

Labour Group Amendment 2021/22

Proposal	Total Cost	Revenue Recurring Cost	Revenue One-Off Cost	Capital Cost
	£	£	£	£
Town of Culture	0.060	0.000	0.060	0.000
Town of Culture Micro Grants	0.025	0.000	0.025	0.000
1 Additional day's Leave for Bury Council Staff	0.044	0.000	0.044	0.000
Community Recovery Fund	0.250	0.000	0.250	0.000
Business Recovery Fund (Shop Local)	0.060	0.000	0.060	0.000
Free School Meals over Summer holidays	0.570	0.000	0.570	0.000
Anti-Poverty Fund	0.300	0.000	0.300	0.000
Improving CCTV	0.100	0.000	0.100	0.000
Strategic Transport Capacity	0.200	0.000	0.200	0.000
Street Scene and Road Safety	0.100	0.000	0.100	0.000
Volunteer Recognition Scheme	0.005	0.000	0.005	0.000
Paid Internships for Care Leavers	0.007	0.000	0.007	0.000
Burrs Country Park Strategy	0.100	0.000	0.100	0.000
Tackling Litter and Fly Tipping Hotspots	0.100	0.000	0.100	0.000
Localised Flooding/Drainage Hotspots	0.050	0.000	0.050	0.000
Phased Introduction of Real Living Wage	1.219	1.219	0.000	0.000
Mental Health Housing Link Worker	0.040	0.040	0.000	0.000
3% Adult Social Care Precept	(2.604)	(2.604)	0.000	0.000
TOTAL	0.626	(1.345)	1.971	0.000

Funding the Proposals

The Capital proposals will be met as follows:

There are no changes to the capital programme.

The revenue proposals would be funded as follows:

The additional net revenue costs of £0.626m will be met from a one-off contribution from reserves in 2021/22 and from additional precept income in 2022/23 onwards. General reserves will reduce from £23.149m at the end of 2021/22 to £22.523m

Council Tax

In relation to Council Tax, it is recommended that the Bury element of the Council tax be increased by 4.94% of which 1.94% relates to the general precept and 3% relates to the adult social care levy.

S151 Officer Statement (Director of Financial Transformation)

The Local Government Act 2003 places specific responsibilities on the Director of Financial Transformation and the Council's S151 Officer to report on the robustness of the budget and the adequacy of proposed financial reserves when the authority considering its budget requirement. The council is required to have regard to this report when it sets its budget. There are a range of other safeguards that I must consider to prevent the Local Authority from over committing itself financially, including:

- The balanced budget requirement (England, Scotland and Wales) (Sections 32, 43 and 93 of the Local Government Finance Act 1992);
- The legislative requirement for each local authority to make arrangements for the proper administration of their financial affairs (Section 151 of the Local Government Act 1972).

Given the uncertainties of economic environment and the scale of the expenditure reductions required and the growing demands on services, there are significant risks facing the council in delivering a balanced budget. In fulfilling the various responsibilities placed on the Director of Financial Transformation and the Council's S151 Officer, I have considered the financial risks and these are set out in the budget paper for 2021/22. I have considered the additional proposals as set out in this amendment and the financial impact these will have on the overall financial strategy. In overall terms I am of the view that this revenue budget has been prepared on realistic assumptions and that it represents a robust, albeit challenging budget.

I have also undertaken a risk analysis of the adequacy of the reserves and am confident that the projected balances of £22.523m in 2021/22 are adequate.

Recommendations:

- **Approve the medium-term financial strategy and the assumptions regarding resources and spending requirements;**
- **Note the Council Tax base at 53,828 on which the Council Tax funding has been calculated as approved by Cabinet on 16 December 2020;**
- **Approve the net revenue budget of £171.851m for 2021/22 and approve an increase of 1.94% on the general precept and 3% on the adult social care precept;**
- **Approves the calculation of the Council Tax Requirement as set out in Appendix A;**
- **Approve the permanent spending allocations of £26.470m in 2021/22 and one-year only spending allocations of £1.971m in 2021/22;**
- **Approve the budget reductions of £21.898m over the 4 years of which £8.056m applies to the 2021/22 financial year;**
- **Approve the use of reserves of £12.958m in 2021/22 and note the planned use of reserves of £14.355m in 2022/23;**
- **Note the forecast position on reserves of £22.523m by the end of 2021/22 and that this is considered adequate by the Council's Statutory S151 Officer;**
- **Note the Directorate cash limits as set out at Appendix B;**
- **Note the significant financial risks for funding, income and demand pressures in future years and for the impact of Covid to impact on the strategy;**
- **Approve the Dedicated Schools Grant Budget for 2021/22 at £190.923m and approve the allocations between the 4 funding blocks;**
- **Approve the Schools and Academies 2021/22 funding unit values as recommended by Schools' Forum and detailed at Appendix 1;**
- **Approve the 2021/22 hourly rates for all early years providers as follows:**
 - **£4.44 per hour for 3 and 4 year olds, and;**
 - **£5.36 per hour for 2 year olds.**
- **Approve the capital strategy 2021/22 – 2023/24;**
- **Approve the capital programme of £73.957m for 2021/22 and the associated funding arrangements;**
- **Note the indicative capital programme for 2022/23 and 2023/24 and that this will be subject to decision making in future years.**
- ⊖ **Allow the Director of Financial Transformation (S151), under delegated powers, to reflect any technical changes in the billing arrangements for business rates.**

Formal Council Tax Resolution

The Council is asked to resolve as follows:

It is noted that on 16 December the Council calculated the Council Tax Based for the whole Council area as 53,828 (Item T in the formula Section 31B of the Local Government Finance Act 1992, as amended (the 'Act')).

It is recommended:

- That the Council approve the Council Tax requirement for the Council's own purposes (excluding precepts) for 2021/22 as £91.060m;
- That the Council agrees the calculation of the aggregate amounts for the year 2021/22 in accordance with sections 31 to 36 of the Act:

2021/22 Revenue Budget	
	£m
2020/21 Budget	164.891
Additional Spending Needs – Permanent	26.470
Additional Spending Needs – One-Off	1.971
Less Savings Options	(8.523)
Less Planned Use of Reserves	(12.958)
2021/2 Spending Requirement	171.851
Funded By:	
Government Grants	22.051
Business Rates	59.204
Council Tax	91.060
Council Tax Deficit Spread year 1	(0.464)
TOTAL	171.851

- In relation to Council Tax, Council is asked to:
 - Raise the Bury element of the Council tax by 4.94% of which 1.94% relates to the general precept and 3% relates to the adult social care levy.
 - Approve the council tax requirement for the council's own purposes (excluding precepts) as £91.060m
 - That the following amounts be calculated by the council for the year 2021/22 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
 - a) £451,256,854 being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of the Act;
 - b) £360,197,278 being the aggregate of the amounts which the council estimates for the items set out in Section 31A 3 of the Act
 - c) £91,059,576 being the amount by which the aggregate at a) above exceeds the aggregate at b) above, calculated by the council in accordance with Section 31A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Ac).
 - d) £1,691.67 being the amount at c) above, (above item R) divided by Item T calculated by the Council, in accordance with section 31B of the Act, as the relevant basic amount of its Council Tax for the year, and:

Bury Council

2021/22 Council Tax By Band – Bury Council Element							
A	B	C	D	E	F	G	H
£1,127.78	£1,315.74	£1,503.71	£1,691.67	£2,067.60	£2,443.52	£2,819.45	£3,383.34

- Being the amounts given by multiplying the amount set out at d) above by the number which, in the proportion set out in Section 5 (1) of the Act is applicable for dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.
- Note that the Police and Crime Commissioner component of the Greater Manchester Mayoral budget and the Mayoral general budget have issued precepts to the council in accordance with section 40 of the Local Government Finance Act That the following precepts be calculated for 2021/22 in accordance with Sections 31 to 36 of the Act;

Police and Crime Commissioner

2021/22 Council Tax By Band – Police and Crime Commissioner Element							
A	B	C	D	E	F	G	H
£145.53	£169.79	£194.04	£218.30	£266.81	£315.32	£363.83	£436.60

General Mayoral - Fire and Rescue Service

2021/22 Council Tax By Band – General Mayoral (Fire and Rescue Service)							
A	B	C	D	E	F	G	H
£60.63	£70.74	£80.84	£90.95	£111.16	£131.37	£151.58	£181.90

- That the council, in accordance with sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2021/22 for each part of its area and for each of the categories of dwellings.

Aggregate of Council Tax Requirements

2021/22 Council Tax By Band – Aggregate for all precepting authorities							
A	B	C	D	E	F	G	H
£1,333.94	£1,556.27	£1,778.59	£2,000.92	£2,445.57	£2,890.21	£3,334.86	£4,001.84

- To determine whether the council's relevant basic amount of council tax for 2021/22 is excessive in accordance with the principles approved under the Local Accountability and Audit Act 2014.

	2020/21	2021/22	%
Council Tax Base	55,222	53,828	4.94
Council Tax Requirement (£)	89,020,625	91,059,576	
Relevant Amount of Council Tax (£)	1,612.05	1,691.67	

The total increase of **4.94%** is not excessive as it is within the 4.99% referendum limit.

The Authority is therefore not subject to a referendum

Other funding

Included within the budget are a number of government grants that are received for specific purposes. Any variations to the level of funding will be matched by an equivalent adjustment in the budget for the respective service.

Business rates funding of £59.204m (including public health grant of £11.642m) to support the council's overall budget. In the event the business rates funding is above or below this level, the variation will be managed by an adjustment to specific reserves.

Details relating to any potential ongoing discretionary reliefs to mitigate the COVID economic impact have not yet been announced. This will form part of the Budget announcement by the Chancellor of the Exchequer due on 3 March. Central Government have requested that bills not be issued until the announcements have been made to avoid the need to rebill.

Appendix B

Proposed Cash Limits By Directorate 2021/22								
	Children and Young People	One Commissioning Organisation	Corporate Core	Business, Growth and Infrastructure	Operations	Non-Service Specific	Housing General Fund	Total
	£m	£m	£m	£m	£m	£m	£m	£m
2020/21 Budget	41.778	79.498	14.170	3.397	16.247	9.247	0.553	164.891
Previously Agreed Budget Changes	0.000	0.000	0.015	0.000	0.000	2.100	0.000	2.115
Pay Award	0.051	0.052	0.057	0.013	0.073	0.003	0.000	0.250
Inflation	1.214	2.593	0.018	0.007	0.099	0.194	0.000	4.125
Demand	1.102	2.196	0.170	0.175	0.082	0.597	0.000	4.322
Income Losses	0.000	0.000	0.000	0.000	1.077	8.156	0.000	9.233
Realignment of DSG Costs	2.295	0.000	0.000	0.000	0.000	0.000	0.000	2.295
Fall Out of Time Limited Funding	0.123	0.600	0.000	0.000	0.000	0.000	0.000	0.723
Undeliverable Savings from previous years	0.000	(0.111)	0.150	0.000	1.110	0.000	0.000	1.149
Full Year Effect of Prior Year Savings	(0.034)	0.000	(0.300)	0.000	(0.133)	0.000	0.000	(0.467)
Borrowing to support the capital programme	0.000	0.000	0.000	0.000	0.000	1.000	0.000	1.000
Planned Use of Reserves	0.000	0.000	0.000	0.000	0.000	(12.332)	0.000	(12.332)
Labour Amendments	0.646	1.052	0.780	0.060	0.550	(0.484)	0.000	2.604
Total Additional Budget	5.398	6.381	0.890	0.256	2.858	(0.767)	0.000	15.016
Efficiencies	(1.216)	(0.040)	(0.605)	0.000	(0.170)	(2.022)	0.000	(4.053)
Budget reductions	0.000	(3.334)	(0.280)	0.000	(0.389)	0.000	0.000	(4.003)
Total Budget Reductions	(1.216)	(3.374)	(0.855)	0.000	(0.559)	(2.022)	0.000	(8.056)
2021/22 Budget	45.960	82.506	14.175	3.653	18.546	6.458	0.553	171.851