

Eden District Council
Council

25 February 2021

Final Budgets 2021/22 & Medium Term Financial Plan

Portfolio:	Resources and Leader
Report from:	Interim Director of Corporate Services
Wards:	All Wards
OPEN PUBLIC ITEM	

1 Purpose

- 1.1 The Council is required to produce a balanced budget for 2021/22 as the basis for calculating its level of Council Tax. It has to base that budget on its Corporate Plan priorities and service delivery requirements estimated for the year, recognising any changes in service demand that may arise in future years.
- 1.2 The Executive made recommendations to Council, on this basis, at its meeting on 16 February 2021.
- 1.3 The report also includes statutory advice of from the Chief Financial Officer on the robustness of the estimates included in the budget and the adequacy of the Council's reserves.

2 Recommendation

- 2.1 To consider and approve the balanced budget as set out in Appendix A.
- 2.2 To consider and approve a Council Tax increase of £5 on a Band D property.
- 2.3 To consider and approve the capital programme 2021/22 – 2024/25 set out in Appendix B.
- 2.4 To approve the Medium Term Revenue Plan (MTRP) for 2021/22 to 2024/25 as set out in Appendix C.
- 2.5 To note the impact of the proposed budget on reserves and recommend the reserves to full council as set out in Appendix D.
- 2.6 To note the One Eden Transformation programme savings targets as set out in paragraph 11.3.
- 2.7 To note the budget consultation responses summarised at paragraph 13 and detailed at Appendix E.
- 2.8 To note the contents of the Section 25 statement from the Interim Director of Corporate Services contained in paragraphs 3.5 to 3.13 in relation to robustness of estimates and adequacy of reserves.

3 Introduction and Section 25 Report

- 3.1 Section 32 of the Local Government Finance Act 1992, requires the Council to calculate its Budget Requirement for each financial year. The Budget

Requirement will be considered and set as part of this report which also results in the setting of the Council own Council Tax.

- 3.2 A report later on this agenda consolidates the Council's own Council Tax (including local precepts) with the Council Tax set by the County Council, the Police and Crime Commissioner and Town and Parish Councils to produce the total amount that Eden's residents will pay for Council Tax in 2019-2020.
- 3.3 For this Council, the Budget Requirement is the sum of:
1. The net expenditure on the General Fund revenue account which the Council will incur in performing its functions during the coming year;
 2. Any amounts which the Council estimates that it would be appropriate to transfer to, or from, balances during the year; and
 3. The amount of any precept issued to it for the year by a local precepting authority (town council, parish council, or parish meeting).
- 3.4 Once the Budget Requirement has been determined, the amount of Government funding, and any surplus or deficit on the Collection Fund, is deducted to produce the demand on the Council Tax payers (the Council Tax Requirement). For this purpose, Government funding is taken as Settlement Funding Assessment, Section 31 Grants, Rural Services Delivery Grant (RSDG) and New Homes Bonus (NHB).

Section 25 – Robustness of Estimates and Adequacy of Reserves

- 3.5 Section 25 of the Local Government Act 2003 includes a specific personal duty on the Chief Financial Officer (CFO) to make a report to the authority when it is considering its budget and Council Tax. Also, Section 26 of the Act gives the Secretary of State power to set minimum level of reserves for which an authority must provide in setting its budget. The legislation says that "the provisions are a fall back against the circumstances in which an authority does not act prudently, disregards the advice of its CFO and is heading for serious financial difficulty".
- 3.6 The Local Government Finance Act 1992 also requires that authorities have regard to the level of reserves needed for meeting estimated future expenditure when calculating the next year's budget requirement.
- 3.7 There are also a range of safeguards to ensure authorities do not over-commit themselves financially. These include:
- The CFO 'S114' powers, which require a report to all members of the authority if there is or is likely to be unlawful expenditure or an unbalanced budget;
 - The Prudential Code which applied to capital financing from 2004/05.
- 3.8 Under Section 25 of the Local Government Act 2003, the Council's Chief Financial Officer is required to report to the Council on:
- The robustness of the estimates included within the budget;
 - The adequacy of the reserves and balances.
- 3.9 Under the Act, Members must have regard to the contents of this report when making their decisions on the budget. It is proposed that Members consider

the contents of this report when making their decisions on the Council's budgets at this meeting.

- 3.10 In reviewing the estimates and reserves I have looked at the significant risks faced by the Council and the reserves and balances held in financial mitigation of those risks.
- 3.11 I conclude that the processes that have been followed in the setting of the budget are sound and robust. There are inevitably risks, however these have been properly considered and budgets have been set to reflect those risks.
- 3.12 The level of reserves and balances for 2021/22 are more than adequate. However, in the medium term their adequacy will rely upon the delivery of the One Eden Transformation Programme and the outcome of the changes expected in Government funding.
- 3.13 The savings targets in the One Eden Programme are achievable and the estimates for changes in Government funding prudent however the Council must be aware and ready to adapt should the landscape change in the future.

4 Background

- 4.1 The Council adopted, on 7 November 2019, a new Corporate Plan 2019 – 2023, which set out the vision and strategic priorities for the Council for the next four years:

Vision

Our vision for Eden is of a place where people act together to meet the needs of all and ensure the well-being of future generations.

Strategic Priorities

Sustainable

Make our Council financially viable, customer focused and zero carbon. Co-produce economic opportunities and strategies which will protect Eden's working cultural landscapes and biodiversity, aiming to store more carbon than is produced in the District.

Healthy, Safe and Secure

Improve housing, both new build and existing, working towards self-sufficiency in energy; and co-produce healthy, connected, prosperous communities, for all, young and old, urban and rural.

Connected

Improve digital connectivity, transport and access to attract and support businesses, employees and families, connecting Eden with the global economy and knowledge industries. People connected in communities and with access to education, work, healthcare and leisure and combat isolation.

Creative

Encourage innovation in tourism, food and green industries and support businesses to respond to national and global changes. Develop arts and cultural activities to add to town centre vibrancy; support communities; and improve health and wellbeing.

- 4.2 The Council sets its budget in order to deliver the strategic priorities and maintain a sustainable medium term financial future for the Council.
- 4.3 In February 2020, before the pandemic, the Council set its budget to deliver £1.3m in savings through the approved the One Eden Transformation Programme designed to transform the Council in to a customer focussed organisation operating from a single site.
- 4.4 Whilst the strategic priorities and transformation programme remain important the Council has had to adapt to manage the outcomes of the Covid19 pandemic. It's worldwide and national implications have also been seen across the Eden district.
- 4.5 The Council has had to switch its resources fundamentally to manage during this period initially to ensure the safety of our staff and residents, then to distribute the Governments financial support to businesses and residents and whilst that has continued to operate Test, Track and Trace and enforcement across the district.
- 4.6 The pandemic has created significant pressure on Council services, staff and finances. The funding provided by the Government has helped us manage financially and we have worked hard to ensure that staff are supported whilst they in turn support our communities and businesses through this extremely challenging period.
- 4.7 The Council has continued successful operation of not just most of its statutory services, but has also adapted service provision when the rules have required. Working with the Council's leisure operator Greenwich Leisure to ensure the Leisure Centres were open safely during the periods that they were allowed to be is one example.
- 4.8 It is clear that the current pressures will continue in to the new financial year. The focus will remain on statutory service delivery and ensuring that the support to our staff, businesses and residents continues as long as it is required.
- 4.9 The One Eden Transformation Programme has also been delayed due to the pandemic. Work has restarted with new timescales and savings targets and we are track to deliver in the new financial year which is covered in detail in section 10.
- 4.10 The formal budget setting process for 2021/22 began in September 2020 with a review of the Medium Term Financial Strategy and Resources Plan considered by both Budget Planning Committee and the Executive.
- 4.11 The strategy captures the requirement for the priorities, set out in the Corporate Plan to be resourced and aligned with the Medium-Term Financial Plan. The strategy also set out the expected implications to be faced and the plan for dealing with them during the budget setting process.
- 4.12 The strategy finally sets out the framework and timetable for the setting of the budget and a set of guidelines, which are explained below.
- 4.13 The Executive produced its draft budget for consultation on 20 January 2021. The responses to date are considered at paragraph 12 below any additional responses will be considered before the Council meeting on 25 February 2021.

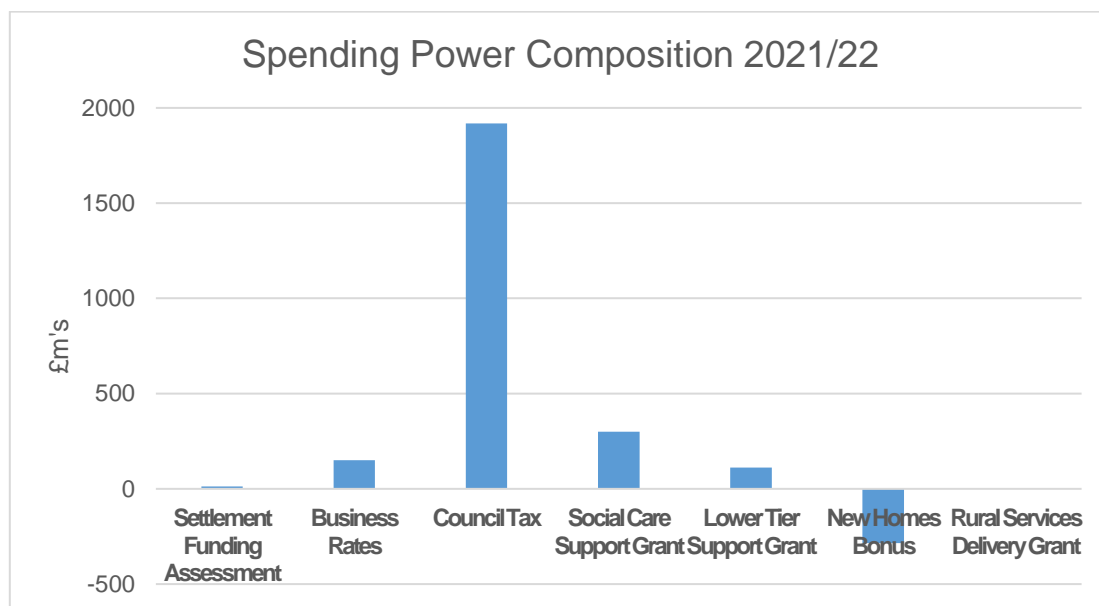
5 Final Local Government Finance Settlement

5.1 The final Local Government Finance settlement was announced on 4 February 2021 and there are no changes from the provisional settlement.

5.2 The table below sets out all of the Government funding streams, which beyond 2021/22 is extremely uncertain and remains almost impossible to predict.

Grants and Funding	Provisional 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25
	£000	£000	£000	£000
Settlement Funding Assessment	1,716	0	0	0
Section 31 Grants (Gov't Discounts)	197	0	0	0
Cumbria Business Rates Pool	450	0	0	0
Rural Services Delivery Grant	711	0	0	0
New Homes Bonus	232	0	0	0
Lower Tier Services Grant	263	0	0	0
Other Government Grants (Covid-Q1)	261	0	0	0
Future Government Funding	0	3,212	3,212	3,212
Total	3,830	3,212	3,212	3,212

5.3 The final settlement follows the Governments spending review announcement that funding to the sector would increase by 4.5%. The following chart sets out the change in Core Spending Power used to calculate the increase identifying the key areas where the additional funding would be generated:



5.4 The chart shows that the vast majority of the increase in funding would be generated through additional Council Tax by both increases in the taxbase and the Band D.

6 Revenue Budget 2021/22

- 6.1 The revenue budget proposals are set out at Appendix A and are unchanged from those approved and presented for consultation in January.

7 Capital Programme 2021/22 – 2024/25

- 7.1 The capital budget proposals are set out in Appendix B. They incorporate three changes from the original programme approved in January.
- 7.2 The first two relate to ICT schemes approved by Council in July 2020 for the implementation of a new Development Management System and Finance, HR and Payroll system. These were excluded from the original proposals in error.
- 7.3 The third relates to a change in the budget for the Single Site - Voreda House project. The Council has been successful in an application for Government funding to ensure the decarbonisation of Voreda House. The grant awarded is £856k and the budget has been amended to reflect the increased funding which will finance the additional work required to make the build and building zero carbon.

8 Council Tax Increase 2021/22

- 8.1 It is proposed that the level of Council Tax for Eden District be increased by £5 per annum from £195.75 to £200.75 for a band D property.
- 8.2 The implications of the increase by Band are set out in the table below:

Council tax band	Valuations	Annual cost 2020/2021	Proposed cost 2021/2022	Proposed increase pence per week
Band A	Under £40,001	£130.50	£133.83	6p
Band B	£40,001-£52,000	£152.25	£156.14	7p
Band C	£52,001-£68,000	£174.00	£178.44	9p
Band D	£68,001-£88,000	£195.75	£200.75	10p
Band E	£88,001-£120,000	£239.25	£245.36	12p
Band F	£120,001-£160,000	£282.75	£289.97	14p
Band G	£160,001-£320,000	£326.25	£334.58	16p
Band H	Over £320,000	£391.50	£401.50	19p

9 Medium Term Financial Plan 2020/21 – 2023/24

- 9.1 The Medium Term Financial Plan (attached at Appendix C) has been updated to reflect the revenue implications of the changes to the Capital Programme.
- 9.2 The funding gap remains the same at £803k in 2021/22 rising to £1.2m in 2024/25. The funding gap will be addressed through the implementation of the future phases of the One Eden Transformation Programme, which are set out in detail below.

10 Reserves & Balances

- 10.1 The Council's Earmarked Reserves, General Fund Balance and Capital Resources are set out at Appendix D.

11 One Eden Transformation Programme & Savings Target

- 11.1 The One Eden Transformation programme is a customer focussed and transformative change programme designed to deliver a sustainable and fit for purpose future organisation and the savings outlined in the MTFP above to ensure a sustainable future for the Council.
- 11.2 The programme has been significantly rescheduled due to the Covid19 pandemic however progress has now been made in delivery through all of the workstreams.
- 11.3 The programme has been set up to be flexible in delivery of the savings required to deliver a sustainable forecast for the Council in the medium term. The table below sets out the current estimated savings compared to the overall savings target required:

	2021/22	2022/23	2023/24	2024/25	Total
	£	£	£	£	£
Single Site	25,369	76,107	50,738	50,738	202,951
Commercial - Heart of Cumbria	162,084	33,608	34,510	37,136	267,337
Commercial - Voreda House	30,000	0	0		30,000
Commercial - E.g. Old London Road	0	35,000	35,000	0	70,000
Operational Delivery - Contracts	0	0	200,000	0	200,000
HR - Restructure	372,459	75,253	0	0	447,712
Total	589,912	219,967	320,247	87,874	1,218,000
Savings Target Check Total	803,000	244,000	25,000	146,000	1,218,000
Required Use of Reserves	213,088	24,033	-295,247	58,126	0

- 11.4 The table identifies savings in 2021/22 where significant progress has been made and estimate calculations, which give confidence that they are deliverable. Those in forecast years are prudent but will require additional work to ensure that they are delivered. This is set out in greater detail below.

Single Site/Commercial – Voreda House

- 11.5 A detailed business plan is being prepared for the transformation of Voreda House into a modern, zero carbon public service hub, designed to secure and future proof the delivery of quality services to customers in the area whatever the configuration of local government going forward. This has been used for the calculations both for the pre-tender estimate for capital expenditure as well

as the revenue savings achievable. The Council has been conditionally awarded £856,000 government grant to fit out the building to achieve net zero carbon in line with our Sustainable Strategic Priority.

- 11.6 The level of estimated savings has been based upon a reduction of costs from Mansion House from quarter four 2021/22 and a further reduction from the Town Hall from quarter three 2022/23 reflecting the anticipated timetable for their respective disposal and repurposing. The savings level is prudent and doesn't include any commercial savings from the disposal of either building.
- 11.7 The commercial income for Voreda House relates to the estimated rental stream that could be achieved through partners sharing the building. Work underway with a number of potential partners and the value provides a prudent estimate of what could be achieved in the likely available space.

Commercial – Heart of Cumbria

- 11.8 The Heart of Cumbria Ltd is currently under review and will be considered by Council at the meeting on 25 February. If the recommendations are accepted the savings identified would be delivered. Obviously, if they aren't approved additional savings would need to be identified through the programme.

Commercial – Other

- 11.9 The Council is aware that there are other commercial development and investment opportunities that could be progressed. An example of this is the proposal to build light industrial units at Old London Road.
- 11.10 The site has relevant planning permission and the scheme will be refreshed with a view to bringing forward a scheme in the new financial year, which with capital investment, could deliver the estimated revenue savings incorporated.
- 11.11 Other opportunities can now start to be explored, which if successful would add flexibility in to the savings programme.

Operational Delivery – Contracts

- 11.12 The Council's current waste contract comes to an end in 2022. Initial work was undertaken to identify the preferred potential new operating model and service configuration at the end of the current contract.
- 11.13 The Government's announcement regarding potential Local Government Reorganisation has led the Council to re-assess the options given that the Council may not exist in the medium term.
- 11.14 This is due to the significant financial and human resources required to deliver any of the options, which could be wasted if reorganisation goes ahead. The range of operating models evaluated is being widened to cover forms of shared services with other authorities, which are likely to be less costly to establish as well as potentially delivering financial efficiencies.
- 11.15 There is also the potential for a different configuration of waste and recycling collections aligned to the emerging national waste strategy to deliver financial efficiencies. Development of the national waste strategy has been held up by COVID but government have indicated that consultation on proposals, including details of financial support, is expected to be restarted in the spring, allowing detailed evaluation on options to commence. The timescale set for the saving reflects the earliest that this could be achieved by.

HR – Restructure

- 11.16 The staff restructure is expected to provide a significant proportion of the savings required. Work has already commenced and the first phase is partially complete.
- 11.17 The remaining two phases are timetabled to be completed in the spring, which will result in the total savings being delivered over a two year period as those in the later phase will only be for part of the year in 2021/22.
- 11.18 The savings estimated are a realistic estimate of what can be achieved without reducing the capacity of the business to a point where it cannot function. The use of technology is continually being developed to support the more efficient operation of services across the business. This will be a key consideration as we enter the second two phases of the restructure.

Use of Reserves

- 11.19 The savings target has been considered over the life of the medium term rather than for each individual year. Given the most significant savings are required in the first two years this helps protect the capacity through the staff restructure.
- 11.20 This will require the use of reserves to balance the savings requirement over the medium term. The Council has sufficient reserves to manage the level required.

12 Policy Framework

- 12.1 The Council has four corporate priorities which are:
- Sustainable;
 - Healthy, safe and secure;
 - Connected; and
 - Creative
- 12.2 The annual budget forms an essential part of the Council's budgetary and policy framework.

13 Consultation

- 13.1 The Budget Consultation commenced on 20 January 2021. To date responses have been received from the Budget Planning Committee and from four residents.
- 13.2 The comments are summarised below and set out in Appendix E, any further comments received prior to the meeting will be presented on the night:
- Council Tax Increase - BPC & 4 residents
 - Prioritise new ways of generating Council income - BPC
 - Agree to require further information on the reconciliation of the budget proposals and the Corporate Plan - BPC
 - Ensure that fees and charges increases are limited to inflation - BPC
- 13.3 The Council is prioritising the generation of commercial income and this is set out at 11.3 above.

- 13.4 The reconciliation between the budget and corporate plan is a significant piece of work and given the lack of modern ICT systems and the current ongoing pressures won't be completed until the new financial year.
- 13.5 Fees and charges for 2021/22 have been frozen due to the impact of the Covid19 pandemic.

14 Implications

14.1 Financial and Resources

- 14.1.1 Any decision to reduce or increase resources or alternatively increase income must be made within the context of the Council's stated priorities, as set out in its Council Plan 2019-2023 as agreed at Council on 7 November 2019.
- 14.1.2 The nature of the report means that Financial and Resources implications are dealt with throughout the body of the report.

14.2 Legal

- 14.2.1 The Council is mandated to set a balanced budget, explaining how expenditure is funded and the impact upon reserves and balances.
- 14.2.2 The report complies with the statutory timescales for the setting of the Council's budget and the Council Tax.

14.3 Human Resources

- 14.3.1 There are no direct Human Resources implications.

14.4 Statutory Considerations

Consideration:	Details of any implications and proposed measures to address:
Equality and Diversity	There are no implications
Health, Social Environmental and Economic Impact	There are no implications
Crime and Disorder	There are no implications
Children and Safeguarding	There are no implications

14.5 Risk Management

Risk	Consequence	Controls Required
A funding gap remains on the Councils MTFP although the position is has improved since last February. The lack of forecast information, pressure on budgets and flexibility in local tax setting continue to make maintaining a sustainable budget in	Lack of fiscal control. Decline in reserves. Poor External Audit VFM Conclusion.	Budget Setting process needs to be robust and include all stakeholders. Budget monitoring must be accurate and timely and lead to

Risk	Consequence	Controls Required
the medium term difficult. Specific risks are dealt with throughout the report		proactive decision making.

15 Other Options Considered

15.1 No other options have been considered.

16 Reasons for the Decision/Recommendation

16.1 To meet the statutory timescales for the setting of the Council's budget and the Council Tax.

Background Papers: None

Appendices: Appendix A – Revenue Budget 2021/22
Appendix B – Capital Programme 2021/22 – 2024/25
Appendix C – Medium Term Financial Plan
Appendix D – Reserves and Balances
Appendix E – Consultation Responses

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Revenue Budget 2021/22							
Budget Holder Responsibility	Service Description	Expenditure / Income	Original Budget 2020/21	Projected Outturn 2020/21	Original Budget 2021/22	Movement	
			£'000	£'000	£'000	£'000	%
Chief Executive Directorate							
Chief Executive	Chief Executive	Expenditure	182	191	182		
	Chief Executive	Income	0	0	0		
	Chief Executive Total		182	191	182	0	0%
	Other Chief Executive Costs	Expenditure	6	6	6		
	Other Chief Executive Costs	Income	0	0	0		
	Other Chief Executive Costs Total		6	6	6	0	0%
Head of Human Resources	Human Resources	Expenditure	277	237	234		
	Human Resources	Income	0	0	0		
	Human Resources Total		277	237	234	-43	-16%
	Staff Development	Expenditure	54	43	54		
	Staff Development	Income	0	0	0		
	Staff Development Total		54	43	54	0	0%
Head of Policy, Performance & Customers	Communications Services	Expenditure	14	14	12		
	Communications Services	Income	0	0	0		
	Communications Services Total		14	14	12	-2	-14%
	Transformation & Customers	Expenditure	520	531	502		
	Transformation & Customers	Income	(22)	(22)	(22)		
	Transformation & Customers Total		498	509	480	-18	-4%
	One Eden Programme	Expenditure	200	150	210		
	One Eden Programme	Income	(411)	0	(803)		
	One Eden Programme Total		(211)	150	(593)	-382	181%
CHIEF EXECUTIVE DIRECTORATE TOTAL			820	1,150	375	-445	-54%

Budget Holder Responsibility	Service Description	Expenditure / Income	Original Budget 2020/21	Projected Outturn 2020/21	Original Budget 2021/22	Movement	
Corporate Services Directorate							
Ass Dir Finance	Financial Services	Expenditure	532	599	541		
	Financial Services	Income	0	0	0		
	Financial Services Total		532	599	541	9	2%
	Treasury Management	Expenditure	39	45	40		
Ass Dir Governance	Treasury Management	Income	(429)	(349)	(342)		
	Treasury Management Total		(390)	(304)	(302)	88	-23%
	Committee and Member Costs	Expenditure	252	247	262		
	Committee and Member Costs	Income	0	0	0		
	Committee and Member Costs Total		252	247	262	10	4%
	Legal Services	Expenditure	465	506	551		
	Legal Services	Income	(8)	(2)	(8)		
	Legal Services Total		457	504	543	86	19%
	Elections	Expenditure	276	126	97		
	Elections	Income	(2)	0	(2)		
	Elections Total		274	126	95	-179	-65%
	Other Governance Costs	Expenditure	42	41	17		
	Other Governance Costs	Income	0	0	0		
	Other Governance Costs Total		42	41	17	-25	-60%
	Director of Corporate Services	Expenditure	98	103	98		
	Director of Corporate Services	Income	0	0	0		
Dir of Corporate Services	Director of Corporate Services Total		98	103	98	0	0%
Head of Policy, Performance & Customers	Central Expenses	Expenditure	73	61	69		
	Central Expenses	Income	(2)	(1)	0		
	Central Expenses Total		71	60	69	-2	-3%
Head of Revenues & Benefits	Benefits	Expenditure	7,359	7,340	6,954		
	Benefits	Income	(7,637)	(7,628)	(7,237)		
	Benefits Total		(278)	(288)	(283)	-5	2%
	Revenue & Benefits Team	Expenditure	899	909	898		
I T Services	Revenue & Benefits Team	Income	0	0	0		
	Revenue & Benefits Team Total		899	909	898	-1	0%
	Information Technology	Expenditure	656	656	721		
	Information Technology	Income	(23)	(23)	(23)		
	Information Technology Total		633	633	698	65	10%
CORPORATE SERVICES DIRECTORATE TOTAL			2,590	2,630	2,636	46	2%

Budget Holder Responsibility	Service Description	Expenditure / Income	Original Budget 2020/21	Projected Outturn 2020/21	Original Budget 2021/22	Movement	
People & Place Directorate Ass Dir Community Services	Animal Licensing	Expenditure	2	2	2		
	Animal Licensing	Income	(7)	(2)	(7)		
	Animal Licensing Total		(5)	0	(5)	0	0%
	Community Wardens	Expenditure	29	22	26		
	Community Wardens	Income	(3)	(3)	(2)		
	Community Wardens Total		26	19	24	-2	-8%
	Environmental Services	Expenditure	1,134	1,101	1,145		
	Environmental Services	Income	0	0	0		
	Environmental Services Total		1,134	1,101	1,145	11	1%
	Food Safety	Expenditure	5	3	4		
	Food Safety	Income	0	0	0		
	Food Safety Total		5	3	4	-1	-20%
	Homelessness	Expenditure	304	440	451		
	Homelessness	Income	(120)	(140)	(122)		
	Homelessness Total		184	300	329	145	79%
	Housing Standards	Expenditure	1	10	1		
	Housing Standards	Income	(1)	0	(1)		
	Housing Standards Total		0	10	0	0	0%
	Investigation Of Nuisances	Expenditure	2	1	2		
	Investigation Of Nuisances	Income	(2)	0	(2)		
	Investigation Of Nuisances Total		0	1	0	0	0%
	Licensing	Expenditure	17	15	17		
	Licensing	Income	(133)	(117)	(119)		
	Licensing Total		(116)	(102)	(102)	14	-12%
	Other Environmental Health	Expenditure	2	2	2		
	Other Environmental Health	Income	(2)	0	(2)		
	Other Environmental Health Total		0	2	0	0	0%
	Housing Delivery	Expenditure	176	188	37		
	Housing Delivery	Income	(225)	(225)	(225)		
	Housing Delivery Total		(49)	(37)	(188)	-139	284%
	Pest Control	Expenditure	12	12	12		
	Pest Control	Income	0	0	0		
	Pest Control Total		12	12	12	0	0%

Budget Holder Responsibility	Service Description	Expenditure / Income	Original Budget 2020/21	Projected Outturn 2020/21	Original Budget 2021/22	Movement	
	Pollution Control	Expenditure	7	3	7		
	Pollution Control	Income	(17)	(17)	(17)		
	Pollution Control Total		(10)	(14)	(10)	0	0%
	Renovation Grant Scheme	Expenditure	440	440	440		
	Renovation Grant Scheme	Income	(441)	(441)	(440)		
	Renovation Grant Scheme Total		(1)	(1)	0	1	-100%
	Water Sampling	Expenditure	23	19	23		
	Water Sampling	Income	(32)	(21)	(32)		
	Water Sampling Total		(9)	(2)	(9)	0	0%
Ass Dir Commissioning & Tech Services	Administrative Buildings	Expenditure	322	305	348		
	Administrative Buildings	Income	0	0	0		
	Administrative Buildings Total		322	305	348	26	8%
	Appleby Fair	Expenditure	35	11	35		
	Appleby Fair	Income	(1)	0	(1)		
	Appleby Fair Total		34	11	34	0	0%
	Arts and Leisure	Expenditure	139	129	139		
	Arts and Leisure	Income	(4)	0	(4)		
	Arts and Leisure Total		135	129	135	0	0%
	Building Regulations	Expenditure	307	306	312		
	Building Regulations	Income	(251)	(313)	(251)		
	Building Regulations Total		56	(7)	61	5	9%
	Cemeteries	Expenditure	135	123	132		
	Cemeteries	Income	(112)	(112)	(109)		
	Cemeteries Total		23	11	23	0	0%
	Closed Church Yards	Expenditure	26	25	25		
	Closed Church Yards	Income	0	0	0		
	Closed Church Yards Total		26	25	25	-1	-4%
	Community Development & Engagement	Expenditure	208	191	164		
	Community Development & Engagement	Income	0	0	0		
	Comm. Development & Engagement Total		208	191	164	-44	-21%
	Corporate Procurement Costs	Expenditure	128	72	108		
	Corporate Procurement Costs	Income	0	0	0		
	Corporate Procurement Costs Total		128	72	108	-20	-16%

Budget Holder Responsibility	Service Description	Expenditure / Income	Original Budget 2020/21	Projected Outturn 2020/21	Original Budget 2021/22	Movement	
	Emergency Planning and Works	Expenditure	35	34	33		
	Emergency Planning and Works	Income	0	0	0		
	Emergency Planning and Works Total		35	34	33	-2	-6%
	Footway Lighting	Expenditure	168	156	137		
	Footway Lighting	Income	(40)	(40)	(36)		
	Footway Lighting Total		128	116	101	-27	-21%
	Health & Safety	Expenditure	26	20	22		
	Health & Safety	Income	0	0	0		
	Health & Safety Total		26	20	22	-4	-15%
	Industrial Estates	Expenditure	11	11	10		
	Industrial Estates	Income	(114)	(114)	(121)		
	Industrial Estates Total		(103)	(103)	(111)	-8	8%
	Land Management	Expenditure	163	171	167		
	Land Management	Income	(985)	(948)	(966)		
	Land Management Total		(822)	(777)	(799)	23	-3%
	GLL Leisure Contract	Expenditure	429	1,135	655		
	GLL Leisure Contract	Income	(28)	(26)	(24)		
	GLL Leisure Contract Total		401	1,109	631	230	57%
	Low Carbon Initiatives	Expenditure	0	2	2		
	Low Carbon Initiatives	Income	0	0	0		
	Low Carbon Initiatives Total		0	2	2	2	0%
	Other Building Control	Expenditure	4	4	4		
	Other Building Control	Income	(3)	(3)	(3)		
	Other Building Control Total		1	1	1	0	0%
	Other Environmental Health	Expenditure	0	1	0		
	Other Environmental Health	Income	0	(1)	0		
	Other Environmental Health Total		0	0	0	0	0%
	Vehicle Parking Off Street	Expenditure	148	132	150		
	Vehicle Parking Off Street	Income	(333)	(33)	(333)		
	Vehicle Parking Off Street Total		(185)	99	(183)	2	-1%
	Parks and Open Spaces	Expenditure	334	388	334		
	Parks and Open Spaces	Income	(28)	(30)	(32)		
	Parks and Open Spaces Total		306	358	302	-4	-1%

Budget Holder Responsibility	Service Description	Expenditure / Income	Original Budget 2020/21	Projected Outturn 2020/21	Original Budget 2021/22	Movement	
	Provision of Ameneties	Expenditure	14	12	13		
	Provision of Ameneties	Income	(5)	(3)	(5)		
	Provision of Ameneties Total		9	9	8	-1	-11%
	Technical Services	Expenditure	722	727	747		
	Technical Services	Income	0	0	0		
	Technical Services Total		722	727	747	25	3%
	Public Conveniences	Expenditure	207	223	204		
	Public Conveniences	Income	0	0	0		
	Public Conveniences Total		207	223	204	-3	-1%
	Recycling	Expenditure	1,083	1,096	1,129		
	Recycling	Income	(678)	(782)	(713)		
	Recycling Total		405	314	416	11	3%
Ass Dir Planning & Economiv Development	Refuse Collection	Expenditure	887	873	891		
	Refuse Collection	Income	(28)	(32)	(30)		
	Refuse Collection Total		859	841	861	2	0%
	Street Cleaning	Expenditure	325	311	325		
	Street Cleaning	Income	(8)	(14)	(9)		
	Street Cleaning Total		317	297	316	-1	0%
	Commercial Services	Expenditure	386	386	402		
	Commercial Services	Income	0	0	0		
	Commercial Services Total		386	386	402	16	4%
	Env. Enhancement & Conservation	Expenditure	40	36	40		
	Env. Enhancement & Conservation	Income	0	0	0		
	Env, Enhancement & Conservation Total		40	36	40	0	0%
	Development Control & Enforcement	Expenditure	23	21	19		
	Development Control & Enforcement	Income	(473)	(526)	(482)		
	Development Control & Enforcement Total		(450)	(505)	(463)	-13	3%
	Economic Development and Promotion	Expenditure	313	308	255		
	Economic Development and Promotion	Income	(38)	(38)	(24)		
	Economic Development & Promotion Total		275	270	231	-44	-16%
	Emergency Planning and Works	Expenditure	0	15	0		
	Emergency Planning and Works	Income	0	(15)	0		
	Emergency Planning and Works Total		0	0	0	0	0%

Budget Holder Responsibility	Service Description	Expenditure / Income	Original Budget 2020/21	Projected Outturn 2020/21	Original Budget 2021/22	Movement	
Dir of People & Place	Land Charges	Expenditure	28	12	28		
	Land Charges	Income	(90)	(66)	(90)		
	Land Charges Total		(62)	(54)	(62)	0	0%
	Local Plans & Policy	Expenditure	318	320	360		
	Local Plans & Policy	Income	0	0	(10)		
	Local Plans & Policy Total		318	320	350	32	10%
	Markets	Expenditure	14	10	14		
	Markets	Income	(1)	(1)	(2)		
	Markets Total		13	9	12	-1	-8%
	Museum	Expenditure	43	44	39		
	Museum	Income	(3)	(4)	(1)		
	Museum Total		40	40	38	-2	-5%
	Planning Services	Expenditure	710	682	716		
	Planning Services	Income	0	0	0		
	Planning Services Total		710	682	716	6	1%
	LLPG/Gazetteer	Expenditure	0	0	0		
	LLPG/Gazetteer	Income	0	(1)	0		
	LLPG/Gazetteer Total		0	(1)	0	0	0%
	Tourist Information Centres	Expenditure	27	23	24		
	Tourist Information Centres	Income	(12)	(9)	(12)		
	Tourist Information Centres Total		15	14	12	-3	-20%
	Tourism Promotion	Expenditure	50	50	50		
	Tourism Promotion	Income	(2)	(1)	(2)		
	Tourism Promotion Total		48	49	48	0	0%
	Town Centres	Expenditure	111	111	71		
	Town Centres	Income	0	0	0		
	Town Centres Total		111	111	71	-40	-36%
	Director of People & Place	Expenditure	97	97	98		
	Director of People & Place	Income	0	0	0		
	Director of People & Place Total		97	97	98	1	1%
	Heart of Cumbria	Expenditure	0	11	0		
	Heart of Cumbria	Income	0	(11)	0		
	Heart of Cumbria Total		0	0	0	0	0%

Budget Holder Responsibility	Service Description	Expenditure / Income	Original Budget 2020/21	Projected Outturn 2020/21	Original Budget 2021/22	Movement	
Head of Policy, Performance & Customers	Corporate Services	Expenditure Income	12	12	12		
	Corporate Services		(5)	(4)	(5)		
	Corporate Services Total		7	8	7	0	0%
PEOPLE & PLACE DIRECTORATE TOTAL			5,957	6,761	6,149	192	3%
NET COST OF SERVICES			9,367	10,541	9,160	-207	-2%

Appendix B

Capital Programme 2021/22 - 2024/25

Description	Owner	Original 2021/22	Slippage B/Fwd	Estimate 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Total
		£000	£000	£000	£000	£000	£000	£000
IT Renewals	Ben Wright	70		70	57			127
Development Management System	Ben Wright			156				156
Financial, Payroll & HR System	Ben Wright			350				350
Eden Business Park Ph1	Les Clark		59	59				59
Castle Park Vision	Les Clark		187	187				187
Parish Footway Lighting	Les Clark		359	359				359
Leisure Centre Equipment & Maintenance	Les Clark	2	246	248				248
Single Site - Voreda House	Les Clark		500	1,356				1,356
Loans to Heart of Cumbria	Paul Sutton	1,296		1,296	546	696	290	2,828
Discretionary Renovation Grants	Robert Docherty		100	100				100
Disabled Facility Grants	Robert Docherty	440	124	564	440	440	440	2,324
Housing Innovation fund	Robert Docherty		358	358				358
Green Business Support Fund	Les Clark	100		100	100	100	100	400
Housing Delivery	Robert Docherty	650		650				650
Town Hall Redevelopment	Les Clark			0	750			750
Total		2,558	1,933	5,853	1,893	1,236	830	10,252

FUNDING	Original 2021/22	Slippage B/Fwd	Estimate 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Total
	£000	£000	£000	£000	£000	£000	£000
Capital Receipts	0	518	518	0	0	0	518
Direct Revenue/Reserves	1,468	791	2,765	703	796	390	4,654
Capital Grants	440	124	1,420	440	440	440	3,180
Borrowing	650	500	1,150	750	0	0	1,900
Total	2,558	1,933	5,853	1,893	1,236	830	10,252

MEDIUM TERM FINANCIAL PLAN 2021/22 - 2024/25

	2020/21 Approved	2020/21 Revised	2021/22 Estimate	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast
	£000	£000	£000	£000	£000	£000
EXPENDITURE						
Approved Base Budget	10,546	10,598	10,541	9,160	8,652	8,867
Prior Year Growth						
Unavoidable Pressures						
Salaries & Pensions	0	0	88	164	166	169
Contract Inflationary Pressures	0	0	100	100	100	100
In Year Budgetary Movements						
One Eden Costs re-profiled		(50)	50			
Additional Homelessness Costs		134	(73)	(61)		
Additional Development Control Fee Income		(55)	55			
Additional Building Control Fee Income		(35)	35			
Additional Recycling Credit Income		(100)	100			
Additional Leisure Contract Costs		641	(441)	(200)		
Other Budget movements		(44)	(20)	(81)	6	
Council Tax Hardship Fund		100	(100)			
Total Budget Pressures	0	591	(206)	(78)	272	269
One Off Growth						
Recommissioning of Service Contracts	55	55	(125)			
Prior Years Budgets Removed from Base	(876)	(876)	(28)	(53)		
Appleby Heritage Action Zone	22	22	(19)	(53)		
In Year Growth funded from Reserves	(324)	(324)				
Local Development Plan	75	75		(25)	(75)	
Local Elections					115	(115)
Corporate Plan Growth	500	500	(240)	(100)	(75)	
Interest Costs on Borrowing	0	0	40	45	3	
Total Budget Changes	(548)	(548)	(372)	(186)	(32)	(115)

	2020/21 Approved	2020/21 Revised	2021/22 Estimate	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast
	£000	£000	£000	£000	£000	£000
Savings Targets						
One Eden	(411)	0	(803)	(244)	(25)	(145)
Pension Savings	(100)	(100)	0	0	0	0
Additional Investment Income	(120)	0	0	0	0	0
Total One Eden Business Case Savings	(631)	(100)	(803)	(244)	(25)	(145)
NET COST OF SERVICES	9,367	10,541	9,160	8,652	8,867	8,876
Budget Adjustments & Use of Reserves						
Revenue Contribution to Capital	1,990	2,498	2,765	703	696	290
Capital Accounting Adjustments	0	(507)	(507)	(507)	(507)	(507)
Transfer to / (from) General Reserves	0	0	0	0	0	0
Transfer to / (from) Earmarked Reserves	(2,390)	(2,568)	(2,227)	(40)	(74)	464
Interest on Investments - Income						
Interest / Heart of Cumbria	(207)	(107)	(120)	(180)	(200)	(210)
CCLA Property Fund	(246)	(246)	(246)	(246)	(246)	(246)
New Squares	(826)	(826)	(826)	(826)	(826)	(826)
NET BUDGET REQUIREMENT	7,688	8,786	7,999	7,556	7,710	7,841

	2020/21 Approved	2020/21 Revised	2021/22 Estimate	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast
	£000	£000	£000	£000	£000	£000
FUNDING						
Settlement Funding Assessment	(1,784)	(1,784)	(1,716)	0	0	0
Section 31 Grants (Gov't Discounts)	(197)	(197)	(197)	0	0	0
Cumbria Business Rates Pool	(387)	(387)	(450)	0	0	0
Rural Services Delivery Grant	(678)	(678)	(711)	0	0	0
New Homes Bonus	(697)	(697)	(232)	0	0	0
Lower Tier Services Grant	0	0	(263)	0	0	0
Other Government Grants (Covid)	0	(1,097)	(261)	0	0	0
Collection Fund Deficit / (Surplus)	50	50	0	0	0	0
Transfer to Parish Councils - CTRS	15	15	15	15	15	15
Future Government Funding	0	0	0	(3,212)	(3,212)	(3,212)
	(3,678)	(4,775)	(3,815)	(3,197)	(3,197)	(3,197)
Council Tax Income						
Baseline	(3,933)	(3,932)	(4,079)	(4,229)	(4,382)	(4,513)
Taxbase increase	(24)	(24)	0	(24)	(24)	(24)
Council Tax Increase @ £5	(104)	(104)	(105)	(106)	(107)	(107)
Collection Fund Deficit / (Surplus)	50	50	0	0	0	0
TOTAL INCOME	(7,689)	(8,785)	(7,999)	(7,556)	(7,710)	(7,841)
FUNDING GAP	(0)	0	0	(0)	0	0

	General Fund Balance					
Balance B/Fwd	3,201	3,201	3,201	3,201	3,201	3,201
Net Transfers In Year	0	0	0	0	0	0
Balance C/Fwd	3,201	3,201	3,201	3,201	3,201	3,201
	Earmarked Reserves					
Balance B/Fwd	10,874	10,874	8,307	6,080	6,040	5,966
Net Transfers In Year	(2,390)	(2,568)	(2,227)	(40)	(74)	464
Balance C/Fwd	8,484	8,307	6,080	6,040	5,966	6,430
	Total Revenue Reserves					
Balance B/Fwd	14,075	14,075	11,508	9,281	9,241	9,167
Net Transfers In Year	(2,390)	(2,568)	(2,227)	(40)	(74)	464
Balance C/Fwd	11,685	11,508	9,281	9,241	9,167	9,631

EARMARKED RESERVES AND CAPITAL BALANCES

Revenue Reserves	Balance	Budget		In Year	Balance	Budget		Balance	Budget		Balance	Budget		Balance	Budget		Balance
	31/03/2020	Out	In	Adj.	31/03/2021	Out	In	31/03/2022	Out	In	31/03/2023	Out	In	31/03/2024	Out	In	31/03/2025
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Existing Reserves																	
Renewals Fund	849	(324)			525	(450)		75	(157)	340	258	(100)		158	(100)		58
IT Renewals Fund	55			(55)	0	(55)	55	0			0			0			0
Capital Funding	403	(150)		(207)	46	(506)	400	(60)		60	0			0			0
Homelessness	107			(5)	102			102			102			102			102
Repossession	30				30			30			30			30			30
Building Regulations	125			47	172			172			172			172			172
Community Fund	139			(110)	29			29			29			29			29
Affordable Housing Fund	2,458	(746)		217	1,929	(458)	223	1,694		223	1,917		223	2,140		223	2,363
BRRS Reserve	93				93		31	124		86	210		585	795		602	1,397
Community Housing Fund	791			(45)	746			746			746			746			746
Penrith Vision	66			(21)	45			45			45			45			45
Appleby HAZ	13				13			13			13			13			13
Custom, Brown Field, Neighbourhood Plans	74				74			74			74			74			74
Transformation Reserve	450	(200)		50	300	(200)		100	(75)		25			25			25
Place Shaping Reserve	220	(100)			120			120			120			120			120
Energy Efficiency Reserve	43			(6)	37			37			37			37			37
Heat Networks Reserve	148				148			148			148			148			148
Signature Fund	90				90			90			90			90			90
Heart of Cumbria Loan	4,440	(870)			3,570	(1,296)		2,274	(546)		1,728	(696)		1,032	(290)		742
Eden Business Park Ph2	48				48			48			48			48			48
Employment Sites Reserve	46			(13)	33			33			33			33			33
Eden Local Plan Reserve	23				23			23			23			23			23
Leisure Maintenance/Repairs	58			(58)	0			0			0			0			0
Business Growth Pilot	35				35			35			35			35			35
Devolution public conveniences	42				42			42			42			42			42
Others	28				28			28			28			28			28
New Reserves																	
District Elections Reserve	0			29	29		29	58		29	87	(115)	29	1		29	30
Total	10,874	(2,390)	0	(177)	8,307	(2,965)	738	6,080	(778)	738	6,040	(911)	837	5,966	(390)	854	6,430
Capital Reserves																	
Capital Receipts	347		(518)	171	0			0			0			0			0
Unapplied Capital Grants	786	440	(440)	(124)	662	1,420	(1,420)	662	440	(440)	662	440	(440)	662	440	(440)	662
	1,188	440	(958)	47	662	1,420	(1,420)	662	440	(440)	662	440	(440)	662	440	(440)	662

BUDGET CONSULTATION RESPONSES

1. Dear sir
I am appalled at the proposed increase in our council tax. I am in Band E and pay £238 per month. (This is a quarter of my monthly income, that is some people's mortgage payments) I don't receive any more services than other people who live in my village yet I am penalised for living in a bigger house! I really struggle to make ends meet, I am proud to have job and to have worked throughout this pandemic. I urge you to rethink this increase, it may only be £5 but to people like myself it's just another blow.
2. As a pensioner, who has seen most of my savings interest rates drop to zero (0.01 - 0.05% in most cases) I cannot afford an increase of nearly £75 in council tax on my property, which unfortunately is in band E and in the current pandemic, I do not believe that this is the right time for such an increase. Our fuel usage has rocketed due to being in lockdown, not helped by the recent prolonged cold spell. Furthermore, some of my neighbours have been on furlough for many months and we are all struggling to make ends meet.
3. This is not the time to increase council tax, with people losing their jobs, local businesses having to close, schools closed, parents trying to maintain jobs and home schooling. Having to worry about increased prices to council tax is just an added headache most Eden residents cannot accept now, and the service we get is not good value for money. The police authority share is too high, having lived in the village of High Hesket with only PCSO support I can say in the two years we have been here I have never seen our PCSO.
4. I would definitely oppose a rise at this time when we have all been badly affected financially this last year, and going into this year. There was no Appleby Horse Fair, which surely must have saved thousands of pounds that is usually spent on preparing, policing and clearing up afterwards?! Could this saving go towards this year's council tax?
5. My comments / questions are:

In general I support the proposed increase in EDC's share of the Council Tax.

Legal Services: £500,000+ to Legal Services costs. **How much of that is spent on correcting errors?**

Recycling: It's good to see that there is a greater financial commitment to recycling in the district, but I'm not sure of the logic of closing the recycling bring centre at Plumpton. I expect that what was fly-tipped there will still be fly-tipped somewhere and will either become litter or have to be collected at someone's expense.

Footway Lighting: I understood that EDC had transferred footway lighting assets to parish councils ... at an added cost to parish precepts; but a considerable expenditure on footway lighting provision remains. **Why is that please?**

Voreda House: The justification for refurbishing Voreda House should be better explained / justified to the public.