
Other known growth items	-	103	103	103	103
Net General inflation	-	1,170	1,957	2,744	3,531
Savings from efficiency programme	(50)	(250)	(250)	(250)	(250)
<b>Total Revenue Spending</b>	17,707	18,720	19,594	20,438	21,256
External Funding (RSG)	-	-	-	-	-
Rates Retention Scheme (RRS) funding	(5,146)	(6,115)	(4,448)	(4,631)	(4,693)
HB Admin Grant / LCTS Grant	(315)	(315)	(315)	(315)	(315)
Services Grant 22/23 only	(148)	-	-	-	-
Lower Tier Services Grant 21/22 and 22/23 only	(98)	-	-	-	-
<b>Council Tax Requirement @ 2.75% in 23/24</b>	(11,404)	(11,881)	(12,369)	(12,869)	(13,380)
Dividend income LAPF	(240)	(240)	(240)	(240)	(240)
Collection Fund:					
- Council Tax deficit / (surplus)	(175)	-	-	-	-
- Rates Retention Scheme deficit / (surplus)	4,440	481	-	-	-
Contribution from Rate Retention Scheme Equalisation Reserve including s31 Grant	(4,440)	(481)	-	-	-
Use of General Reserve to balance budget	(181)	-	-	-	-
<b>Cumulative Balance deficit; / (surplus)</b>	(0)	169	2,222	2,383	2,628
<b>Difference year on year</b>		169	2,053	162	245

Financing Revenue Spending	Year 0 2022/23	Year 1 2023/24	Year 2 2024/25	Year 3 2025/26	Year 4 2026/27
Council Taxbase	63,230.6	64,116	65,013	65,924	66,847
Change in Taxbase	1.62%	1.40%	1.40%	1.40%	1.40%
	£'000	£'000	£'000	£'000	£'000
Revenue Budget	17,707	18,720	19,594	20,438	21,256
Rates Retention Scheme (RRS) funding	(5,146)	(6,115)	(4,448)	(4,631)	(4,693)
HB Admin Grant / LCTS Grant	(315)	(315)	(315)	(315)	(315)
Services Grant 22/23 only	(148)	-	-	-	-
Lower Tier Services Grant 21/22 and 22/23 only	(98)	-	-	-	-
<b>Council Tax Requirement</b>	(11,404)	(11,881)	(12,369)	(12,869)	(13,380)
Dividend income LAPF	(240)	(240)	(240)	(240)	(240)
Collection Fund:					
- Council Tax deficit / (surplus)	(175)	-	-	-	-
- Rates Retention Scheme deficit / (surplus)	4,440	481	-	-	-
Contribution from Rate Retention Scheme Equalisation Reserve including s31 Grant	(4,440)	(481)	-	-	-
Use of General Reserve to balance budget	(181)	-	-	-	-
<b>Total Financing</b>	(17,707)	(18,551)	(17,372)	(18,055)	(18,628)
<i>Balance [(deficit); /surplus]</i>	0	(169)	(2,222)	(2,383)	(2,628)
	(17,707)	(18,720)	(19,594)	(20,438)	(21,256)
<b>Council Tax at Band D</b>	£ 180.36	£ 185.31	£ 190.26	£ 195.21	£ 200.16
Change from previous year	2.80%	2.75%	2.65%	2.60%	2.55%

2023/24 Budget Time-Table

Service and Financial Planning Guidelines for 2023/24 report to **Cabinet 12 Sept 2022**

Scrutiny Committee Leader Finance & Performance to consider Draft Corporate Plan and Budget 2023/24 consultation process on **9 November 2022**

Council to consider Council Tax base 2023/24 at meeting on **7 December 2022**

Draft Corporate Plan and Budget 2023/24 published **16 December 2022**

Scrutiny consider Draft Corporate Plan & Budget report on **11 January 2023**

Cabinet consider Draft Corporate Plan & Budget report on **6 February 2023**

Council to agree report on **1 March 2023**