



Civic Centre, Riverside, Stafford  
Contact Andrew Bailey  
Direct Dial 01785 619212  
Email [abailey@staffordbc.gov.uk](mailto:abailey@staffordbc.gov.uk)

Dear Members

### **Resources Scrutiny Committee**

A meeting of the Resources Scrutiny Committee will be held in the **Craddock Room, Civic Suite, Civic Centre, Riverside, Stafford on Tuesday 15 January 2019 at 4.30pm** to deal with the business as set out on the agenda.

Please note that this meeting will be recorded.

Members are reminded that contact officers are shown at the top of each report and members are welcome to raise questions etc in advance of the meeting with the appropriate officer.

*A.R. Well*

Head of Law and Administration

**RESOURCES SCRUTINY COMMITTEE -  
15 JANUARY 2019**

**Chairman Councillor E G R Jones**

**A G E N D A**

- |   |   |                 |
|---|---|-----------------|
| 1 | Minutes of 10 December 2018 as published on the Council's Website and in Digest No 250 on 4 January 2018.                               |                 |
| 2 | Apologies   |                 |
| 3 | Public Question Time - Nil  |                 |
| 4 | Councillor Session - Nil  |                 |
| 5 | Members' Item - Nil   |                 |
| 6 | Called in Items   |                 |
| 7 | Officers' Reports   | <b>Page Nos</b> |
|   | ITEM NO 7(a) <b>General Fund Revenue Budget 2018-19 to 2021-22 and Capital Programme 2018-19 to 2021-22</b>                             | 4 - 26          |
|   | HEAD OF FINANCE   |                 |
|   | ITEM NO 7(b) <b>Provisional Local Government Settlement 2019-20</b>   | 27 - 31         |
|   | HEAD OF FINANCE   |                 |
|   | ITEM NO 7(c) <b>Resources Portfolio - General Fund Revenue Budget 2018/2019 - 2021/2022 and Capital Programme 2018/2019 - 2021-2022</b> | 32 - 49         |
|   | HEAD OF FINANCE   |                 |
|   | ITEM NO 7(d) <b>Gender Pay Gap</b>  | 50 - 55         |
|   | HEAD OF HUMAN RESOURCES   |                 |
|   | ITEM NO 7(e) <b>Work Programme - Resources Scrutiny Committee</b>   | 56 - 58         |
|   | HEAD OF LAW AND ADMINISTRATION  |                 |

## **Membership**

**Chairman Councillor E G R Jones**

I E Davies	J Hood
M G Dodson	R A James
R J Draper	E G R Jones
A T A Godfrey	A J Perkins
A S Harp	P Roycroft

### **Cabinet Members:-**

**Councillor K S Williamson - Resources**

**Councillor F A Finlay - Environment and Health**

**Councillor R M Smith - Leisure**

ITEM NO 7(a)

ITEM NO 7(a)

<b>Report of:</b>	<b>Head of Finance</b>
<b>Contact Officer:</b>	<b>Bob Kean</b>
<b>Telephone No:</b>	<b>01785 619241</b>
<b>Ward Interest:</b>	<b>Nil</b>
<b>Report Track:</b>	<b>Resources 15/01/19 Cabinet 06/12/18</b>

## RESOURCES SCRUTINY COMMITTEE

15 JANUARY 2019

**General Fund Revenue Budget 2018-19 to 2021-22 and  
Capital Programme 2018-19 to 2021-22**

**The following report was considered by Cabinet at its meeting held on 6 December 2018 and is submitted to this Committee for consultation.**

### **1 Purpose of Report**

- 1.1 To consider the current position of the General Fund Revenue Budget for 2018-19 to 2021-22 and the updated capital programme 2018-19 to 2021-22.

### **2 Recommendation**

- 2.1 The Committee considers and notes the following decision of the Cabinet and records and comments they wish to make.

#### **Decision of the Cabinet**

That:-

That the following be submitted to the Resources Scrutiny Committee for consultation:-

- (a) the level of net spending for the General Fund Revenue Budget for 2019-20 be set at £16.164 million; with indicative net spending for 2020-21 and 2021-22 of £15.243 million and £15.632 million respectively;
- (b) that Government Grants of £3.205 million be used in 2019-20,
- (c) that, in order to ensure as a minimum the maintenance of the existing level of service provision and also to generate additional capital resources to invest in the borough, that council tax is recommended to increase by 1.9% ( to £156.30) for 2019-20, with similar indicative increases for 2020-21 and 2021-22 respectively..
- (d) the revised capital programme as set out in **APPENDIX 2**;
- (e) that the Revised Outturn Forecast for 2018-19 of £15.571 million be approved

- 2.2 To note that, subject to the Provisional Local Government Finance Settlement being announced on the 6 December 2018, an update report will be Tabled at Cabinet in relation to New Homes Bonus; Business Rates (including the pilot application) or other measures resulting from the announcement.
- 2.3 To note that although indicative figures exist for the use of Governments Grants for 2020-21 and 2021 -22 they cannot be accurately determined at this stage with each element of Government funding being subject to review.
- 2.4 Details will not be known until the provisional settlement for 2020-21 nevertheless the level of Working Balances maintained by the Council will enable a Balanced Budget to be set for the duration of the Financial Plan.

### **3 Key Issues and Reasons for Recommendation**

- 3.1 The report sets out the draft budget for 2019-20 as well as indicative budgets for 2020-21 and 2021-22 and associated issues and also includes current indications of the impact that this will have on Council Tax. Indicative budgets for 2019-20 and 2020-21 were prepared as part of the 2018-19 budget process and have been updated as part of this year's process with the budgets then being extrapolated to create a new budget for 2021-22.
- 3.2 The report sets out the Council's forecast financial position for the next three years, incorporating the best estimate of Financial Resources available to the Council over the three year period. Actual resources for 2020-21 and 2021-22 will not be known until the Autumn of 2019.
- 3.3 The report also sets out the updated capital programme and the capital resources available to the authority to finance that capital programme.

### **4 Relationship to Corporate Priorities**

- 4.1 The revenue budget and the capital programme have been based on the Council's priorities.

### **5 Report Detail**

- 5.1 Cabinet at its meeting on the 1 November 2018 received the Councils Financial Plan for the period 2018-19 to 2021-22. The Financial Plan provides the framework for compiling the net expenditure of services as denoted by Controllable Portfolio Budgets and provides a projection of the overall level of resources likely to be available to the Council.
- 5.2 In relation to the net expenditure of services the current Financial Plan principles have been adopted, notably:

- Providing services at a reduced cost, whilst retaining at the outset a minimum of the current level of service quality with the long term aim being to improve quality of service provision
- Securing cost savings for taxpayers
- Ensuring that the customer experience is not diminished

5.3 Individual draft Portfolio budgets for 2019-20 are set out elsewhere on this agenda. The Draft Budgets will be submitted to the Economic Development and Planning Scrutiny Committee on 11 December 2018; Community Wellbeing Scrutiny Committee on the 8 January 2019 and the Resources Scrutiny Committee on 15 January 2019 as part of the Budget consultation process.

5.4 The overall level of resources available to the Council is a key element in the Financial Plan however details for 2019-20 are subject to the Provisional Local Government Settlement to be announced on the 6 December 2018.

5.5 2019-20 represents the last year of a four year settlement for the Council and although figures reflect this agreement potential changes exist in relation to New Homes Bonus and Negative Revenue Support Grant. As stated in the Financial Plan the settlement will only cover the 2019-20 year with a new regime being in place for 2020-21.

5.6 The following paragraphs highlight the background to the compilation of the Revenue Budget.

## 5.7 **Budget issues**

### **Inflation**

5.7.1 Portfolio Budgets have been updated to reflect the current rate of Inflation in relation to CPI for 2018-19 and this therefore represents an additional ongoing cost. No changes have been made to CPI forecasts for 2019-20 to 2021-22 and these have been assumed to remain at 2%. The provision for pay awards has been increased to 2% for 2020-21 and 2021-22, reflecting a continuation of the existing 2 year agreement and the prevailing level of CPI. No other material changes have been made to the inflation assumptions.

### **Additional Cost Pressures/Income variations**

5.7.2 The detailed budgets have been refreshed to reflect the outturn for 2017-18 and latest spending patterns. The outturn for 2017-18 was reported to Cabinet in August 2018 whereas the Council continues to monitor budgets on a monthly basis and submits regular reports to Scrutiny as part of its Corporate Monitoring.

5.7.3 The outturn for the first seven months shows that income from Bereavement Services is £45,000 higher than anticipated. In addition to the above, income from Land Charges (£44,870) and Court Fees (£55,000 show favourable

variances for the first seven months of the year, whereas Markets (£26,000) < Development Management (£15,000) and, Regulatory Services (£9,000) income are down on budget.

- 5.7.4 Provision exists within the 2019-20 budgets for increases of 2% per annum resulting from the 2016 Actuarial Valuation of the Pension Fund. The 2020-21 and 2021-22 budgets will reflect the next triennial (2019) valuation of the Pension Fund and a further 2% increase has been assumed for that year.
- 5.7.5 Other cost pressures include the phased reduction of Green Waste Recycling Credits from the County Council combined with the increased net cost of Dry Recycling.

### Growth Bids - Revenue

- 5.7.6 The Draft Budget contains a number of additional proposals (Revenue and Capital. The revenue proposals are summarised below. Schemes are split between ongoing annual costs to be incurred in each of the three years of the budget and One –Off costs.

<b>Table 1 : Revenue Growth proposals 2019-20 to 2021-22</b>				
<b>Ref</b>	<b>Description</b>	<b>Annual Cost</b>	<b>One-Off Cost</b>	<b>Total Cost</b>
		£'000	£'000	£'000
1.	Town Centre Strategic Development Framework		50	50
2.	Organisation Development Plan	20		60
3.	Member Development Training	5		15
4.	Development Data improvement		24	24
5.	Tree Maintenance		70	70
6.	Employer Survey – Org Dev		20	20
7.	Tenterbanks Car Park Improvements		60.3	60.3
8.	Victoria Park Renewal of Safety Surfaces		80	80
9.	Riverway Bowling Greens		16	16
10.	Development Data improvement	3.5		10.5
	<b>Total</b>	<b>28.5</b>	<b>320.3</b>	<b>405.8</b>

### Revenue Impact of Capital programme.

- 5.7.7 The Revenue Budget has been updated to reflect the impact of the existing Capital Programme and new bids as referred to in Section 9.
- 5.7.8 In particular provision has been made for additional income arising from Phase 1 of the rationalisation of accommodation although Working Balances have been increased to offset this pending completion of the project and finalisation of the letting arrangements.

## Use of Government Grants

### New Homes Bonus Grant

- 5.7.9 The New Homes Bonus (NHB) Grant is calculated based upon the movement in the year of the Valuation Office Agency Council Tax list (as at mid September) as adjusted by movements in Long Term Empty Properties (determined by the Council tax Base return to Government in October of each year). The net increase however is then subject to a deadweight reduction based upon each authority naturally achieving a 0.4% increase in housing growth.
- 5.7.10 Band D new properties have increased by 893, long term empty properties have increased by 10, however 223 of the properties are not eligible for grant reflecting the 0.4% deadweight. The net increase amounting to 660 properties and will determine the 2019-20 grant allocation.
- 5.7.11 The Technical Consultation on the 2019-20 Settlement stated that as part of the annual review of NHB the deadweight is likely to increase for 2019-20 and details will be published as part of the Provisional Settlement.
- 5.7.12 The Table below shows the anticipated grant NHB based upon the current scheme together with the provision made for a change in Deadweight.

<b>Table 2 : New Homes Bonus Grant 2019-20</b>	
Estimate Basis	£'000
Original	3,000
As Per Current Regime	3,160
As per Draft Budget	3,050

- 5.7.13 The Technical Consultation also indicated that the scheme thereafter would be amended to be more effective in incentivizing housing growth with as an example using the Housing Delivery Test results to reward delivery or incentivising plans that meet or exceed local housing need.
- 5.7.14 The Council awaits consultation on the changes and in particular how the payments of the current four year entitlement to NHB generated in a particular year (legacy payments) are to be dealt with.

### Negative RSG

- 5.7.15 Provision exists within the previously approved budget for 2019-20 for a reduction in the Business Rates retained by the Council reflecting Negative Revenue Support Grant arising in that year.
- 5.7.16 Negative RSG arises whereby the reduction in the Government Support Grant arising from the 2015 Spending Review exceeds the level of Revenue Support Grant available to the Council



5.7.17 A number of authorities impacted by this shortfall in the first two years of the 4 year settlement made representation in relation to this and the Tariff Adjustment has been abated for authorities subject to such adjustments in 2017-18 and 2018-19. No announcement was made in relation to 2019-20 since it was envisaged that a new Business Rates Regime (100% retention) would be in place by 2019-20 that could mitigate the effect.

5.7.18 In light of the Business Rates Regime not now applying until 2020-21 the Technical Consultation proposes that 2019-20 adjustment is similarly eliminated. The Negative Adjustment of £0.254 million has therefore, pending final confirmation, been removed from the Draft 2019-20 Budget.

### **Business Rates**

5.7.19 A number of changes were announced in the Autumn Budget in relation to Business rates. These included

- A 1/3<sup>rd</sup> reduction in the charge to Retail Properties with a rateable vale below £51,000 for 2019-20 and 2020-21
- 100% relief for public lavatories
- Continuing the £1,500 discount for local newspapers

However, the Budget stated that Local government will be fully compensated for the loss of income as a result of these measures.

5.7.20 An application for a Staffordshire & Stoke on Trent Business Rates Pilot in 2019-20 was submitted on the 27 September 2018. Income for the Borough based upon a successful pilot application is estimated to be approximately £1.0 million for 2019-20. The 2019-20 process is expected to be particularly competitive with the 2018-19 pilots required to re-apply. Pilots will only exist for one year only. An announcement is expected as part of the Provisional Local Government Settlement and hence no account of any proceeds has been reflected in the Draft Budget for consultation.

### **5.8 Monitoring of the 2018-19 Revenue Budget**

5.8.1 The Budget for 2018-19 is monitored each month against the profiled budget. The position based on the October figures is set out in the following table:

<b>Table 3 : Budget Monitoring as at 31 October 2018</b>					
	<b>2018-19</b>				
	<b>Latest Budget</b>	<b>Profiled Budget</b>	<b>Actual to date</b>	<b>Variance</b>	<b>Forecast Outturn</b>
	£000	£000	£000	£000	£000
Portfolio Budgets	13,611	9,791	9,518	(273)	(112)
Investment income	(236)	(138)	(147)	(9)	-
Technical financing adjust.	1,395				
<b>Net Revenue Budget</b>	<b>14,770</b>	<b>9,655</b>	<b>9,371</b>	<b>(282)</b>	<b>(112)</b>

5.8.2 The table above sets out the current monitoring position as at the end of October 2018 and includes a projection to the financial year end of the forecast outturn position. The portfolio budget change primarily relates to the net increase in income as highlighted in paragraph 5.5.4 The actual outturn for 2018-19, taking into account the above; is now forecast to be likely to be £13.773 million representing a saving of £0.020 million .

5.8.3 Business Rates income is similarly monitored on a monthly basis. The forecast outturn for 2018-19 is some £0.800 million in excess of the initial assessment reflecting in the main the backdated revaluation of the MOD site and the anticipated completion of the JLR site. The increase has however been initially set aside to offset the potential implications of a Business Rates Reset in 2020-21.

5.8.4 The overall effect on Working Balances having taken into account additional business rates income is a surplus of £0.704 million. This compares with a surplus of £0.697 million as approved in February 2018.

## 5.9 **Financing of the Budget from 2020-21**

### **Local Government Finance Settlement 2019-20**

5.9.1 The Council have accepted a multi year settlement, which barring exceptional circumstances, will be confirmed as part of each years Financial settlement. The settlement, including Revenue Support Grant and Business Rates Core Funding Baseline is up to and including 2019-20 by which time Revenue Support Grant will have been entirely removed with the Council being potentially subject to a RSG clawback. As indicated in paragraph 5.7.18 the Government have indicated that their preference is that this clawback does not apply for 2019-20.

5.9.2 The Finance settlement in future years will therefore only relate to Core Funding as reflected in the Business Rates Core Funding Baseline. This Baseline is to be determined as part of a Fair Funding Review across Local Government. A formal consultation on Relative Needs, Resources and principles for Transitional arrangements is expected this Autumn. The setting of baselines and finalising transitional arrangements is unlikely to be determined in advance of Autumn 2019.

### **Business rates retention**

5.9.3 The Business Rates Retention Scheme now represents the core form of Government Support. The scheme incentivises Councils to promote economic growth in their area as they are entitled to retain a share of business rates growth. The current scheme represents 50% retention of growth and it was originally envisaged that a new 100% Business Rates Retention scheme would be in place by 2019-20. However, due to the timing of the 2017 General Election, the necessary legislation, as contained in the Local Government Finance Bill, was not enacted.

- 5.9.4 In order to progress the reforms to Local Government funding, within the existing legislative programme, the Provisional Local Government Settlement for 2018-19 indicated that the introduction of 100% Business Rates Retention would be done in phases. The aim being that in 2020-21 local authorities would be able to retain 75% of Business Rates. This would be achieved by incorporating existing grants (to a lesser degree than under 100% retention) with Revenue Support Grant and Public Health Grant in particular to be absorbed within Business Rates funding.
- 5.9.5 The current Business Rates scheme is particularly complicated and contains a number of individual components such as Appeals Provision; Tier Splits; Central /Local Rating Lists; Section 31 Grants; Resets and Pooling. To date the only consultation on the 75% scheme related to the treatment of Appeals has been undertaken. Options continue to be discussed at the Working Groups including most recently a proposal to completely simplify the system.
- 5.9.6 The initial indicative figures for 2020-21, as approved as part of the 2018-19 budget were based upon the 50% scheme and acted as a benchmark for determining the impact of a 75% scheme.
- 5.9.7 In accordance with the principles as agreed as part of the 2018-19 to 2021-22 Financial Plan provision has now been made for the impact of the fundamental changes being developed in designing the new 75% Regime.
- 5.9.8 In reviewing the work undertaken nationally in designing a scheme the following key issues have been identified for this Authority:
- Core Funding/Fair Funding Baseline
  - Tier Splits
  - Transitional Funding
  - Resets.
- 5.9.9 It is, however, envisaged that the latter item of Resets will have the major /material impact on this authority. The forecast growth above baseline for the Borough for 2018-19 currently amounts to £11.3 million and in accordance with a 50% scheme £5.65 million is retained within Staffordshire. Stafford Borough retains £3.2 million (or 28% of overall growth) and the balance is distributed to the County Council and Fire and Recue Service based upon tier splits with a balance being allocated to the Business Rates Pool.
- 5.9.10 The reset is effectively about how much of this £3.2 million growth generated between resets (in this case 2013-14 to 2019-20) is retained by the local authority and how much is redistributed in the sector. Three options exist in relation to the basis notably No Reset (all growth retained); Full Reset (No growth retained) or Partial Reset (proportion of growth retained) with the growth not retained being redistributed across the local government sector.

5.9.11 At worst a full reset would be implemented with a loss of £3.2 million whereas the best outcome, which is very unlikely, is that all such growth will be retained (status quo). It is likely that a partial reset will prevail and, there again, different options could exist a) that growth is retained on a five year rolling program basis or b) growth is averaged out over the five years – again on a rolling program or c) a fixed percentage.

5.9.12 The Draft Indicative budgets from 2020-21 have therefore been amended to reflect, at this stage, a 50% Partial Reset.

5.9.13 A formal consultation on the new 75% Business Rates Retention scheme is expected at any time with more detailed consultations in the spring or summer of 2019. However actual details for Stafford Borough will not be known until the late Autumn of 2019.

## 5.10 Council Tax Base and Collection Fund

5.10.1 A key part of determining the overall funding available to support the budget is the amount available to be raised by Council Tax. This is determined by the level of Council Tax set multiplied by the Council Tax base (the number of properties in the borough expressed in terms of Band D equivalents). The amount of money that the council can raise per £1 charge for a Band D equivalent property can be established from the tax base.

5.10.2 An initial assessment of the gross Council Tax Base for budget purposes is that the Council will see an increase of just under 1.5% over the current year's Council Tax base and is provisionally set at 47,492

5.10.3 The factors to be considered in setting the actual Council Tax level is described in more detail in **Section 8**.

## 6 General Fund Revenue Draft Budget 2018-19 to 2021-22

6.1 Table 4 overleaf sets out the forecast outturn for 2018-19; the Council's current draft General Fund Revenue Budget position for 2019-20 and indicative budgets for 2020-21 and 2021-22 reflecting the above changes. The Budget includes growth proposals as referred to in paragraph 5.7.6:

6.2 It should be noted that the position outlined above is draft and the Councils Budget Requirement could marginally change between now and the Council Tax being set by Council in late February. For the purpose of the table overleaf, costs relating to capital charges and the allocation of departmental and support services recharges have been disregarded as they do not affect the level of expenditure to be met from Council Tax.

- 6.3 Based on the current estimates of the draft Portfolio budgets, Investment Income, Technical financing adjustments, Government Grants and Council Tax income a balanced budget exists for 2018-19 to 2020-21. A potential efficiency requirement exists in 2021-22 of £0.609 million. The deficit or surplus in that year is entirely dependant upon the new financing regime for Local Government and should be treated with great caution at this stage. Nevertheless this shortfall is more than offset by the contribution to working balances in each of the previous years.

<b>Table 4 : General Fund Revenue Budget 2018-19 to 2021-22</b>				
	<b>Budget 2018-19</b>	<b>Budget 2019-20</b>	<b>Budget 2020-21</b>	<b>Budget 2021-22</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Net Expenditure</b>				
Portfolio budgets	13,651	14,453	14,561	15,139
Investment income & technical financing adjustments	1,920	1,711	682	493
<b>Net Spending</b>	<b>15,571</b>	<b>16,164</b>	<b>15,243</b>	<b>15,632</b>
<b>Less: Government Grants</b>				
Rural Services Grant	(25)	(20)		
NNDR Multiplier – Section. 31	(101)	(135)		
New Homes Bonus	(2,651)	(3,050)	(2,805)	(2,186)
<b>Budget Requirement</b>	<b>12,794</b>	<b>12,959</b>	<b>12,438</b>	<b>13,446</b>
<b>Financing</b>				
Business Rates	(6,056)	(6,280)	(4,838)	(4,935)
Revenue Support Grant	(208)			
Collection fund Surplus	(87)	(25)		
Council Tax Income	(7,147)	(7,423)	(7,677)	(7,902)
<b>Total Financing</b>	<b>(13,498)</b>	<b>(13,728)</b>	<b>(12,515)</b>	<b>(12,837)</b>
<b>Transfer To Working Balances</b>	<b>704</b>	<b>769</b>	<b>77</b>	
<b>Efficiency Requirement</b>				<b>609</b>

## 7 Reserves and Balances

- 7.1 Reserves and Balances comprise the Council's general reserves, the working balance, and earmarked reserves. The general strategy for using unallocated reserves is that they are used to meet shortfalls in the net budget during the year. This is particularly important in the current economic circumstances when sources of income are particularly volatile.
- 7.2 **The Working Balance** - the current policy is to maintain the level of the General Fund balance at a minimum of £1 million. In accordance with the Risk Analysis for Invest to Save initiatives it is felt prudent to increase this level to £1.188 million for 2020-21. The General Fund balance at 1 April 2018 was £1.313 million. £1.188million of that figure is set aside for the Working Balance resulting in £0.125 million remaining to support the revenue Budget.

- 7.3 Table 4 identifies a further net transfer of £0.941 million to Working Balances to 2021-22 this is however offset by the balance of £0.876 million contribution to capital to fully mitigate the £2.648 million Capital Borrowing Requirement as identified as part of the 2018-19 Budget.
- 7.4 A revised surplus on Working Balances of £0.190 million is now forecast as at 31 March 2022.
- 7.5 The Council holds a number of earmarked reserves for specific purposes. A comprehensive review of earmarked reserves was undertaken last year and a refreshed schedule is now attached as **APPENDIX 4**.

## **8 Council Tax for 2019-20**

- 8.1 The summary of the Budget for 2019-20 as in Table 4 assumes Council Tax income based on a 1.9% increase with the Band D figure increasing to £156.30 with similar indicative increases for 2020-21 and 2021-22.
- 8.2 In considering the level of Council Tax members will need to take into account the parameters as contained in the Governments Council Tax Referendum principles. The proposed principles for 2019-20 were outlined in the Technical Consultation on the 2019-20 Local Government Finance Settlement issued on the 24 July 2018.
- 8.3 Proposals in relation to Council Tax referendum principles replicate the arrangements for 2018-19 with shire district councils being allowed council tax increases of less than 3% or up to and including £5, whichever is higher.
- 8.4 The final level of Council Tax levied will be determined by Council in February 2019.

## **9 Capital Programme 2016-17 to 2020-21**

- 9.1 On 31 January 2018 the Council approved a capital programme to 2020-21. This programme has been updated to include approved changes, re-profiled to reflect current spend estimates reflecting slippage in schemes and more up to date information on costs..
- 9.2 Additional expenditure is required to deliver the Health & Safety requirement of Gatehouse MET Studio Lighting Rigging, provision has been made for the rolling programme for Disabled Facility Grants and Bin provision . In addition there are two new schemes as follows:
- Accommodation Transformation and Rationalisation (including the transfer to laptops and access to agile working)
  - Stone Leisure Strategy Phase 2 (earmarking of programmed capital receipts)

This is an Invest to Save initiative that will provide the capacity to generate additional lettings income for the Civic Centre.

Further details of the new schemes are included at **APPENDIX 3**.

- 9.3 The updated programme is attached at **APPENDIX 2**. The capital resources position, based on the approved capital programme, for the period 2018-19 to 2020-21 is summarised below:

<b>Table 5: Estimates Resources and Expenditure 2018-19 to 2021-22</b>			
	General	Section 106	Total
	£'000	£'000	£'000
<b>Capital resources b/fwd. 1 April 2018</b>	<b>13,413</b>	<b>3,073</b>	<b>16,486</b>
Capital Grants	5,712		5,712
Capital Receipts	900	226	1,126
Reserves &RCCO	423		423
Contributions	236		236
New Homes Bonus	1,313		1,313
Working Balances	876		876
Draft Capital Programme 2018-19 to 2021-22	(22,775)	(1,540)	(24,315)
<b>Remaining resources at 31 March 2022</b>	<b>98</b>	<b>1,759</b>	<b>1,857</b>

- 9.4 Remaining General Resources as at 31 March 2022 are now estimated to be £0.098 million. In accordance with the capital financing strategy approved in 2018-19 £1.313 million of additional New Homes Bonus has been used to finance the capital programme, leaving a balance as at 31 March 2020 (pending consultation on a new housing incentive scheme) of £0.049 million to support both revenue and capital initiatives. This balance will be restated to 31 March 2022 on receipt of details in relation to the new housing incentive scheme.

<b>10 Implications</b>
------------------------

<b>10.1 Financial</b>	Contained within the report
<b>Legal</b>	Nil
<b>Human Resources</b>	Nil
<b>Human Rights Act</b>	Nil
<b>Data Protection</b>	Nil
<b>Risk Management</b>	See <b>APPENDIX 5</b>

<b>10.2 Community Impact Assessment Recommendations</b>	The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:- Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.
---	--

**Previous Consideration** - Cabinet - 1 November 2018 - Minute No CAB29/18  
Cabinet - 6 December 2018 - Minute No. CAB36(i)/18

**Background Papers** - File available in Financial Services



## RESOURCES SCRUTINY COMMITTEE

15 JANUARY 2019

### General Fund Revenue Budget 2018-19 to 2021-22 and Capital Programme 2018-19 to 2021-22

#### The General Fund Working Balance

The Council retains a Working Balance and a number of Earmarked Reserves for specific purposes. The Working Balance stood at £1.313 million at 1 April 2018.

A risk assessment has been carried out to identify the key potential financial risks from 2019-20 onwards which forms the basis for determining the minimum level of the Working Balance. It is not a complete list of all the financial risks facing the Borough Council however it focuses on the most likely potential risks that could have a significant impact on the Budget. This process does not presume that these issues will arise but identifies how the level of the Working Balance has been calculated.

The Council's policy is to set a minimum level for the Working Balance at £1 million, subject to the outcome of this Risk Analysis.

Area of expenditure	Level of risk	Explanation of risk/justification for Reserve
Inflation	Medium	Inflation has been included in the Financial Plan in accordance with Government policy.
Investment interest	Medium	The amount earned depends on the prevailing interest rates and the level of cash balances held.
<b>Major income sources:</b>		
<ul style="list-style-type: none"> <li>• Planning application fees</li> </ul>	Medium	Dependent on economic conditions.
<ul style="list-style-type: none"> <li>• Land charges fees</li> </ul>	Medium	Dependent on the housing market / basis of determining recoverable expenses/ proposed transfer to Land Registry.
<ul style="list-style-type: none"> <li>• Car parking income</li> </ul>	Medium	Certain amount of volatility based on demand.
<ul style="list-style-type: none"> <li>• Borough Markets</li> </ul>	Medium	Dependent on occupancy levels.
<ul style="list-style-type: none"> <li>• Environmental services</li> </ul>	Low	Licensing income dependent on renewals.
<ul style="list-style-type: none"> <li>• Bereavement services</li> </ul>	Low	Some risk as it is a main source of income.
<ul style="list-style-type: none"> <li>• Letting of Civic Centre</li> </ul>	High	The revenue budget includes additional income from the Accommodation transformation and rationalisation scheme. The income is dependant upon the timescale for completion of such work and hence it is prudent to increase the Minimum working balances requirement for that year.

Area of expenditure	Level of risk	Explanation of risk/justification for Reserve
<b>Spending pressures:</b>		
<ul style="list-style-type: none"> <li>Waste and recycling targets</li> </ul>	High	The Council will need to reach recycling targets in order to maximise income from recycling credits and avoid penalties. Recycling Credit regime operated by County Council.
<ul style="list-style-type: none"> <li>Homelessness</li> </ul>		Dependant upon the level of supported housing facilities.
<b>Funding Sources:</b>		
<ul style="list-style-type: none"> <li>New Homes Bonus</li> </ul>		Although allocations for 2019-20 can be predicted accurately, a proposed change to the deadweight baseline is now envisaged for that year. The future level of funding is now not only dependant upon completions of new properties but what incentive scheme will exist instead of New Homes Bonus.
<ul style="list-style-type: none"> <li>75% Business Rates Scheme and Resets</li> </ul>	High	A new scheme is to be introduced w.e.f April 2020. In addition a reset of growth achieved under the current system will take place at the same time. The council is a high growth achiever hence how the reset is implemented could have material implications.
<ul style="list-style-type: none"> <li>Volatility in Business Rates</li> </ul>		The Council will be exposed to volatility or reduction in its business rates due to the failure or temporary closure of a key industry and successful appeals against Rateable Values and back dated refunds. Although this gives councils greater freedoms and removes dependency on central funding it passes on greater risks with not only pay awards and inflation entirely falling on the Council but also its core funding will reduce if Business Rates contracts.

<b>APPENDIX 2</b>					
<b><u>DRAFT GENERAL FUND CAPITAL PROGRAMME 2018/19 TO 2021/22</u></b>					
	<b>Planned Delivery</b>				<b>Programme but not allocated</b>
	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	
<b>ENVIRONMENT</b>					
Streetscene equipment	200	80	-	-	101
Waste Contract - replacement wheeled bins	225	150	150	150	-
Riverway Site Improved Depot Facilities	-	-	-	-	101
<b>Total</b>	<b>425</b>	<b>230</b>	<b>150</b>	<b>150</b>	<b>202</b>
<b>COMMUNITY</b>					
Disabled Facilities Grants	800	1037	1037	1037	1,441
Private Sector Housing Assistance	20	143	-	-	-
Improvements at Glover St caravan site	170	-	-	-	-
CCTV upgrade	55	-	-	-	-
Empty Homes	-	-	-	-	210
<b>Total</b>	<b>1,045</b>	<b>1,180</b>	<b>1,037</b>	<b>1,037</b>	<b>1,651</b>
<b>LEISURE</b>					
Stone Leisure Strategy	7,338	577	-	-	-
Stone Leisure Strategy Phase 2	*	-	-	-	1,212
Stafford Castle - H&S Works	5	-	-	-	-
Stafford Castle Motte	21	-	-	-	-
Victoria Park Refurbishment	250	1,828	-	-	-
Victoria Park Pedestrian Bridge	8	90	-	-	-
Charnley Road Destination Park (s106)	58	335	-	-	-
Gatehouse - MET rigging	5	75	-	-	-
Holmcroft	9	-	-	-	389
Castle - South Wall	-	-	-	-	16
Jubilee Fields	-	104	-	-	-
Leisure Facilities at Gnosall	-	47	-	-	-
<b>Total</b>	<b>7,694</b>	<b>3,056</b>	<b>-</b>	<b>-</b>	<b>1,617</b>
<b>PLANNING AND REGENERATION</b>					
Waterscape	63	-	-	-	-
Growth Point capital	171	50	-	-	-
Stafford Town Centre Enhancement	41	-	-	-	-
Pearl Brook Path Improvements	-	75	-	-	-
Stafford Western Access Route	-	-	2,500	-	-
Land at Fairway, Stafford	6	53	-	-	-
New Gypsy & Traveller Site	-	-	-	-	150
<b>Total</b>	<b>281</b>	<b>178</b>	<b>2,500</b>	<b>-</b>	<b>150</b>
<b>RESOURCES</b>					
Corporate IT equipment	50	50	50	-	-
Contact Centre Phone System	-	-	-	-	30
Provision to Commute Car Park Sharing Arrangement	750	-	-	-	-
Civic Centre Generator	-	-	-	-	50
Accommodation Transformation & rationalisation	*	-	-	-	752
<b>Total</b>	<b>800</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>832</b>
<b>TOTAL CAPITAL PROGRAMME</b>					
	<b>10,245</b>	<b>4,694</b>	<b>3,737</b>	<b>1,187</b>	<b>4,452</b>
* New scheme					

**RESOURCES SCRUTINY COMMITTEE**

**15 JANUARY 2019**

**General Fund Revenue Budget 2018-19 to 2021-22 and  
Capital Programme 2018-19 to 2021-22**

**NEW CAPITAL SCHEMES**

**LEISURE**

**Gatehouse MET Studio Lighting Rigging £44,000**

To complete the project to provide lighting equipment that complies with the latest Health and Safety regulations.

**Stone Leisure Strategy Phase 2 £1,212,000**

Earmarking of programmed Capital Receipts for phase 2 of the Strategy

**RESOURCES**

**Civic Accommodation**

**- Transformation and rationalisation £670,000**

To transform and rationalise the accommodation space with the Civic Centre and provide additional opportunities for the co-location of other public sector agencies.

**- Remote Working Laptops £82,000**

To provide upgraded IT equipment to enable a greater number of staff to work remotely from home or in alternative offices.

## RESOURCES SCRUTINY COMMITTEE

15 JANUARY 2019

### General Fund Revenue Budget 2018-19 to 2021-22 and Capital Programme 2018-19 to 2021-22

<b>STAFFORD BOROUGH COUNCIL - GENERAL FUND RESERVES &amp; BALANCES</b>					
<b>AND CAPITAL RESOURCES 2018/19 TO 2021/22</b>					
		01/04/2019	01/04/2020	01/04/2021	01/04/2022
		£	£	£	£
<b>Contingency</b>					
Working Balances		1,000,000	1,000,000	1,188,000	1,188,000
Revenue Surplus		388,641	908,641	798,641	189,641
Insurance Reserve		510,796	510,796	510,796	510,796
VAT - Partial Exemption		195,300	195,300	195,300	195,300
Leisure Equalization Reserve		-700,470	-927,940	-1,090,480	-1,077,220
		<b>1,394,267</b>	<b>1,686,797</b>	<b>1,602,257</b>	<b>1,006,517</b>
<b>Grants</b>					
Localisation of Council Tax Support					
Strategic Health Delivery		65,480	30,190	0	0
Homelessness Prevention		79,761	79,761	79,761	79,761
Growth Point Grant		2,257	2,257	2,257	2,257
LPSA - Anti Social Behaviour		66,532	66,532	66,532	66,532
Shared Service Support		540	540	540	540
Staffordshire Warm Homes Grant		16,841	16,841	16,841	16,841
Flare Development		74,578	74,578	74,578	74,578
Neighbourhood Planning Grant		27,902	27,902	27,902	27,902
Stafford & Surrounds Fund		5,726	5,726	5,726	5,726
Elector Grant		94,098	94,098	94,098	94,098
Inspire Grant		7,000	7,000	7,000	7,000
Rough Sleeping Grant		50,070	50,070	50,070	50,070
Planning Registers New Burdens		74,600	62,600	46,430	46,430
Northern Gateway Project		30,757	30,757	30,757	30,757
Housing Benefit Admin Grant		79,650	74,550	51,430	28,310
Flexible Homelessness Support Grant		96,474	96,474	96,474	96,474
Homelessness Reduction Act Grant		53,853	53,853	53,853	53,853
Universal Credit		10,599	10,599	10,599	10,599
Discretionary Rate Relief		118,580	118,580	118,580	118,580
		<b>955,296</b>	<b>902,906</b>	<b>833,426</b>	<b>810,306</b>
<b>Donations</b>					
Loans to Sports Clubs		15,588	15,588	15,588	15,588
Grants Sports Clubs		1,000	1,000	1,000	1,000
Coaching Fund		359	359	359	359
Youth Theatre		15,595	15,595	15,595	15,595
Castle Donations		9,628	9,628	9,628	9,628
High House Donations		23,072	23,072	23,072	23,072
		<b>65,242</b>	<b>65,242</b>	<b>65,242</b>	<b>65,242</b>

<b>STAFFORD BOROUGH COUNCIL - GENERAL FUND RESERVES &amp; BALANCES</b>					
<b>AND CAPITAL RESOURCES 2018/19 TO 2021/22</b>					
		01/04/2019	01/04/2020	01/04/2021	01/04/2022
		£	£	£	£
<b>Sinking Fund</b>					
Cremator Sinking Fund		300,000	350,000	400,000	450,000
Pest Control Vehicles		81,600	98,000	114,400	130,800
Sweepers Sinking Fund		9,999	79,999	149,999	219,999
Rowley Park 3G Pitch Sinking Fund		90,000	105,000	120,000	135,000
Riverway		50,000	75,000	100,000	125,000
		<b>531,599</b>	<b>707,999</b>	<b>884,399</b>	<b>1,060,799</b>
<b>Shared Services</b>					
HR Shared Service		60,742	60,742	60,742	60,742
IT Shared Service		210,852	210,852	210,852	210,852
Legal Shared Service		63,149	64,649	66,149	67,649
Shared Services Transformation		140,000	140,000	140,000	140,000
		<b>474,743</b>	<b>476,243</b>	<b>477,743</b>	<b>479,243</b>
<b>Rolling Programme</b>					
Housing Needs Survey		52,770	52,770	52,770	52,770
Elections		221,670	105,170	144,670	184,170
		<b>274,440</b>	<b>157,940</b>	<b>197,440</b>	<b>236,940</b>
<b>Community</b>					
Home Energy Conservation		25,700	25,700	25,700	25,700
Private Sector Housing		12,596	12,596	12,596	12,596
Housing Strategy		20,000	20,000	20,000	20,000
CCTV Infrastructure		30,000	30,000	30,000	30,000
Deposit Guarantee Scheme		5,060	5,060	5,060	5,060
		<b>93,353</b>	<b>93,353</b>	<b>93,353</b>	<b>93,353</b>
<b>Corporate</b>					
Restructuring		12,565	12,565	12,565	12,565
Training		52,535	52,535	52,535	52,535
Climate Change		7,228	7,228	7,228	7,228
Provision for Future Maintenance		23,130	23,130	23,130	23,130
Pensions Reserve		121,784	65,784	21,784	21,784
Corporate Initiatives		185,036	185,036	185,036	185,036
Leisure Procurement		40,000	40,000	40,000	40,000
Budget support		153,895	153,895	153,895	153,895
		<b>596,173</b>	<b>540,173</b>	<b>496,173</b>	<b>496,173</b>

<b>STAFFORD BOROUGH COUNCIL - GENERAL FUND RESERVES &amp; BALANCES</b>					
<b>AND CAPITAL RESOURCES 2018/19 TO 2021/22</b>					
		<b>01/04/2019</b>	<b>01/04/2020</b>	<b>01/04/2021</b>	<b>01/04/2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Environment</b>					
LNR		4,334	4,334	4,334	4,334
Dog Warden		8,000	8,000	8,000	8,000
Future Recycling Initiatives		23,630	23,630	23,630	23,630
Streetscene Transformation		88,476	115,826	143,176	170,526
Pest Control		9,751	9,751	9,751	9,751
Food Safety		9,980	9,980	9,980	9,980
Crematorium office/mess		8,000	8,000	8,000	8,000
Empty Homes Officer		7,000	7,000	7,000	7,000
Waste Contingency		10,000	10,000	10,000	10,000
CAMEO - emissions trading scheme		51,490	51,490	51,490	51,490
Stewardship Rural Payments Agency		5,975	5,975	5,975	5,975
Cremator Maintenance Plan		40,453	40,453	40,453	40,453
		<b>267,090</b>	<b>294,440</b>	<b>321,790</b>	<b>349,140</b>
<b>Leisure</b>					
Parks		18,258	18,258	18,258	18,258
Riverway ATP Football Dev Fund		12,928	21,208	29,968	40,328
Gatehouse Astrow equipment		14,830	7,590	0	0
HLF Vict Park - equalisation reserve		0	-2,730	6,360	15,270
Freedom Performance Bond		25,000	50,000	75,000	100,000
		<b>71,016</b>	<b>94,326</b>	<b>129,586</b>	<b>173,856</b>
<b>Planning</b>					
LDF		136,630	94,130	74,630	27,130
Regeneration (LABGI)		2,088	2,088	2,088	2,088
CIL		-20,250	-20,250	-20,250	-20,250
Parking Manager		3,475	3,475	3,475	3,475
Parking		300	300	300	300
Dev Mgmt. Equalisation		469,828	446,778	423,728	400,678
Ec Dev - Town Workplace		5,000	5,000	5,000	5,000
20% Planning Increase		164,354	294,354	424,354	554,354
		<b>761,425</b>	<b>825,875</b>	<b>913,325</b>	<b>972,775</b>
<b>Resources</b>					
Emergency Planning					
Health & Safety		36,634	31,634	26,634	21,634
HR future shared service development		48,278	42,668	37,058	31,448
Localisation of Council Tax Support		62,429	74,039	85,649	97,259
Elections Software		25,588	25,588	25,588	25,588
HSR Bill Petition		10,000	10,000	10,000	10,000
Policy Post		6,270	6,270	6,270	6,270
Housing Benefits Equalisation		186,092	186,092	186,092	186,092
		<b>375,291</b>	<b>376,291</b>	<b>377,291</b>	<b>378,291</b>

<b>STAFFORD BOROUGH COUNCIL - GENERAL FUND RESERVES &amp; BALANCES</b>					
<b>AND CAPITAL RESOURCES 2018/19 TO 2021/22</b>					
		<b>01/04/2019</b>	<b>01/04/2020</b>	<b>01/04/2021</b>	<b>01/04/2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Section 106</b>					
Section 106 commuted sums		294,619	263,059	231,499	199,939
Cannock SAC Contribution		38,636	38,636	38,636	38,636
S106 swimming pool		210,924	210,924	210,924	210,924
S106 Sports cts/hall		268,580	268,580	268,580	268,580
S106 Artificial Turf		37,702	37,702	37,702	37,702
Cannock SAC Partnership		434,088	369,008	301,338	287,598
HLF Victoria Park		9,034	9,034	9,034	9,034
S106 allotment Provision		2,690	2,690	2,690	2,690
S106 Bio Diversity		38,458	38,458	38,458	38,458
		<b>1,334,731</b>	<b>1,238,091</b>	<b>1,138,861</b>	<b>1,093,561</b>
<b>Capital</b>					
Revenue Surplus		1,066,724	964,724	222,627	627
RCCO GF		-17,350	22,560	42,587	8,517
Invest to Save		8,414	8,414	8,414	-586
Budget support		15,961	15,961	15,961	-39
De Minimis Capital Spending		59,166	59,166	59,166	57,166
VAT Shelter		1,000,371	371	371	371
Capital Grants Unapplied		32,000	32,000	32,000	32,000
		<b>2,165,286</b>	<b>1,103,196</b>	<b>381,126</b>	<b>98,056</b>
<b>New Homes Bonus</b>		0	507,000	65,000	49,000
<b>Earmarked</b>		<b>9,359,952</b>	<b>9,069,872</b>	<b>7,977,012</b>	<b>7,363,252</b>



**RESOURCES SCRUTINY COMMITTEE**

**15 JANUARY 2019**

**General Fund Revenue Budget 2018-19 to 2021-22 and  
Capital Programme 2018-19 to 2021-22**

**FINANCIAL RISK ANALYSIS OF THE REVENUE BUDGET 2019-20**

Sound corporate governance includes consideration of the financial risks facing an organisation. A risk assessment of the key financial risks affecting the Council's revenue budget for 2019-20 is set out below. It sets out the main risks in accordance with best practice and highlights the need to monitor and manage the risks.

**Council Tax**

The Council's current policy for increases in Council Tax is that should be limited to the rate of inflation. Increasing Council Tax by 1% generates an additional £71k.

The Council Tax base has been reviewed based on the effect on the base of the current economic conditions with increases in the number of properties expected over the next three years and is consistent with New Homes Bonus Grant forecasts.

**Inflation**

Pay inflation has been included at 2% in 2019-20. Inflation on contracts has been included at 2%.

**Investment income**

The level of investment income generated from cash investment clearly depends on economic conditions. Our investment income projections are based on estimated cash flow taking into account capital and revenue spending plans. Significant slippage in the capital programme in particular can lead to more investment income being generated than budgeted.

**Fees and charges income**

Stafford has an approved scale of fees and charges for a wide range of services. The level of some fees and charges is discretionary whilst others are prescribed. Planning and land charges income are demand led – generally reflecting housing market conditions. A number of the Council's main income streams including car park charges etc. are dependent on economic conditions and can change significantly as conditions change.

### **Staff turnover savings**

The staffing budget assumes vacancy rates that have been established based on past trends. Close control over vacancy management will be exercised by officers to ensure staffing costs overall are within budget. However if staff turnover is lower than anticipated then failure to achieve the overall target represents an additional spend over the budgeted position.

### **Changes in taxation**

The budget assumes that the current national system of taxation remains the same. The Chancellor could further change employers' National Insurance contribution rates or other taxes that may impact on the budget.

### **FINANCIAL RISK ANALYSIS OF THE CAPITAL PROGRAMME 2018-19 TO 2021-22**

Higher than anticipated Inflation and in particular its impact on construction costs, including the availability /demand for the construction industry, could increase the cost of any new schemes.

The financing of the schemes is also dependant upon the generation of capital resources as highlighted in **Section 9**. The amount of uncommitted capital resources available following the implementation of the three year capital programme is minimal and in the event that the identified capital resources do not materialise and/or additional capital expenditure requirements occur the Council would need to consider the generation of additional resources from revenue contributions/use of reserves or borrowing. The latter will also have an impact on the Revenue Budget of the Council.

An earmarked New Homes Bonus Reserve has been created that does provide an additional resource to fund future schemes.

Currently uncertainty exists as to both the resource position and demand for Disabled facilities grants from 2019-20. In particular uncertainty exists whether the existing pass porting of funding back from Staffordshire County Council will continue and at what level. Within the capital programme proposed we have reflected the additional allocation for 2018-19 and rolled this through to future years however actual allocations will be determined in line with the actual allocation(s) granted.

Any new schemes identified for inclusion in the capital programme that are financed from existing capital resources will reduce the amount of investment interest for the Council. However any slippage on schemes from one year to the following year will increase temporarily the balance available for investment.

**ITEM NO 7(b)****ITEM NO 7(b)**

<b>Report of:</b>	<b>Head of Finance</b>
<b>Contact Officer:</b>	<b>Bob Kean</b>
<b>Telephone No:</b>	<b>01785 619241 01543 464334</b>
<b>Ward Interest:</b>	<b>Nil</b>
<b>Report Track:</b>	<b>Resources 15/01/19 (Only)</b>

**RESOURCES SCRUTINY COMMITTEE**  
**15 JANUARY 2019**  
**Provisional Local Government Settlement 2019-20**

**1 Purpose of Report**

- 1.1 To provide Members with details as contained in the 2019-20 Provisional Local Government Financial Settlement , including the outcome of the Business Rates pilot bid , together with the provisional New Homes Bonus Allocations for 2019-20.

**2 Recommendation**

- 2.1 That the Committee note the content of the report and due consideration is given to the impact of the settlement in determining its Budget for 2019-20 to 2021-22.

**3 Key Issues and Reasons for Recommendation**

- 3.1 Provisional allocations for the New Homes Bonus Grant for 2019-20 and the Local Government Settlement were announced by the Ministry of Housing, Communities and Local Government on the 13<sup>th</sup> December 2018. The provisional Local Government Finance settlement only relates to 2019-20 , pending the introduction of 75% Business Rates whereas a new regime is proposed for New Homes Bonus Scheme with effect from 2020-21.
- 3.2 The Draft General Fund Revenue Budget as considered on the 6 December 2018 Agenda reflected 2019-20 being the final year of the four year local government agreement . Government support over the period 2016-17 to 2019-20 was effectively fixed following the approval of an Efficiency statement by the Council. However following, the publication of the Technical Consultation on the 2019-20 Settlement by MHCLG one change was made in the draft budget relating to the exclusion of Negative Revenue Support Grant for 2019-20.

- 3.3 This proposal has now been reaffirmed as part of the provisional Local Government Finance Settlement and hence no changes are required to the Revenue Support Grant as included in the Financing element of the Budget. The 2019-20 Settlement however by its nature will shed no light on the level of support for future years.
- 3.4 Provisional New Homes Bonus allocations have now been received for 2019-20. The Draft Budget reflects an in year increase of £746,000 and has been revised by the determination of Affordable Housing units to £785,000.
- 3.5 The Draft Budget assumed that the deadweight allowance would increase from its present 0.4% to 0.6% for 2019-20 and future years. However the Provisional settlement provided additional funding to offset the need to increase the Deadweight allowance.
- 3.6 The provisional New Homes Bonus for 2019-20 is therefore some £0.215 million higher than anticipated in the Draft Budget.
- 3.7 The Secretary of State also announced the outcome of the 75% Business Rates Pilot Applications with the Staffordshire & Stoke-on-Trent bid being successful. Each authority is guaranteed a minimum windfall of £0.2 million in 2019-20 however it is estimated that Stafford Borough Council will benefit by approximately £1.0 million. However this one-off windfall is dependant upon the actual business rates generated in 2019-20.
- 3.8 A further one off windfall of £0.043 million will arise from the distribution of the surplus that exists on the National Business Rates Levy Account
- 3.9 In summary the Provisional Settlement provides additional resources of £0.263 million combined with a further £1.0 million from the business Rates Pilot.

#### **4 Relationship to Corporate Priorities**

- 4.1 The revenue budget and the capital programme have been based on the Council's priorities.

#### **5 Report Detail**

- 5.1 Cabinet at its meeting on the 6 December 2018 considered a report in relation to the "General Fund Revenue Budget 2018-19 to 2020-22 and Capital Programme 2018-19 to 2021-22". The report detailed the Net Spending of the authority with indicative figures in relation to its funding in relation to Government Grants (New Homes Bonus) and Government Core Funding.
- 5.2 The indicative allocation for Government Core Funding represented the amount agreed as part of the four year settlement however a degree of uncertainty existed in relation to New Homes Bonus.

- 5.3 The Technical Consultation on the 2019-20 Settlement stated that as part of the annual review of NHB the deadweight is likely to increase for 2019-20 and details will be published as part of the Provisional Settlement.
- 5.4 Provisional allocations for the New Homes Bonus Grant for 2019-20 and the Local Government Settlement were announced by the Ministry of Housing, Communities and Local Government on the 13<sup>th</sup> December 2018.
- 5.5 The assumptions as included in the Draft Budget in relation to Core Funding and in particular the abatement of Negative Revenue Support Grant were re-affirmed however the New homes Bonus allocation has changed.
- 5.6 The table below compares the Provisional Allocations with the assumptions as contained in the Draft Budget.

Table 1: New Homes Bonus Comparison						
	Numbers			Allocation		
	Original	Budget	Prov. Sett	Original £'000	Budget £'000	Prov. £'000
New Properties	893	893	893	1,149	1,149	1,204
Long Term Empty	(10)	(10)	(10)	(37)	(37)	(13)
Sub Total	883	883	883	1,112	1,112	1,191
Deadweight Reduction	(223)	(325)	(223)	(287)	(395)	(298)
Net	660	660	660	825	717	893
Affordable Housing	104	104	243	29	29	68
Total 2019-20				854	746	961
B/fwd.				2,304	2,304	2,304
<b>Cumulative</b>				<b>3,158</b>	<b>3,050</b>	<b>3,265</b>

- 5.7 The provisional allocations show an increase in funding resources of £0.215 million for New Homes Bonus for 2019-20 , consisting of the deadweight changes not being implemented (£0.097m) ; affordable housing delivery being higher than anticipated (£0.039m) and the funding stream per unit for net new properties increasing by 5% compared to the 2% budgeted.
- 5.8 As part of the operation of the business rates retention system, some authorities pay a levy on the growth in their business rates. This levy is designed to meet the cost of safety net payments for those authorities that have seen a decline in their income below 92.5% of their individual baseline funding level in a single financial year.
- 5.9 In previous years, if it appeared that the levy on high-earning authorities would be insufficient to fund the safety net, an additional amount was top-sliced from

Revenue Support Grant. However, there is a surplus of £195m in the 2018-19 levy account.

- 5.10 The Government intends to distribute the majority of the surplus, £180m, to all local authorities on the basis of the 2013-14 settlement funding assessment – the sum of each authority’s Revenue Support Grant and Baseline Funding Level allocations.
- 5.11 The allocation to this authority is £0.043 million
- 5.12 Additional resources have also been received in relation to Rural Services Grant however this only amounts to £0.005 million for Stafford Borough
- 5.13 The overall impact of the changes is as follows :-

<b>Comparison of Budget to Provisional Allocations</b>			
<b>Draft Budget</b>	<b>Original Budget £'000</b>	<b>2019-20 Draft Budget £'000</b>	<b>2019-20 Prov. Allocation £'000</b>
Business Rates Baseline	2,777	2,777	2,777
Negative RSG	(250)		
Settlement Funding Assessment	<b>2,527</b>	<b>2,777</b>	<b>2,777</b>
New Homes Bonus	3,158	3,050	3,265
Rural Services Grant	20	20	25
Levy Account Surplus			43
<b>Total as per Financial Plan</b>	<b>5,705</b>	<b>5,847</b>	<b>6,110</b>
<b>Increase</b>		<b>142</b>	<b>263</b>

- 5.14 The Technical Consultation announced that the Government would consult on reforms to the New Homes Bonus, no details are yet available.
- 5.15 The Council Tax Referendum threshold principles for 2019-20 remain the same with an increase of 3% or more requiring a referendum.
- 5.16 The Secretary of State also announced the outcome of the 75% Business Rates Pilot Applications with the Staffordshire & Stoke-on-Trent bid being successful. Each authority is guaranteed a minimum windfall of £0.2 million in 2019-20 however it is estimated that Stafford Borough Council will benefit by approximately £1.0 million. However this one-off windfall is dependant upon the actual business rates generated in 2019-20.

<b>6</b>	<b>Implications</b>
----------	---------------------

6.1	<b>Financial</b>	As detailed in the report
	<b>Legal</b>	Nil
	<b>Human Resources</b>	Nil
	<b>Human Rights Act</b>	Nil
	<b>Data Protection</b>	Nil
	<b>Risk Management</b>	Nil

6.2	<b>Community Impact Assessment Recommendations</b>	<p>The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:-</p> <p>Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.</p>
-----	--	---

<b>Previous Consideration - Nil</b>
-------------------------------------

<b>Background Papers - File available in Financial Services</b>
---

**ITEM NO 7(c)****ITEM NO 7(c)**

<b>Report of:</b>	<b>Head of Finance</b>
<b>Contact Officer:</b>	<b>Bob Kean</b>
<b>Telephone No:</b>	<b>01785 619241</b>
<b>Ward Interest:</b>	<b>Nil</b>
<b>Report Track:</b>	<b>Resources 15/01/19 Cabinet 06/12/18</b>

**RESOURCES SCRUTINY COMMITTEE****15 JANUARY 2019**

**Resources Portfolio - General Fund Revenue Budget 2018/2019 - 2021/2022  
and Capital Programme 2018/2019 - 2021/2022**

The following report was considered by Cabinet at its meeting held on 6 December 2018 and is submitted to this Committee for consultation.

**1 Purpose of Report**

- 1.1 To set out the draft detailed Resources Portfolio revenue budget for 2018/2019 - 2021/2022 and the draft Resources Portfolio Capital Programme for 2018/2019 - 2021/2022.

**2 Recommendation**

- 2.1 The Committee considers and notes the following decision of the Cabinet and records any comments they wish to make.

**Decision of the Cabinet**

That:-

That the detailed draft portfolio revenue budget for 2018/2019 - 2021/2022 and the draft Capital Programme 2018/2019 - 2021/2022 be approved for submission to the Resources Scrutiny Committee for consultation.

**3 Key Issues and Reasons for Recommendation**

- 3.1 To set out the detailed portfolio revenue budget.
- 3.2 To set out the variations between the indicative budgets for 2019/2020 and 2020/2021, as set last year, and the proposed budget for 2019/2020 and the draft budget for the following years to 2021/2022.
- 3.3 To set out the proposed Capital Programme 2018/2019 - 2021/2022.



#### **4 Relationship to Corporate Priorities**

4.1 The revenue budget and capital programme reflect the Council's priorities.

#### **5 Report Detail**

5.1 The detailed draft portfolio budget is attached at **APPENDIX 1**.

5.2 Indicative budgets for 2019/2020 and 2020/2021 were prepared as part of the 2018/2019 budget process and have been updated as part of this year's process with the budgets then being extrapolated to create a new budget for 2021/2022.

5.3 An analysis of variations between the indicative budgets for 2019/2020 and 2020/2021 (as set last year) and the proposed budget for 2019/2020 and draft budgets for 2020/2021 and 2021/2022 is attached at **APPENDIX 2**.

5.4 Details of the overall proposed real terms / efficiency variations are attached at **APPENDIX 3**.

5.5 Material variances include:

- Initial reduced lease income at Civic Centre as adjusted for additional income in later years arising from Invest to Save Capital programme initiative
- Increase of 1% in pay award for 2020/21
- Provision for additional cost pressures
- Revenue bids: Member Development Training, Employee Survey Outcomes additional training and Organisational Development plan

5.6 An analysis by budget page of the variations between the indicative budgets for 2019/2020 and 2020/21 (as set last year) and the proposed budget for 2019/2020 and draft budget for 2020/2021 is attached at **APPENDIX 4**.

5.7 On 30 January 2018, the Council approved a capital programme to 2020/2021 which has been updated to include approved changes, re-profiled to reflect current spend estimates and it also includes additional schemes. The proposed Capital Programme 2018/2019 – 2021/2022 for the Resources Portfolio is attached at **APPENDIX 5**.

5.8 A short description of the new capital scheme is attached at **APPENDIX 6**.

<b>6 Implications</b>
-----------------------

<b>6.1 Financial</b>	The loss of external core funding from the Government (as reflected in the Multi Year settlement) and other sources is a risk which can impact on the Council's future ability to deliver the service.
<b>Legal</b>	
<b>Human Resources</b>	Any resourcing implications of continuing loss of external funding will be considered in line with Council policies and consultation with staff groups affected and recognised trade unions
<b>Human Rights Act</b>	Nil
<b>Data Protection</b>	Nil
<b>Risk Management</b>	Nil

<b>6.2 Community Impact Assessment Recommendations</b>	<p>The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:-</p> <p>Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.</p>
--	---

<b>Previous Consideration</b> - Cabinet 6 December 2018 - Minute no. CAB36(ii)/18
---

<b>Background Papers</b> – File available in <b>Financial Services</b> .
--

Resources

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
<b>1 Public Buildings</b>				
Employee Expenses	57,440	60,530	62,150	63,780
Premises Related Expenditure	1,173,610	1,189,030	1,213,340	1,237,610
Transport Related Expenditure	30	30	30	30
Supplies & Services	119,990	121,870	123,840	125,990
<b>Total Expenditure</b>	<b>1,351,070</b>	<b>1,371,460</b>	<b>1,399,360</b>	<b>1,427,410</b>
Income	(662,140)	(642,610)	(772,090)	(772,090)
<b>Total Income</b>	<b>(662,140)</b>	<b>(642,610)</b>	<b>(772,090)</b>	<b>(772,090)</b>
<b>Public Buildings Net Expenditure</b>	<b>688,930</b>	<b>728,850</b>	<b>627,270</b>	<b>655,320</b>
<b>2 Facilities Management</b>				
Employee Expenses	182,950	189,340	195,310	201,380
Transport Related Expenditure	7,240	7,380	7,380	7,380
Supplies & Services	3,840	3,840	3,840	3,840
<b>Total Expenditure</b>	<b>194,030</b>	<b>200,560</b>	<b>206,530</b>	<b>212,600</b>
<b>Facilities Management Net Expenditure</b>	<b>194,030</b>	<b>200,560</b>	<b>206,530</b>	<b>212,600</b>
<b>3 Executive Management</b>				
Employee Expenses	164,240	168,370	173,870	179,470
Transport Related Expenditure	2,500	2,550	2,600	2,600
Supplies & Services	94,170	39,170	39,170	39,170
<b>Total Expenditure</b>	<b>260,910</b>	<b>210,090</b>	<b>215,640</b>	<b>221,240</b>
<b>Executive Management Net Expenditure</b>	<b>260,910</b>	<b>210,090</b>	<b>215,640</b>	<b>221,240</b>
<b>4 Corporate Business and Partnerships</b>				
Employee Expenses	242,220	255,890	267,280	278,260
Transport Related Expenditure	2,190	2,240	2,280	2,280
Supplies & Services	46,350	45,590	46,000	46,000
<b>Total Expenditure</b>	<b>290,760</b>	<b>303,720</b>	<b>315,560</b>	<b>326,540</b>
<b>Corporate Business and Partnerships Net Expenditure</b>	<b>290,760</b>	<b>303,720</b>	<b>315,560</b>	<b>326,540</b>
<b>5 Communications</b>				
Employee Expenses	124,170	124,450	128,580	132,790
Transport Related Expenditure	80	80	80	80
Supplies & Services	14,970	25,140	25,140	25,140
<b>Total Expenditure</b>	<b>139,220</b>	<b>149,670</b>	<b>153,800</b>	<b>158,010</b>
<b>Communications Net Expenditure</b>	<b>139,220</b>	<b>149,670</b>	<b>153,800</b>	<b>158,010</b>
<b>6 Customer Services</b>				
Employee Expenses	284,260	308,910	318,120	329,660
Supplies & Services	8,810	8,810	8,810	8,810
<b>Total Expenditure</b>	<b>293,070</b>	<b>317,720</b>	<b>326,930</b>	<b>338,470</b>
Income	(5,200)	-	-	-
<b>Total Income</b>	<b>(5,200)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Customer Services Net Expenditure</b>	<b>287,870</b>	<b>317,720</b>	<b>326,930</b>	<b>338,470</b>

Resources

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
<b>7 Out of Hours Service</b>				
Supplies & Services	6,710	6,840	6,980	6,980
<b>Total Expenditure</b>	<b>6,710</b>	<b>6,840</b>	<b>6,980</b>	<b>6,980</b>
<b>Out of Hours Service Net Expenditure</b>	<b>6,710</b>	<b>6,840</b>	<b>6,980</b>	<b>6,980</b>
<b>8 Law and Administration</b>				
Employee Expenses	1,099,530	1,161,910	1,200,480	1,241,300
Premises Related Expenditure	2,230	2,280	2,330	2,380
Transport Related Expenditure	12,090	12,140	12,140	12,140
Supplies & Services	144,710	137,260	137,660	137,970
Third Party Payments	16,460	36,800	37,510	37,930
<b>Total Expenditure</b>	<b>1,275,020</b>	<b>1,350,390</b>	<b>1,390,120</b>	<b>1,431,720</b>
Income	(368,950)	(373,920)	(384,760)	(396,340)
<b>Total Income</b>	<b>(368,950)</b>	<b>(373,920)</b>	<b>(384,760)</b>	<b>(396,340)</b>
<b>Law and Administration Net Expenditure</b>	<b>906,070</b>	<b>976,470</b>	<b>1,005,360</b>	<b>1,035,380</b>
<b>9 Finance</b>				
Employee Expenses	3,000	-	-	-
Supplies & Services	1,560	1,560	1,560	1,560
Third Party Payments	533,210	554,740	573,320	590,740
<b>Total Expenditure</b>	<b>537,770</b>	<b>556,300</b>	<b>574,880</b>	<b>592,300</b>
<b>Finance Net Expenditure</b>	<b>537,770</b>	<b>556,300</b>	<b>574,880</b>	<b>592,300</b>
<b>10 Human Resources Services</b>				
Employee Expenses	536,110	559,760	578,710	602,260
Transport Related Expenditure	11,860	11,950	11,950	11,950
Supplies & Services	126,990	172,430	152,880	152,880
<b>Total Expenditure</b>	<b>674,960</b>	<b>744,140</b>	<b>743,540</b>	<b>767,090</b>
Income	(294,980)	(306,020)	(314,000)	(325,170)
<b>Total Income</b>	<b>(294,980)</b>	<b>(306,020)</b>	<b>(314,000)</b>	<b>(325,170)</b>
<b>Human Resources Services Net Expenditure</b>	<b>379,980</b>	<b>438,120</b>	<b>429,540</b>	<b>441,920</b>
<b>11 Technology</b>				
Employee Expenses	908,330	949,930	983,600	1,017,850
Transport Related Expenditure	14,810	17,660	17,660	17,660
Supplies & Services	647,190	639,150	640,300	641,140
<b>Total Expenditure</b>	<b>1,570,330</b>	<b>1,606,740</b>	<b>1,641,560</b>	<b>1,676,650</b>
Income	(748,550)	(766,820)	(782,970)	(799,380)
<b>Total Income</b>	<b>(748,550)</b>	<b>(766,820)</b>	<b>(782,970)</b>	<b>(799,380)</b>
<b>Technology Net Expenditure</b>	<b>821,780</b>	<b>839,920</b>	<b>858,590</b>	<b>877,270</b>
<b>12 Members Services</b>				
Employee Expenses	-	4,000	4,000	4,000
Transport Related Expenditure	11,730	10,000	10,000	10,000
Supplies & Services	276,810	279,830	284,990	290,250
<b>Total Expenditure</b>	<b>288,540</b>	<b>293,830</b>	<b>298,990</b>	<b>304,250</b>
<b>Members Services Net Expenditure</b>	<b>288,540</b>	<b>293,830</b>	<b>298,990</b>	<b>304,250</b>

Resources

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
<b>13 Revenues &amp; Benefits</b>				
Supplies & Services	147,370	108,480	108,480	108,480
Third Party Payments	1,461,410	1,302,590	1,343,900	1,358,750
<b>Total Expenditure</b>	<b>1,608,780</b>	<b>1,411,070</b>	<b>1,452,380</b>	<b>1,467,230</b>
Income	(1,125,840)	(833,130)	(833,350)	(815,570)
<b>Total Income</b>	<b>(1,125,840)</b>	<b>(833,130)</b>	<b>(833,350)</b>	<b>(815,570)</b>
<b>Revenues &amp; Benefits Net Expenditure</b>	<b>482,940</b>	<b>577,940</b>	<b>619,030</b>	<b>651,660</b>
<b>14 Housing Benefit Payments</b>				
Supplies & Services	10,000	10,000	10,000	10,000
Transfer Payments	24,020,800	22,055,200	20,250,770	18,594,310
<b>Total Expenditure</b>	<b>24,030,800</b>	<b>22,065,200</b>	<b>20,260,770</b>	<b>18,604,310</b>
Income	(24,030,800)	(22,065,200)	(20,260,770)	(18,604,310)
<b>Total Income</b>	<b>(24,030,800)</b>	<b>(22,065,200)</b>	<b>(20,260,770)</b>	<b>(18,604,310)</b>
<b>Housing Benefit Payments Net Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>15 Parish Councils</b>				
Supplies & Services	51,000	51,000	51,000	51,000
<b>Total Expenditure</b>	<b>51,000</b>	<b>51,000</b>	<b>51,000</b>	<b>51,000</b>
<b>Parish Councils Net Expenditure</b>	<b>51,000</b>	<b>51,000</b>	<b>51,000</b>	<b>51,000</b>
<b>16 Corporate and Democratic Core</b>				
Supplies & Services	125,900	126,770	126,770	126,770
<b>Total Expenditure</b>	<b>125,900</b>	<b>126,770</b>	<b>126,770</b>	<b>126,770</b>
<b>Corporate and Democratic Core Net Expenditure</b>	<b>125,900</b>	<b>126,770</b>	<b>126,770</b>	<b>126,770</b>
<b>17 Non-Distributed Costs</b>				
Employee Expenses	247,710	247,710	252,660	257,710
Third Party Payments	40,000	40,000	40,000	40,800
<b>Total Expenditure</b>	<b>287,710</b>	<b>287,710</b>	<b>292,660</b>	<b>298,510</b>
<b>Non-Distributed Costs Net Expenditure</b>	<b>287,710</b>	<b>287,710</b>	<b>292,660</b>	<b>298,510</b>
<b>18 Asset Management/Energy Conservation</b>				
Supplies & Services	32,560	32,560	32,560	32,560
<b>Total Expenditure</b>	<b>32,560</b>	<b>32,560</b>	<b>32,560</b>	<b>32,560</b>
<b>Asset Management/Energy Conservation Net Expenditure</b>	<b>32,560</b>	<b>32,560</b>	<b>32,560</b>	<b>32,560</b>
<b>19 Electoral Registration</b>				
Employee Expenses	2,150	2,150	2,150	2,150
Supplies & Services	67,950	41,050	41,050	41,050
<b>Total Expenditure</b>	<b>70,100</b>	<b>43,200</b>	<b>43,200</b>	<b>43,200</b>
Income	(26,900)	-	-	-
<b>Total Income</b>	<b>(26,900)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Electoral Registration Net Expenditure</b>	<b>43,200</b>	<b>43,200</b>	<b>43,200</b>	<b>43,200</b>

Resources

	Outturn 2018-2019 £	Budget 2019-2020 £	Budget 2020-2021 £	Budget 2021-2022 £
<b>20 Elections</b>				
Employee Expenses	-	100,000	-	-
Premises Related Expenditure	-	30,000	-	-
Supplies & Services	39,500	65,000	39,500	39,500
<b>Total Expenditure</b>	<b>39,500</b>	<b>195,000</b>	<b>39,500</b>	<b>39,500</b>
Income	-	(155,500)	-	-
<b>Total Income</b>	<b>-</b>	<b>(155,500)</b>	<b>-</b>	<b>-</b>
<b>Elections Net Expenditure</b>	<b>39,500</b>	<b>39,500</b>	<b>39,500</b>	<b>39,500</b>
<b>21 Items to be Allocated</b>				
Employee Expenses	(16,000)	(63,000)	(63,000)	(93,000)
Supplies & Services	136,090	106,500	106,500	106,500
<b>Total Expenditure</b>	<b>120,090</b>	<b>43,500</b>	<b>43,500</b>	<b>13,500</b>
<b>Items to be Allocated Net Expenditure</b>	<b>120,090</b>	<b>43,500</b>	<b>43,500</b>	<b>13,500</b>
<b>22 Audit, Risk, Resilience and Procurement</b>				
Supplies & Services	150	150	150	150
Third Party Payments	221,970	229,360	235,210	240,510
<b>Total Expenditure</b>	<b>222,120</b>	<b>229,510</b>	<b>235,360</b>	<b>240,660</b>
<b>Audit, Risk, Resilience and Procurement Net Expenditure</b>	<b>222,120</b>	<b>229,510</b>	<b>235,360</b>	<b>240,660</b>
<b>23 Insurance Premiums</b>				
Third Party Payments	171,010	176,670	177,080	180,620
<b>Total Expenditure</b>	<b>171,010</b>	<b>176,670</b>	<b>177,080</b>	<b>180,620</b>
<b>Insurance Premiums Net Expenditure</b>	<b>171,010</b>	<b>176,670</b>	<b>177,080</b>	<b>180,620</b>
<b>Resources Net Expenditure</b>	<b>6,378,600</b>	<b>6,630,450</b>	<b>6,680,730</b>	<b>6,848,260</b>

**Resources Portfolio**

**Variation Statement 2019/2020 to 2021/2022**

	2019/2020 Indicative	Real Terms / Efficiency Variations	2019/2020 Budget	2020/21 Indicative	Real Terms / Efficiency Variations	2020/2021 Budget	Inflation	Real Terms / Efficiency Variations	2021/2022 Budget
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Employee Costs</b>	4,023	47	4,070	4,017	87	4,104	76	38	4,218
<b>Premises Related Costs</b>	1,223	- 2	1,221	1,216	-	1,216	24	-	1,240
<b>Transport Related Costs</b>	64	-	64	64	-	64		-	64
<b>Supplies and Services</b>	2,033	- 10	2,023	2,043	- 56	1,987	9	-	1,996
<b>Third Party Payments</b>	2,503	- 163	2,340	2,535	- 128	2,407	47	- 5	2,449
<b>Transfer Payments</b>	24,500	- 2,445	22,055	24,989	- 4,738	20,251		- 1,657	18,594
<b>Total Expenditure</b>	34,346	- 2,573	31,773	34,864	- 4,835	30,029	156	- 1,624	28,561
<b>Income</b>	- 27,784	2,641	- 25,143	- 28,145	4,797	- 23,348	- 31	1,666	- 21,713
<b>Net Expenditure</b>	6,562	<b>68</b>	6,630	6,719	<b>- 38</b>	6,681	125	<b>42</b>	6,848

**Resources Portfolio**  
**Proposed Real Terms / Efficiency Variations**

	<u>2019/20 Change</u>	£'000	£'000
<b><u>Real Term Variations</u></b>			
Items to be allocated - Apprenticeship Levy / Repairs & Mtce reclassification and saving			
Employees		37	
Supplies and services		-50	-13
Welfare benefits service transferred back to Staffordshire County Council			
Third Party		-164	
Income		164	-
Housing benefits review of spend following implementation of Universal Credit			
Expenditure		- 2,445	
Income		2,445	-
Civic Centre			
Increased rates costs		7	
Reduced utility costs		-9	
Increased contract cleaning costs		8	
Lease income		30	36
Revenue bids			
Member Development training		5	
Employee Survey Outcomes additional training		20	
Organisational Development plan		20	45
			<u>68</u>

	<u>2020/21 Change</u>	£'000	£'000
<b><u>Real Term Variations</u></b>			
Items to be allocated - Apprenticeship Levy / Repairs & Mtce reclassification and saving			
Employees		37	
Supplies and services		-50	-13
Additional 1% pay award			36
Welfare benefits service transferred back to Staffordshire County Council			
Third Party		-164	
Income		164	-
Housing benefits review of spend following implementation of Universal Credit			
Expenditure		- 4,738	
Income		4,738	-
Civic Centre			
Increased rates costs		7	
Reduced utility costs		-9	
Increased contract cleaning costs		8	
Lease income		88	94
Shared service additional costs in relation to 1% pay award change			15
Shared service additional income in relation to 1% pay award change			-8
Revenue bids			
Member Development training		5	
Organisational Development plan		20	25
Additional Civic Centre income following capital bid			-188
minor variations			1
			<u>- 38</u>



	<u>2021/22 Change</u>	
	£'000	£'000
<b><u>Real Term Variations</u></b>		
Increments		11
Items to be allocated - increased turnover provision (increments)		-30
Housing benefits review of spend following implementation of Universal Credit		
Expenditure	- 1,656	
Income	<u>1,656</u>	-
Reduced housing benefit administration grant, offset by a shared service saving requirement		
Expenditure	- 18	
Income	<u>18</u>	-
Shared services additional cost		16
Shared service additional income		-10
Increase in pension costs		58
minor variations		-3
		<u><u>42</u></u>

## Resources Portfolio - Indicative Budget Changes

	Variance Indicative 19-20 to Budget 19-20 £	Variance Indicative 20-21 to Budget 20-21 £	Ongoing Explanations for variances greater than £5k	One Off Explanations for variances greater than £5k
<b>1. Public Buildings</b>				
Employee Expenses	(70)	350		
Premises Related Expenditure	(2,160)	(580)		
Transport Related Expenditure	-	-		
Supplies & Services	7,500	7,500	Increase in contract cleaning cost	
<b>Total Expenditure</b>	<b>5,270</b>	<b>7,270</b>		
Income	29,530	(99,950)	Reduced rental income due to vacation by Cannock AONB £5.7k , Birmingham Community Healthcare £8.5k and Bank of Scotland £78k (from 20/21) partly offset by additional caretaking income and anticipated income from capital accomodation review 20/21 (£188k)	
<b>Public Buildings</b>	<b>34,800</b>	<b>(92,680)</b>		
<b>2. Facilities Management</b>				
Employee Expenses	-	1,640		
Transport Related Expenditure	-	-		
Supplies & Services	-	-		
<b>Total Expenditure</b>	<b>-</b>	<b>1,640</b>		
<b>Facilities Management</b>	<b>-</b>	<b>1,640</b>		
<b>3. Executive Management</b>				
Employee Expenses	(1,240)	270		
Transport Related Expenditure	-	-		
Supplies & Services	-	-		
<b>Total Expenditure</b>	<b>(1,240)</b>	<b>270</b>		
Income				
<b>Executive Management</b>	<b>(1,240)</b>	<b>270</b>		
<b>4. Corporate Business and Partnerships</b>				
Employee Expenses	670	3,690		
Transport Related Expenditure	-	-		
Supplies & Services	(960)	(760)		
<b>Total Expenditure</b>	<b>(290)</b>	<b>2,930</b>		
Income	-	-		
<b>Policy and Partnerships</b>	<b>(290)</b>	<b>2,930</b>		

## Resources Portfolio - Indicative Budget Changes

Appendix 4

	Variance Indicative 19-20 to Budget 19-20 £	Variance Indicative 20-21 to Budget 20-21 £	Ongoing Explanations for variances greater than £5k	One Off Explanations for variances greater than £5k
<b>5. Communications</b>				
Employee Expenses	(100)	1,040		
Transport Related Expenditure	-	-		
Supplies & Services	-	-		
<b>Total Expenditure</b>	<b>(100)</b>	<b>1,040</b>		
Income	-	-		
<b>Communications</b>	<b>(100)</b>	<b>1,040</b>		
<b>6. Customer Services</b>				
Employee Expenses	-	2,650		
Supplies & Services	-	-		
<b>Total Expenditure</b>	<b>-</b>	<b>2,650</b>		
Income	-	-		
<b>Customer Services</b>	<b>-</b>	<b>2,650</b>		
<b>7. Out of Hours service</b>				
Supplies & Services	-	-		
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>		
<b>Out of Hours Service</b>	<b>-</b>	<b>-</b>		
<b>8. Law and Administration</b>				
Employee Expenses	(260)	10,490	Additional 1% pay award	
Premises Related Expenditure	-	-		
Transport Related Expenditure	-	-		
Supplies & Services	-	-		
Third Party Payments	-	330		
<b>Total Expenditure</b>	<b>(260)</b>	<b>10,820</b>		
Income	-	(2,580)		
<b>Law and Administration</b>	<b>(260)</b>	<b>8,240</b>		
<b>9. Finance</b>				
Employee Expenses	-	-		
Supplies & Services	-	-		
Third Party Payments	-	4,220		
<b>Total Expenditure</b>	<b>-</b>	<b>4,220</b>		
<b>Finance</b>	<b>-</b>	<b>4,220</b>		
<b>10. Human Resources</b>				
Employee Expenses	20	5,090	Additional 1% pay award	

## Resources Portfolio - Indicative Budget Changes

Appendix 4

			Ongoing	One Off
	Variance	Variance	Explanations for variances greater than £5k	Explanations for variances greater than £5k
	Indicative 19-20 to Budget 19-20 £	Indicative 20-21 to Budget 20-21 £		
Transport Related Expenditure	-	-		
Supplies & Services	45,000	25,000	Revenue bid - Member Development training £5k and Organisational Development Plan £20k	Revenue bid - Employee Survey Outcomes £20k 19/20
<b>Total Expenditure</b>	<b>45,020</b>	<b>30,090</b>		
Income	(30)	(2,150)		
<b>Human Resources</b>	<b>44,990</b>	<b>27,940</b>		
<b>11. Technology</b>				
Employee Expenses	6,650	14,680	Reallocation of shared service savings and additional 1% pay award 20/21	
Transport Related Expenditure	2,560	2,560	Increased car allowances, offset by reduction in supplies	
Supplies & Services	(8,660)	(8,660)	Reallocation of shared service savings and funding for changes in supplies	
<b>Total Expenditure</b>	<b>550</b>	<b>8,580</b>		
Income	(200)	(3,650)		
<b>Technology</b>	<b>350</b>	<b>4,930</b>		
<b>12. Members Services</b>				
Employee Expenses	4,000	4,000		
Transport Related Expenditure	(1,960)	(1,960)		
Supplies & Services	(2,040)	(2,040)		
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>		
<b>Member Services</b>	<b>-</b>	<b>-</b>		
<b>13. Revenues &amp; Benefits</b>				
Supplies & Services	-	-		
Third Party Payments	(163,630)	(154,430)	Welfare benefits service transferred back to Staffordshire County Council (£163.6k), partly offset by additional payments 1% pay award	
<b>Total Expenditure</b>	<b>(163,630)</b>	<b>(154,430)</b>		
Income	166,630	166,630	Welfare benefits service transferred back to Staffordshire County Council £163.6k and reduced Local Council Tax Support Grant £3k	
<b>Revenues &amp; Benefits</b>	<b>3,000</b>	<b>12,200</b>		
<b>14. Housing Benefit Payments</b>				
Supplies & Services	-	-		

# Resources Portfolio - Indicative Budget Changes

	Variance	Variance	Ongoing	One Off
	Indicative 19-20	Indicative 20-21	Explanations for variances greater than £5k	Explanations for variances greater than £5k
	to Budget 19-20	to Budget 20-21		
	£	£		
Transfer Payments	(2,445,020)	(4,738,450)	Reflects anticipated reduction due to Universal Credit	
<b>Total Expenditure</b>	<b>(2,445,020)</b>	<b>(4,738,450)</b>		
Income	2,445,020	4,738,450	Reflects anticipated reduction due to Universal Credit	
<b>Housing Benefit Payments</b>	<b>-</b>	<b>-</b>		
<b>15. Parish Councils</b>				
Supplies & Services	-	-		
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>		
<b>Parish Councils</b>	<b>-</b>	<b>-</b>		
<b>16. Corporate and Democratic Core</b>				
Supplies & Services	-	-		
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>		
<b>Corporate and Democratic Core</b>	<b>-</b>	<b>-</b>		
<b>17. Non-Distributed Costs</b>				
Employee Expenses	-	-		
Third Party Payments	-	-		
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>		
<b>Non- Distributed Costs</b>	<b>-</b>	<b>-</b>		
<b>18. Asset Management / Energy</b>				
Supplies & Services	-	-		
<b>Total Expenditure</b>	<b>-</b>	<b>-</b>		
Income				
<b>Asset Management / Energy Conservation</b>	<b>-</b>	<b>-</b>		

# Resources Portfolio - Indicative Budget Changes

	Variance Indicative 19-20 to Budget 19-20 £	Variance Indicative 20-21 to Budget 20-21 £	Ongoing Explanations for variances greater than £5k	One Off Explanations for variances greater than £5k
<b>19. Electoral Registration</b>				
Employee Expenses	-	-		
Supplies & Services	-	-		
<b>Total Expenditure</b>	-	-		
Income				
<b>Electoral Registration</b>	-	-		
<b>20. Elections</b>				
Employee Expenses	-	-		
Premises Related Expenditure	-	-		
Supplies & Services	-	-		
<b>Total Expenditure</b>	-	-		
Income	-	-		
<b>Elections</b>	-	-		
<b>21. Items to be Allocated</b>				
Employee Expenses	37,000	37,000	Transfer of apprenticeship levy payment to employee expense	
Premises Related Expenditure	-	-		
Supplies & Services	(50,590)	(50,590)	Transfer of apprenticeship levy payment to employee expense (£37k) and re-allocation of Repairs and Mtce and contract inflation (£13k)	
<b>Total Expenditure</b>	<b>(13,590)</b>	<b>(13,590)</b>		
Income	-	-		
<b>Items to be Allocated</b>	<b>(13,590)</b>	<b>(13,590)</b>		
<b>22. Audit, Risk, Resilience and Procurement</b>				
Employee Expenses				
Transport Related Expenditure				
Supplies & Services	-	-		
Third Party Payments	-	920		
<b>Total Expenditure</b>	-	<b>920</b>		
<b>Audit, Risk, Resilience and Procurement</b>	-	<b>920</b>		

## Resources Portfolio - Indicative Budget Changes

Appendix 4

	Variance		Ongoing	One Off
	Indicative 19-20 to Budget 19-20 £	Indicative 20-21 to Budget 20-21 £	Explanations for variances greater than £5k	Explanations for variances greater than £5k
<b>23. Insurance Premiums</b>				
Third Party Payments	1,180	1,180		
<b>Total Expenditure</b>	<b>1,180</b>	<b>1,180</b>		
<b>Insurance Premiums</b>	<b>1,180</b>	<b>1,180</b>		
<b>GRAND TOTAL</b>	<b>68,840</b>	<b>(38,110)</b>		
Employees	46,670	80,900		
Premises	(2,160)	(580)		
Transport	600	600		
Supplies	(9,750)	(29,550)		
Third Party	(162,450)	(147,780)		
Transfer Payments	(2,445,020)	(4,738,450)		
Income	2,640,950	4,796,750		
	<b>68,840</b>	<b>(38,110)</b>		

GENERAL FUND CAPITAL PROGRAMME 2018/19 TO 2021/22

	Planned Delivery				Programme but not allocated £000
	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	
<b>RESOURCES</b>					
Corporate IT equipment	50	50	50	-	-
Contact Centre Phone System	-	-	-	-	30
Provision to Commute Car Park Sharing Arrangement	750	-	-	-	-
Civic Centre Generator	-	-	-	-	50
Accommodation Transformation & rationalisation	-	-	-	-	752
<b>Total</b>	<b>800</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>832</b>

\* New scheme



**NEW CAPITAL SCHEMES**

**RESOURCES**

**Civic Accommodation**

- **Transformation and rationalisation £670,000**

To transform and rationalise the accommodation space with the Civic Centre and provide additional opportunities for the co-location of other public sector agencies.

- **Remote Working Laptops £82,000**

To provide upgraded IT equipment to enable a greater number of staff to work remotely from home or in alternative offices.

ITEM NO 7(d)

ITEM NO 7(d)

<b>Report of:</b>	<b>Head of Human Resources and Property Services</b>
<b>Contact Officer:</b>	<b>Neville Raby</b>
<b>Telephone No:</b>	<b>01785 619205</b>
<b>Ward Interest:</b>	<b>Nil</b>
<b>Report Track:</b>	<b>Resources 15/01/19 (Only)</b>

**RESOURCES SCRUTINY COMMITTEE**

**15 JANUARY 2019**

**Gender Pay Gap**

**1 Purpose of Report**

1.1 To update Resources Scrutiny Committee on the Council's Gender Pay Gap.

**2 Recommendation**

2.1 That progress is noted.

**3 Key Issues and Reasons for Recommendation**

3.1 The Gender Pay Gap for the Council as set out in the report is based on staffing analysis as at 31 March 2018 and indicates a positive trend since it was first reported in March 2018 based on staffing numbers as at 31 March 2017.

**4 Relationship to Corporate Priorities**

4.1 The Gender Pay Gap reporting contributes in the main to Corporate Business Objective 3:-

“To be a well-run, financially sustainable and ambitious organisation responsive to the needs of our customers and communities and focussed on delivering our objectives.”

## 5 Report Detail

- 5.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (SI 2017/353) require public-sector employers with 250 or more employees to publish their gender pay gap and gender bonus gap information. The gender pay gap reporting regime for the public sector is similar to the regime that applies to the private and voluntary sectors. As the Regulations do not define "employee", the definition under s.83 of the Equality Act 2010 applies, which includes apprentices and workers who have a contract personally to do work.
- 5.2 Under the separate legislation that applies to employers in the public sector the date for counting relevant employees (as set out in the legislation) is 31 March each year. It is the total headcount that should be counted, not the number of full-time equivalent posts. So each relevant employee (as stipulated in the legislation) should be counted regardless of the number of hours they work.
- 5.3 Employers in the public sector are required to publish:
- the differences in mean and median pay between male and female employees, expressed as a percentage;
  - the differences in mean and median bonus pay between male and female employees over the period of 12 months ending with the "snapshot" date of 31 March, expressed as a percentage;
  - the proportion of male and female employees who were paid a bonus; and
  - the proportion of male and female employees employed in quartile pay bands for the overall pay range.

The Regulations prescribe which elements of pay are included in the calculation of pay and bonus pay, and which elements are excluded.

The information must be published annually on the authority's website, accessible to employees and the public, and must be available on the website for at least three years. In addition, the information must be provided to the Government via a designated website portal.

Public-sector bodies had to commence the publication of their first report with the required information no later than 30 March 2018 meaning that the first report was based on staffing as at 31 March 2017. Subsequent annual reports will then be published albeit 12 months in arrears.

### What is the Gender Pay Gap?

- 5.4 The gender pay gap is defined as the difference between the mean or median hourly rate of pay that male and female colleagues receive. Definitions are as follows:

- **Mean Pay Gap** is the difference between average hourly earnings of men and women when added up and divided by their total number
- **Median Pay Gap** takes all salaries by gender, lines them up in order from lowest to highest (£) and picks the middle-most salary for both men and women for comparison.

The Council's bonus pay gap is reported as 0% as it does not pay any type of formal bonus or performance payment.

**What does the report REALLY tell us about our workforce?**

5.5 The report sets out whether the Council has recruited a similar proportion of men and women to each different type of role in the organisation – i.e. do we have as many female supervisors or managers as males, technical, administrative or operational posts etc.

**What is the report NOT designed to tell us?**

5.6 The report does not tell us if we are paying men and women equally for doing the same job – since the 2010 Single Status Agreement, the Council has used a nationally agreed job evaluation scheme that ensures equal pay.

**What is the Council's Gender Pay Gap?**

5.7 As mentioned above the Council first published figures in March 2018 based on staffing numbers of 638 employees within scope of the regulations as follows:

<b>Mean for Male (£ per hour)</b>	<b>12.16</b>	<b>Mean for Female (£ per hr)</b>	<b>11.08</b>	<b>Mean Gender Pay Gap (%)</b>	<b>8.88%</b>
<b>Median for Male (£ per hour)</b>	<b>12.06</b>	<b>Median for Female (£ per hr)</b>	<b>12.00</b>	<b>Median Gender Pay Gap (%)</b>	<b>0.49%</b>

\*Based on staffing analysis as at 31 March 2017

In March 2019, the Council will publish its second annual report based on staffing numbers of 223 employees within scope of the regulations. This reduced number of employees reflects in the main the transfer of leisure employees to Freedom Leisure in December 2017 resulting in the following analysis:

<b>Mean for Male (£ per hour)</b>	<b>14.51</b>	<b>Mean for Female (£ per hr)</b>	<b>13.41</b>	<b>Mean Gender Pay Gap (%)</b>	<b>7.58%</b>
<b>Median for Male (£ per hour)</b>	<b>11.84</b>	<b>Median for Female (£ per hr)</b>	<b>12.12</b>	<b>Median Gender Pay Gap (%)</b>	<b>-2.36%</b>

\*Based on staffing analysis as at 31 March 2018

- 5.8 The latest figures to be published indicate an improvement in the Council's gender gap as follows:
- Although the salary figures for both men and women will have increased since the first report due to the application of the 2018 national pay award (wef 1 April 2018) and incremental progression (as appropriate) the mean gender pay gap (average pay) has reduced by 1.3%.
  - During the same period (2017 - 2018) the median pay gap has reduced by 2.85% resulting in a negative pay gap of -2.36% confirming that the median pay for female employees in the organisation is at a higher rate than males as indicated in the table above.
- 5.9 Additional evidence of the improvement in the Gender Pay Gap is indicated in the proportion of male and female employees in each pay quartile as at 31 March 2018 with 2017 figures in brackets for comparison.

<b>Quartile</b>	<b>Total Staff</b>	<b>Male</b>	<b>Female</b>	<b>Male %</b>	<b>Female %</b>
<b>Lower</b>	<b>56 (159)</b>	<b>29 (57)</b>	<b>27 (102)</b>	<b>51.78 (35.84)</b>	<b>48.22 (64.16)</b>
<b>Lower Middle</b>	<b>56 (159)</b>	<b>35 (74)</b>	<b>21 (85)</b>	<b>62.50 (46.54)</b>	<b>37.50 (53.46)</b>
<b>Upper Middle</b>	<b>55 (160)</b>	<b>28 (86)</b>	<b>27 (74)</b>	<b>50.91 (53.75)</b>	<b>49.09 (46.25)</b>
<b>Upper</b>	<b>56 (160)</b>	<b>34 (81)</b>	<b>22 (79)</b>	<b>60.71 (50.62)</b>	<b>39.29 (49.38)</b>

The analysis above indicates that a lower proportion of female employees are now employed in roles falling within the lower pay quartiles as compared to males. The numbers of female employees are more evenly spread in the upper middle quartile banding.

## Demographic across the organisation

5.10 As a local authority we are responsible for ensuring that a wide range of services are provided to residents of the borough. In order to do this we employ officers from a range of different backgrounds with varying degrees of administrative, technical and professional competence. Shown below is the gender split across the authority by category of generic roles as at 31 March 2018 (with 2017 figures in brackets for comparison):

Category	Total people	%age female	%age male
Senior Managers	26 (25)	30.76 % (24.00%)	69.24% (76.00%)
Supervisory and Professional	75 (115)	60.00% (53.92%)	40.00% (46.08%)
Technical	42 (203)	16.66% (54.19%)	83.34% (45.81%)
Front Line & Support	80 (295)	50.00% (60.67%)	50.00% (39.33%)

### What can we do to continually improve the Gender Gap?

5.11 In order to maintain the median pay gap and reduce further the mean gender pay gap the Council needs to continue to attract and/or promote an equal number of women to higher paid, technical and operational roles within the organisation.

#### How can we do this?

- Ensuring as far as is possible that female candidates for vacancies consider Stafford Borough Council to be an employer of choice and apply for roles we advertise.
- Ensuring that as far as is possible the Council advertises roles to a broad candidate pool including internally
- Encouraging female employees to develop within their roles to enable them to be in a position to take up promotional opportunities as they arise within the organisation;
- Continue to promote and where possible enhance the Council's flexible working policies to internal and outside candidates

5.12 The balance of the Council workforce is impacted mainly by the turnover in vacancies. When a vacancy occurs Managers are expected to review the need for the position and the role required for the future. During times of budget constraint reductions in expenditure have been achieved through vacancy control rather than redundancy resulting in reduced opportunities for progression to, in particular, senior management positions. The availability of trained and experienced female candidates for operational roles is still unequal in the general workforce due to historic career preferences and choice although this is improving. It is also a fact that female employees' continue to make-up the majority of carers for either children and/or elderly or vulnerable adults within society resulting in demand for work breaks or part-time and other flexible working arrangements which do have an impact on pay. Although this situation is changing it is far from equal in society as a whole at the present time.

<b>6</b>	<b>Implications</b>
----------	---------------------

6.1	<b>Financial</b>	N/A
	<b>Legal</b>	N/A
	<b>Human Resources</b>	Included within the report
	<b>Human Rights Act</b>	N/A
	<b>Data Protection</b>	N/A
	<b>Risk Management</b>	N/A

6.2	<b>Community Impact Assessment Recommendations</b>	<p>The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 (SI 2017/353) require public-sector employers with 250 or more employees to publish their gender pay gap and gender bonus gap information. In March 2019, the Council will publish its second annual report based on staffing numbers of 223 employees within scope of the regulations.</p> <p>In order to maintain the median pay gap and reduce further the mean gender pay gap the Council needs to continue to attract and/or promote an equal number of women to higher paid, technical and operational roles within the organisation.</p>
-----	--	--

<b>Previous Consideration - Nil</b>
-------------------------------------

<b>Background Papers - Available on the Council's website and in Human Resources</b>
--

ITEM NO 7(e)

ITEM NO 7(e)

<b>Report of:</b>	<b>Head of Law and Administration</b>
<b>Contact Officer:</b>	<b>Andrew Bailey</b>
<b>Telephone No:</b>	<b>01785 619212</b>
<b>Ward Interest:</b>	<b>Nil</b>
<b>Report Track:</b>	<b>Resources 15/01/19 (Only)</b>

## RESOURCES SCRUTINY COMMITTEE

15 JANUARY 2019

### Work Programme - Resources Scrutiny Committee

#### 1 Purpose of Report

- 1.1 The purpose of this report is to present the Resources Scrutiny Committee's Work Programme.

#### 2 Recommendation

- 2.1 That the Resources Scrutiny Committee considers and comments upon their Work Programme.

#### 3 Key Issues and Reasons for Recommendation

- 3.1 The first stage in achieving a Member-led Overview and Scrutiny process is to develop a Work Programme for the Members of the Committee to own.
- 3.2 Accordingly, an up-to-date copy of the Resources Scrutiny Committee's Work Programme is provided for Members to consider or amend as appropriate.

#### 4 Relationship to Corporate Priorities

- 4.1 This report is most closely associated with the following Corporate Business Objective 3:-

To be a well-run, financially sustainable and ambitious organisation responsive to the needs of our customers and communities and focussed on delivering our objectives.



## 5 Report Detail

- 5.1 Members will recall that one of the fundamental philosophies behind the creation of Overview and Scrutiny is that the process should be Member-led and the first stage in achieving this is to develop a Work Programme that is:-
- Owned by all Members of the Scrutiny Committee;
  - Flexible to allow the Committee to react to urgent items;
  - Contain aspects of both Overview and Scrutiny.
- 5.2 Therefore, at each scheduled meeting of the Resources Scrutiny Committee, an up-to-date copy of the Work Programme will be provided for Members to consider or amend as appropriate.
- 5.3 The Work Programme includes provision for the Committee to scrutinise appropriate items delivered through the Council's Service Delivery Plan up to twelve months in advance, whilst maintaining the flexibility to respond to any issues that may arise.
- 5.4 Accordingly, attached at **APPENDIX** is the Resources Scrutiny Committee's current Work Programme to consider or amend as appropriate.

## 6 Implications

6.1	<b>Financial</b>	Nil
	<b>Legal</b>	Nil
	<b>Human Resources</b>	Nil
	<b>Human Rights Act</b>	Nil
	<b>Data Protection</b>	Nil
	<b>Risk Management</b>	Nil

6.2	<b>Community Impact Assessment Recommendations</b>	<p>The Borough Council considers the effect of its actions on all sections of our community and has addressed all of the following Equality Strands in the production of this report, as appropriate:-</p> <p>Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.</p>
-----	--	---

**Previous Consideration** - Nil

**Background Papers** - File available in Law and Administration

## APPENDIX

## RESOURCES SCRUTINY COMMITTEE

15 JANUARY 2019

## Work Programme - Resources Scrutiny Committee

TUESDAY 12 FEBRUARY 2019 at 6.30 PM

<b>Minutes of Last Meeting:</b>	<b>15 January 2019</b>
<b>Officer Items by:</b>	<b>Monday 28 January 2019</b>
<b>Call-in Deadline:</b>	<b>Tuesday 29 February 2019</b>
<b>Member/Public Items by:</b>	<b>Thursday 31 January 2019</b>
<b>Agenda Despatch on:</b>	<b>Monday 4 February 2019</b>

<b>Officer Reports</b>	<ul style="list-style-type: none"> <li>• <b>One Public Estate</b> Corporate Business and Partnerships Manager</li> <li>• <b>Performance Update /Budget Monitoring Report</b> Corporate Business and Partnerships Manager /Head of Finance</li> <li>• <b>Work Programme</b> Scrutiny Officer</li> </ul>
------------------------	--

## SPECIAL MEETING

TUESDAY 26 MARCH 2019 at 6.30 PM

<b>Minutes of Last Meeting:</b>	<b>12 February 2019</b>
<b>Officer Items by:</b>	<b>Monday 11 March 2019</b>
<b>Call-in Deadline:</b>	<b>Not Applicable</b>
<b>Member/Public Items by:</b>	<b>Not Applicable</b>
<b>Agenda Despatch on:</b>	<b>Monday 18 March 2019</b>

<b>Officer Reports</b>	<ul style="list-style-type: none"> <li>• <b>Review of the Constitution</b> Head of Law and Administration</li> </ul>
------------------------	--

## FUTURE ITEMS

- **Scrutiny of the Waste Contract**  
Neighbourhood Services Group Manager

## TASK AND FINISH REVIEW

- **Review of the Constitution**  
Head of Law and Administration