

CABINET

DATE OF MEETING: 3 FEBRUARY 2022

TITLE OF REPORT: DRAFT BUDGET 2022/2023 AND MEDIUM-TERM FINANCIAL STRATEGY

Report of: Head of Corporate Services

Cabinet Member: Councillor James Radley, Deputy Leader and Finance

1 PURPOSE OF REPORT

- 1.1 This report provides a summary of the revenue and capital budget proposals for 2021/2022 to be approved by Cabinet and recommended to Council. The report also includes the statutory statement of the Head of Corporate Services (Section 151 Officer) to Council on the robustness of the estimates and adequacy of reserves. This proposed budget includes funding provided in the provisional finance settlement for 2022/2023 which was published on December 16th, 2021. The final settlement is expected imminently.
- 1.1 The anticipated multi-year Spending Review was once again replaced by a short-term Spending Round. This limits any meaningful financial planning to one year. Whilst best estimates have been made for future years, this report therefore cannot give any realistic projection beyond 2022/2023. The Medium-Term Financial Strategy is provided in Appendix 2.

2 OFFICER RECOMMENDATION

RECOMMENDATION to Council

- 2.1 That the level of Council Tax for 2022/23 be increased by £5 and set at £186.84 for a band D property.
- 2.2 That the summary revenue budget for 2022/23 as set out in paragraph 13 of this report be approved.
- 2.3 That the capital programme for 2022/23 as detailed in Appendix 1 be approved.
- 2.4 That no changes be made to the Council Tax Support Scheme for 2022/23 but that consultation on a new scheme takes place in Quarter 3 2022/23 for implementation in 2023/24.

3 BACKGROUND INFORMATION

- 3.1 This is the third year that the Government has provided a short-term (one-year) funding settlement. The following paragraph states key proposals from the provisional settlement.

Summary of Proposals for 2022/23:

- A freeze in Baseline Funding Levels (BFLs) at 2021-22 levels, to match the freeze in the business rates multiplier.
- An increase in section 31 grant for the under-indexation of the multiplier, to compensate for the freeze in the business rates multiplier.
- A bespoke council tax referendum principle of up to 2% or £5, whichever is higher, for shire district councils.
- A referendum principle of £10 for police authorities.
- A new round of New Homes Bonus payments in 2022-23, which will not attract new legacy payments.
- A new one-off Services Grant based on 2013/14 Settlement Funding Assessment to compensate for the increase in National Insurance Contributions.
- Allocation of a Lower Tier Services Grant to top up the Council above the minimum funding floor.

- 3.2 This report was reviewed by Overview and Scrutiny Committee on the 18th January 2023. Following this review, officers have incorporated additional information in the section on Fees and Charges, provided a Medium Term Financial Strategy forecasts and additional appendices.

4 COUNCIL TAX

- 4.1 The Government has provided a cap on Council Tax increases to District Council as in previous years. The cap for 2022/23 is the greater of 2% or £5 on a Band D property. Any higher rise will require holding a local referendum. The Government assumes that we will increase at the capped level in order to maintain our spending power as a Council. The budget proposals included in this report assume a £5 increase in 2022/2023. This equates to an annual Council Tax income of £7,812,875 for 2022/23 (an increase of approximately £325,000)

5 NEW HOMES BONUS (NHB)

- 5.1 Under the expected changes to be made to Local Government Financing, we were not expecting to receive New Homes Bonus for 2022/23 and that this funding would be replaced by a smaller replacement grant. Officers had forecast that the previous grant of £1.8m would be replaced by a smaller grant of £1m. The provisional Local Government Settlement retains New Homes Bonus for 2022/23 and the value to be received for 2022/23 is £1,604m. The Council relies on funding from New Homes Bonus with approximately 17% of the net revenue budget being funded by New Homes Bonus in 2021/2022.
- 5.1 There is, therefore, a significant future risk to the Council and whilst the Government consultation is considering replacements to the New Homes Bonus from 2023/24 there is absolutely no certainty as to what this could look like.

6 LOWER TIER SETTLEMENT GRANT

- 6.1 The 2021/22 Finance Settlement introduced an un-ringfenced lower tier services grant, which was granted to ensure that no council received a reduction in core spending power. It is based on assessed relative need for lower tier services.
- 6.2 The Financial Settlement proposes that Hart will receive £0.062 million in Lower Tier Settlement Grant in 2022/23. This is a reduction of 0.122 million from 2021/22.

7 SERVICES GRANT

- 7.1 The 2022/23 Finance Settlement introduced a one-off Service Grant to provide funding in recognition of vital services delivered by local government.
- 7.2 The Financial Settlement proposes that Hart will receive £0.095 million in Services Grant. The purpose of the intent of this grant is to assist with the increased National Insurance Contributions required in 2022/23.

8 COUNCIL TAX SUPPORT SCHEME

- 8.1 Since 2013, local authorities in England have been responsible for running their own local schemes for help with council tax - Council Tax Support. Councils can choose to either reduce the discount paid to working age claimants or find income to make up the reduction. In previous years the Council has agreed not to reduce the discount (benefits) paid to such claimants but to fund the cost from the revenue account. The Council is reviewing the parameters of the scheme in 2022/23 for implementation in 2023/24.

9 FEES AND CHARGES

- 9.1 The Budget has been prepared taking account of the following changes to charges in the main service areas: -
- Car Parking – Following a significant decrease in income during Covid-19 and a lack of workplace commuting the overall Car parking fee income budget has been reduced by 25% in comparison to pre-Covid levels. No off-street car parking charges have increased.
 - The Taxi licensing service is provided by Basingstoke and Deane Council. Basingstoke and Deane Council are proposing an increase in the cost that they charge us for this service. However, due to delays in providing this information; this matter will need to be dealt separately through the licensing committee.
 - In all other cases, where the Council has flexibility in setting and charges the general intention is to increase them by CPI on a July to July comparison (3.2%) and up to the nearest £, where applicable, unless any individual

scheme of delegation allows flexibility to set specific fees and charges, or Statutory charges apply.

- At the point of writing this report we had not yet received confirmation from the County Council of fees and charges relating to the services we operate under the Agency agreement. An update will be provided when these are received.

10 GROWTH AND SAVINGS INCLUDED IN BUDGET

- 10.1 Historically, an incremental approach to the budget is being followed to build the budget but for this year; a zero-based budget build was applied. A zero-based budget requires that all expenditure is justified. The below table shows the movement in net cost of services as a result of the zero-based budget: highlighting budget corrections, growth items and reductions as a result of reviewing each service line by line.

	£'000
Net Cost of Services 2021/22	10,794
Net Staff Inflation after savings	51
Contract inflation	919
Growth – New initiatives	487
Growth – Existing Service Delivery	448
Insurance	(19)
Savings (zero base budget not required)	(183)
Net Cost of Services 2022/23	12,497

A breakdown of all of the above areas are shown in Appendix 4. Existing service delivery growth recognises growth required to deliver the existing services. New initiative growth recognises a change or new initiative for example growth in climate change or a change in method of service delivery in Repairs and Maintenance for the Civic Offices.

- 10.2 Section 13.1 below shows the current pressure for movement of budgets between 2021/2022 and 2022/2023. Considering current risks, the details of any budget movements are still being evaluated and will be refined further before final consideration by Council.
- 10.3 However, the following areas represent some of the more significant and ongoing cost pressures:
- Contract inflationary charges uplifted to reflect CPI of 5.1%.
 - Reduction in income anticipated from fees and charges
 - Unknown increase in staff pay
 - Power and Fuel cost inflation
- 10.4 In August 2021 a program of savings and refreshed Medium Term Financial Strategy was brought to Members to review. Potential Savings were classified into Tier 1 and Tier 2; the more difficult savings included within Tier 2 due to the speed of implementation; desirability and risk of implementation. Tier 1 and 2 Savings have been agreed for implementation and the following assumptions have been made on implementation. The value of Tier 1 savings

agreed for implementation in 2022/23 is £335,000. The value of Tier 2 savings to be realised in 2022/23 is £202,000 and a breakdown is shown in the table below.

Tier 2 Savings - in at 50% achievement rate in most cases for 2022-23 increase in 2023-24	2022-23 £'000
Corporate – Corporate Services Restructure – bring services back from Mendip and restructure	62
Corporate – Review and revise skills and resources at Senior Management Team	52
Corporate – Carry out a review of Member and Staff Allowances	4
Corporate – Outsource of Internal Audit to one provider	15
Place – Review and revise skills and resources and skills required in the future within Place	25
Technical and Environmental – Review and revise skills and resources required within Technical and Environmental Service	17
Place – Review provision of dog warden service	27
TOTAL TIER 2 SAVINGS	202

11 OUTTURN BUDGET FOR 2021/2022

- 11.1 Quarter Two budget monitoring was reported to Cabinet in January 2022. At the end of Quarter Two, the Council was forecasting an overspend of £240K.
- 11.2 The key drivers of the overspend are reductions in off-street parking income and leisure income due to Covid-19 and an increase in expenditure on homelessness.

12 CAPITAL PROGRAMME

- 12.1 The proposed 2022/2023 Capital Programme is attached as Appendix 1.

13 DRAFT BUDGET 2022/2023

13.1 The table below summarises the draft budget for 2022/2023 compared to the approved 2021/2022 budget

	2021/2022	2022/2023	
	Budget	Draft	
	£000	£000	
Net Service Budget	10,536	11,930	
SANG Expenditure	258	567	Funded from allocated S106 receipts
Cost of Service	10,794	12,497	
Debt Interest	12	12	
MRP	406	642	
New Homes Bonus	-1847	-1,603	Provisional Local Government Settlement
Lower Tier Services Grant	-200	-62	Provisional Local Government Settlement
Services Grant		-95	
Pressures	610		Change programme variables
Net Expenditure	9,776	11,391	
Financed by			
Council Tax	-7,487	-7,813	Provisional Local Government Settlement maximum increase
Business Rates Retained	-1,400	-1,400	Provisional Local Government Settlement
Tier 1 Savings		-335	
Tier 2 Savings		-202	
S106 receipts	-53		Allocation as per approved expenditure
SANG receipts	-258	-567	Allocation as per approved expenditure
Commercial Income	-196	-1,074	
Total Financing	-9,395	-11,391	
Transfer from /to Reserves	381	0	

13.2 The major revenue funding risks and decisions looking beyond 2022/23 are to be considered to ensure financial sustainability:

Funding Risks

- Spending Review 2022 – may reduce the totality of local government funding
- Fair Funding Review – risk of losing further central government funding as it is distributed elsewhere
- Changes to New Homes Bonus
- Changes to 75% business rates retention from 2023/2024
- General delays and uncertainty on future funding caused by Covid-19
- Uncertainty over future Planning Fee income (this will inevitably fluctuate)
- Concerns in delivering previously estimated levels of Commercial Income.

14. EQUALITIES

All activity will comply with the authority's statutory duties.

15. CLIMATE CHANGE

The budget and MTFS will work alongside the council's ambition to become a carbon neutral authority by 2035. There are no direct carbon/environmental impacts arising from the recommendations, however, it should be noted that a £250,000 Growth Item is being requested for 2022-23 to further develop the Council's agenda to deliver the ambition of being a carbon neutral authority by 2035.

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APPENDICES:

Appendix 1 – Capital programme 2022/2023
Appendix 2 – Medium Term Financial Strategy
Appendix 3 – Review of Reserves
Appendix 4 – Changes between years

Appendix 1 - Capital programme 2022/2023

Service Area and Description	2022/23 Budget requested £'000	2023/24 Estimate £'000	2024/25 £'000	Source of Funding
Checkpoint Gateway refresh	30	0	0	Digital Transformation Reserve
Corporate Internet Contract migration and project costs.	25	0	0	Digital Transformation Reserve
On-Premises Backup upgrade	35	0	0	Digital Transformation Reserve
Total Corporate Services	90	0	0	
Disabled Facilities Grant	867	867	868	Grant – Better Care Fund
Affordable Housing Loan	300			S106 – Earmarked Reserve Housing
Householder Loans to prevent homelessness	650			S106 – Earmarked Reserve Housing
Total Community Services	1,817	867	868	
3 x Electric Service Vehicles	70			SANG's Reserve
Countryside Stewardship (2)	134			£12K S.106 Balance DEFRA
Bramshot Farm	340	500		S106
Edenbrook Country Park Teen Health	65			S106
Edenbrook Country Park Visitor Improvements	158			S106
Fleet Pond Access Track	433			EM3 LEP Funding Grant
Fleet Pond Green Grid Ecology	25			S106
Fleet Pond Green Grid Engineering	373			EM3 LEP Funding Grant
Fleet Pond Visitor Enhancement	31			S106
Hazeley Heath Access Improvements	30			S106
Kingsway Flood Alleviation Scheme	54			Environment Agency funding already received and held in reserves
Mill Corner Flood Alleviation Scheme	27			Environment Agency funding already received and held in reserves
Phoenix Green Flood Alleviation Scheme	70			Environment Agency and Vivid Housing

Small SANG Sites	185			SANG's reserves
Total Environmental and Technical	1,955	500	0	
Council Totals	3,862	1,367	868	

Appendix 2

Medium Term Financial Strategy

Medium-Term Financial Strategy 2022/23 – 2024/25

1 Introduction

- 1.1 The purpose of the Medium Term Financial Strategy is to set a robust overall financial framework for the Council's spending plans over the next four years to support delivery of the Corporate Plan priorities within the context of a balanced annual budget.
- 1.2 The main objectives of the Medium Term Financial Strategy are:
 - To look to the longer term to help plan sustainable services within an uncertain external economic and funding environment.
 - To help ensure that the Council's financial resources are directed to support delivery of the Corporate Plan priorities and achievement of value for money.
 - To illustrate the financial effects of existing financial commitments over the medium term, both revenue and capital, under a number of possible scenarios, and to set the parameters for the efficiency and savings strategy necessary to achieve a balanced budget.
 - To provide a robust framework to assist the decision making process.
 - To maximise the Council's financial resilience and manage risk and volatility, including maintaining adequate reserves.
 - To secure, maintain and develop the Council's capital assets consistent with asset management plans and the Capital Strategy
 - To provide a single document to communicate the financial context, aims and objectives to staff and stakeholders and support working with partners.
- 1.3 The financial strategy includes a five year budget forecast that is reviewed annually. The Medium -Term Financial Strategy builds on the previous medium term strategies to provide the financial foundation for delivery of the Council's policy priorities and to meet the identified performance and resource issues.
- 1.4 Proposals to balance the Medium Term Financial Strategy are designed to support the Corporate Plan priorities over the medium term and are a continuation from previous years' strategies which involve a range of approaches to balancing the budget. These include efficiency savings, additional commercial income, council tax increases, use of reserves and use of grants.

- 1.5 The current economic and financial environment provides a very challenging context for the Medium Term Financial Forecast. The forecast and strategy need to remain flexible and the Council's reserves resilient to respond to the impact of volatile external events and risk transfers from central government.
- 1.6 All service budget holders need to develop their service plans and budgets within the context of the medium term forecast. This includes achieving saving and efficiency budget reductions and containing any new development within the overall level of resources identified in the strategy.

2 Internal Policy and Service Context

- 2.1 The role of the Council's financial planning process is to support the achievement of the Corporate Plan.
- 2.2 The adopted Corporate Plan 2017 – 2022 is the medium term strategic policy document which sets out the general direction, key priorities and activities for the Council and informs the use of its resources.
- 2.3 The four priorities set out in the Corporate Plan are:

1 A Thriving Local Economy

- Support our town and village centres
- Support the local economy
- Support residents in becoming economically active
- Ensuring an appropriate supply of employment land and premises

2 Clean, Green and Safe Environment

- Enhance access to open space and recreation facilities
- Protect and enhance biodiversity
- Improve energy efficiency
- Reduce the likelihood of crime and the perception of crime
- Promote a clean environment
- Promoting high quality design and a good standard of amenity

3 Healthy Communities and People

- Support residents in shaping their local communities
- Work with partners to keep Hart healthy and active
- Ensure access to housing
- Ensure access to education

4 An Efficient and Effective Council

- Explore options to increase financial self-sustainability

- 2.4 The Medium Term Financial Strategy also supports all other Council strategies, such as the Capital Strategy, the Commercialisation Strategy, and the Treasury Management Strategy. In particular, it acts as the framework linking the Council's more detailed service plans, asset management plans

and capital plans with the longer term to help ensure that the Council's plans are financially achievable.

3 Internal Financial Context

3.1 In 2021/22 the Council's net cost of services was £10,794m

3.2 The key financial issues for the Council are.

- The Council relies heavily on New Homes Bonus and uses all the funds it receives to support the revenue budget each year
- Changes to Business Rates retention have not significantly increased the Council's income to date, as there has been little net growth of larger businesses in the district
- Reserves are currently healthy, but are likely to be increasingly required to fund the revenue budget in future years
- The council tax base has seen strong growth over recent years, but future development may be slower as our Local Plan development has been front loaded.
- Government funding is likely to further reduce after 2022-23
- The Council has few saleable assets and will have to borrow to fund capital assets.

4 External Economic, Financial and Legislative Context

4.1 The Council's Medium Term Financial Strategy is set within the context of the national economy, the public expenditure plans detailed in the government's Spending Review and national legislation.

4.2 Local Government Finance Settlements

4.2.1 The draft Local Government Settlement for 2022/23 included zero Revenue Support Grant.

4.2.2 The government's calculations of local authorities' core spending power consider their ability to generate income from business rates and Council Tax and assumes that authorities will increase Council Tax up to the referendum limit which for this council is £5.00 (2.0%) for a Band D property.

4.3 Spending Review 2022

In his latest Statement the Chancellor of the Exchequer announced a Spending Review to determine departmental spending limits for the period of this MTFS. In the latest Budget it became clear that any additional spending would be allocated to "protected" services, particularly the NHS. At best, DULHC control totals are likely to increase by no more than CPI. As an "unprotected" service, real funding may be further reduced.

4.4 Fair Funding Review

The Spending Review will determine the size of the DLUHC's overall local government budget. The Fair Funding Review will determine how that budget is allocated between local authorities.

Grants and spending power are determined according to the relative needs and resources of each council area. The formulae to calculate these needs and resources are being reviewed, reduced in number, and simplified for allocations from 2023/24. This will inevitably lead to "winners" and "losers" as the overall pot will remain the same size at best.

Hart is likely to lose out from this process as it is almost certain that funding will be shifted towards those authorities that have social care responsibilities. Funding issues around adult social care have been apparent for years, but more recently concerns have arisen about the funding of children's services too, as demand keeps rising.

4.5 Business Rates Income

- 4.5.1 The position on business rate scheme changes is currently unclear.
- 4.5.2 The Government announced in 2016 a proposal to introduce a new scheme by the end of the current parliament which would move from 50% to 100% business rates retention by local authorities nationally, accompanied by new responsibilities for local government and a phasing out of certain government grants.
- 4.5.3 However, the proposals were then revised to 75% retention as insufficient grant streams proved suitable for replacement. The Government proposals expect the new system to retain the current top- up /tariff approach which results in the council currently retaining only £1.2 million (3.3%) of the £39 million it collects in business rates. Further consideration will be required to determine the proportion of business rates that will be allocated to each tier of local government.
- 4.5.4 Government consultation recognised the potential increase in risks due to the business rates appeals process, and the difficulties in forecasting and accurately predicting outcomes.
- 4.5.6 At the same time the government is also carrying out the Fair Funding Review which will set a new base level position for business rates retained by the Council based upon a relative needs and resources assessment.

4.6 New Homes Bonus Grant

The New Homes Bonus is a grant paid by central government to local councils for increasing the number of homes and their use. This grant was due to end in 2020/21 and it is expected it will be replaced before 2023/24.

4.7 Impact on the Council and Budget

4.7.1 The key impacts of the national context on the Council's Medium Term Financial Strategy are:

- The Council should be prepared for an extended period of government funding reductions throughout the medium-term period and beyond and therefore should continue to seek to reduce costs and generate additional revenues wherever possible in order that core services can be delivered on a sustainable basis.
- The Council may face increased demand on its services and budgets as a result of partner organisations' responses to reductions in government funding.
- There has been a significant risk transfer from central government to local government as a result of the legislative changes.
- The uncertainty and increased risk and volatility associated with the new Business Rate Retention Scheme and the fair funding review.
- The impact on business rates of the current economic volatility and Covid-19

4.7.2 The Council needs to plan over the medium term for an increase in financial risk and year on year volatility. The economic outlook remains unclear, and it remains important that the Council has a level of reserves that allows it to withstand unanticipated financial impacts of future developments at a local and national level. In the longer term there will be financial returns from commercial investments which will offset the pressures from government funding.

4.7.3 To ensure a balanced and sustainable medium term budget, significant further on-going efficiency savings and agreed strategies for increased investment income (non-fixed interest) will need to be delivered.

MEDIUM TERM FINANCIAL FORECAST AND STRATEGY 2022/23 to 2026/27

5 Financial Forecast Scenarios and Assumptions

5.1 Given the uncertainty and financial challenges facing the council it is important that for each of the most significant areas the Council look at different potential outcomes. The financial forecasts have been prepared by looking at five scenarios for each of the significant areas and deciding on which is the most likely.

5.2 The main assumptions used in for each of the significant areas are summarised below:

- Pay increase allowance of 2% per annum, along with an allowance for incremental increases.
- Pension cost increases in line with notified changes equivalent to 1% increase in payroll costs for 2019/20 followed by no increase per annum from 2020/21 for the next triennial valuation of the pension fund, as indicated at the recent Employers meeting of the Hampshire Pension Fund
- An annual inflation allowance of 5.1% per annum
- Contracted services' inflation allowances reflect the inflation clauses of their contracts.
- Base interest rate assumption of 0.5% on Treasury management investments.
- Use of all New Homes Bonus receivable to support the revenue budget
- Zero Revenue Support Grant
- Business rate income forecast to be at the baseline level over the forecast period.
- Continuation of the current council tax support scheme.

Appendix 3

Review of Reserves

The Chief Finance Officer is required, under section 25 of the Local Government Act 2003, to report on the robustness of estimates and adequacy of reserves. This is also linked to the requirement of the Prudential Code that authorities should have full regard to affordability, when making recommendations about future capital programmes.

Statement on the Adequacy of Financial Reserves

“Having conducted a review of the Council’s requirement for the minimum working balance, taking into consideration various matters including: -

- the Council’s spending plans for 2021/22 - 2022/23 and the medium-term financial position.
- adequacy of estimates of inflation, interest rates.
- treatment of demand led pressures.
- impact of external partnerships.
- the need to respond to emergencies.
- Capital programme variations.
- Reduction of New Homes Bonus in future years
- Income risks from future national waste strategy
- Income from Leisure contract

I can confirm that an amount of £5.317m is considered adequate for this purpose. In relation to other financial reserves, a review has also been conducted to determine their adequacy. In addition to the matters referred to above, and considering the Medium-Term Financial Plan, the review concluded that the level of such reserves is adequate based on current information in relation to anticipated risk, existing commitments and known future plans.

However, the Council faces a significant degree of uncertainty over future funding and reductions in the base budget will need to be made.

This statement is made on the understanding that any use of reserves and balances is undertaken in accordance with the Council’s existing Financial Procedure Rules and that a further review of reserves and balances will be undertaken following the closure of the Council’s accounts in May 2022.

Emma Foy BA (Hons) FCCA
Head of Corporate Services and Section 151 Officer

Medium Term Financial Strategy

	2022-23 £'000	2023-24 £'000	2024-25 £'000	2025-26 £'000	2026-27 £'000
Cost of Service	12,497	12,433	13,054	13,707	14,392
MRP and Debt	654	654	654	654	654
Grants (NHB)	(1,760)	(1200)	(1200)	(1200)	(1200)
Budget Requirement	11,391	11,887	12,508	13,161	13,846
Reserves Funding - SANGS	(567)	(567)	(567)	(567)	(567)
Savings Tier 1	(335)	(335)	(335)		
Savings Tier 2	(202)	(313)	(467)	(467)	(467)
Council Tax	(7,813)	(7,897)	(8,102)	(8,307)	(8,512)
Business Rates	(1,400)	(1,400)	(1,400)	(1,400)	(1,400)
Commercial Income	(1,074)	(1,102)	(1,102)	(1,146)	(1,146)
Funding	(11,391)	(11,614)	(11,973)	(11,887)	(12,092)
(Surplus) / Deficit	0	273	535	1,274	1,754

Appendix 4

Appendix 4 shows the detailed breakdown of each line provided in the table in 10.1.

Net Cost of Services						
Values	Community	Corporate	Place	Tech&Env	Accounting Adjustments	Grand Total
Budget 2021/22	1,433,280	6,142,697	2,422,322	2,304,728	-1,508,678	10,794,349
Staff Inflation	-1,115	-165,809	84,801	133,076	0	50,953
Contract Inflation	29	639,552	84,938	195,141	0	919,660
New Initiatives	40,466	5,000	119,312	322,365	0	487,143
Service Delivery - growth	39,077	79,501	163,464	165,500	0	447,542
Insurances	9,503	-16,210	612	-13,315	0	-19,410
Zero Based Cost of Service	-502,594	280,526	-499,035	35,128	502,750	-183,225
Draft Budget 2022/23	1,018,646	6,965,257	2,376,414	3,142,623	-1,005,928	12,497,012

Net Cost of Services

Staff Inflation

Cost Centre Name	Community	Corporate	Place	Tech&Env	Grand Total
Corporate - Apprentices			66,406		66,406
Small SANG Sites				48,760	48,760
Housing Needs Service	42,578				42,578
Edenbrook Country Park				41,977	41,977
Commercialisation		38,703			38,703
Odiham Common				30,856	30,856
Env Health Commercial			28,080		28,080
Commons excl Odiham				24,326	24,326
Estates/Asset Management				24,058	24,058
HR Contract		18,884			18,884
Bramshot Farm				18,057	18,057
Climate Change				16,820	16,820
Fleet Pond				15,915	15,915
Business Support Staff			14,439		14,439
Support To Elected Bodies		14,337			14,337
Community Safety	11,500				11,500
Building Control - Fee Earning			7,945		7,945
Building Control - Non-Fee			7,945		7,945
Hart Drainage				7,844	7,844
Street Cleaning				7,546	7,546
Elvetham Heath Nature Reserve				7,474	7,474
Grounds Mtn Contract				7,430	7,430
Biodiversity				6,130	6,130
Planning Development			4,780		4,780

Strategic Housing Services	4,178				4,178
Economic Development		4,058			4,058
Tree Preservation Orders			4,055		4,055
Landscape & Conservation			3,919		3,919
Pest Control		3,375			3,375
ON Street Parking			2,861		2,861
Digitalisation	2,738				2,738
Churchyards			2,704		2,704
OFF Street Parking			2,693		2,693
Health & Safety		2,378			2,378
Corporate Performance Team	2,110				2,110
Leisure Centres	1,975				1,975
Admin Bldgs - R & M		1,731			1,731
Customer Services Contracts	528				528
Legal Services	520				520
Emergency Planning			339		339
Street Naming & Numbering		324			324
Licences		182			182
Hackney Carriages		182			182
Street Furniture			170		170
Hart Development		-222			-222
CCTV			-1,087		-1,087
Hart Election Costs	-2,547				-2,547
IT Contract	-3,754				-3,754
Highways Traffic Management			-4,940		-4,940
Out Of Hours Noise Service		-5,765			-5,765
Corporate Finance	-12,912				-12,912
Register Of Electors	-16,839				-16,839
Environmental Protection		-18,344			-18,344
Private Sector Housing	-26,707				-26,707
Leadership Team	-27,270				-27,270
Social Inclusion & Partnership	-32,664				-32,664
Dog Warden		-32,693			-32,693
Waste Client Team	-33,098				-33,098
Internal Audit	-42,056				-42,056
Corporate Communication	-48,161				-48,161
New Settlement	-58,967				-58,967
Environment Promotion Strategy			-134,831		-134,831
Total	-1,115	-165,809	84,801	133,076	50,953

Net Cost of Services

Contract Inflation

Cost Centre Name	Community	Corporate	Place	Tech&Env	Grand Total
Estates/Asset Management				- 38,519	- 38,519
CCTV				- 37,801	- 37,801
Private Sector Housing	29				29
Hart Election Costs		51			51
Register Of Electors		161			161
Biodiversity				404	404
Env Health Commercial			875		875
Emergency Planning				1,040	1,040
Planning Development			1,167		1,167
Climate Change				1,600	1,600
Support To Elected Bodies		2,901			2,901
Leadership Team		2,922			2,922
Hackney Carriages			4,104		4,104
Licences			4,320		4,320
Building Control - Non-Fee			4,680		4,680
Environment Promotion Strategy				4,694	4,694
External Audit		5,569			5,569
Corporate Communication		5,903			5,903
Business Support Staff			7,496		7,496
Customer Services Contracts		8,200			8,200
HR Contract		8,411			8,411
Building Control - Fee Earning			11,440		11,440
ON Street Parking				14,438	14,438

Rechargeable Elections	15,228			15,228
Legal Services	15,700			15,700
Dog Warden		24,879		24,879
OFF Street Parking			25,057	25,057
Admin Bldgs - R & M		25,977		25,977
Waste Client Team	43,844			43,844
Internal Audit	52,867			52,867
Grounds Mtn Contract			86,266	86,266
Waste Contract	93,939			93,939
Street Cleaning			137,962	137,962
IT Contract	164,158			164,158
5 Council Contract - Capita	219,698			219,698
	29	639,552	84,938	195,141
				919,660

Net Cost of Services New Initiatives

Cost Centre Name	Community	Corporate	Place	Tech&Env	Grand Total
Admin Bldgs - R & M			76,414		76,414
Bramshot Farm				40,500	40,500
Climate Change				250,000	250,000
Economic Development			20,000		20,000
Environmental Protection			7,898		7,898
Edenbrook Country Park				31,865	31,865
HR Contract		5,000			5,000
Housing Needs Service	12,000				12,000
Planning Policy			15,000		15,000
Community Safety	28,466				28,466
	40,466	5,000	119,312	322,365	487,143

Net Cost of Services

Growth in Expenditure - existing Services

Cost Centre Name	Community	Corporate	Place	Tech&Env	Grand Total
Biodiversity				7,801	7,801
Admin Bldgs - R & M			3,600		3,600
Bramshot Farm				2,500	2,500
Business Support Staff			9,544		9,544
CCTV				8	8
Corporate Finance		18,983			18,983
Civic Function & Chairman		1,500			1,500
Climate Change				2,940	2,940
Commercialisation		8,609			8,609
Corporate Communication		9,124			9,124
Landscape & Conservation				80	80
Dog Warden			10,822		10,822
Hart Drainage				6,185	6,185
Economic Development			6,300		6,300
Env Health Commercial			5,272		5,272
Environmental Protection			3,685		3,685
Edenbrook Country Park				2,860	2,860
Estates/Asset Management				2,822	2,822
Environment Promotion Strategy				11,025	11,025
Hart Development			500		500
Hart Election Costs		23,224			23,224
Highways Traffic Management				4,560	4,560
Strategic Housing Services	1,724				1,724
HR Contract		424			424
Social Inclusion & Partnership	138				138
IT Contract		1,780			1,780
Leadership Team		488			488
Legal Services		20			20
Leisure Centres		21			21
Support To Elected Bodies		15,048			15,048
Street Naming & Numbering			16		16
Housing Needs Service	35,661				35,661
Odiham Common				2,150	2,150
Out Of Hours Noise Service			1,398		1,398
Planning Development			121,127		121,127
OFF Street Parking				9,435	9,435
ON Street Parking				2,090	2,090
Fleet Pond				3,744	3,744
Planning Policy			1,200		1,200
Private Sector Housing	994				994
Register Of Electors		30			30
Community Safety	560				560
Customer Services Contracts		250			250

Small SANG Sites				78,300	78,300
Tree Preservation Orders				29,000	29,000
	39,077	79,501	163,464	165,500	447,542

Net Cost of Services

Insurances

Cost Centre Name	Community	Corporate	Place	Tech&Env	Grand Total
Building Control - Fee Earning			29		29
Building Control - Non-Fee			29		29
Biodiversity				208	208
Admin Bldgs - R & M			-4,421		-4,421
Bramshot Farm				1,856	1,856
Business Support Staff			5,286		5,286
CCTV				-10	-10
Corporate Finance		-26,891			-26,891
Climate Change				705	705
Commercialisation		7,378			7,378
Corporate Communication		894			894
Commons excl Odiham				-3,344	-3,344
Landscape & Conservation				324	324
Digitalisation		244			244
Dog Warden			-3,819		-3,819
Hart Drainage				203	203
Economic Development			244		244
Env Health Commercial			1,845		1,845
Elvetham Heath Nature Reserve				-3,799	-3,799
Environmental Protection			1,011		1,011
Emergency Planning				-154	-154
Edenbrook Country Park				2,750	2,750
Estates/Asset Management				-4,707	-4,707
Environment Promotion Strategy				-6,153	-6,153
Street Furniture				14	14
Grounds Mtn Contract				47	47
Hart Development			418		418
Hart Election Costs		-3			-3
Highways Traffic Management				624	624
Strategic Housing Services	198				198
HR Contract		966			966
Health & Safety			311		311
Internal Audit		317			317
Social Inclusion & Partnership	2,288				2,288
IT Contract		2,115			2,115
Leadership Team		1,160			1,160
Legal Services		29			29
Leisure Centres		-7,204			-7,204

Licences			14		14
Support To Elected Bodies		2,109			2,109
Street Naming & Numbering			104		104
Housing Needs Service	3,812				3,812
Odiham Common				-3,272	-3,272
Out Of Hours Noise Service			-601		-601
Planning Development			924		924
Corporate Performance Team		298			298
Pest Control			14		14
OFF Street Parking				4,312	4,312
ON Street Parking				-2,726	-2,726
Fleet Pond				-3,242	-3,242
Planning Policy			-790		-790
Private Sector Housing	1,047				1,047
Register Of Electors		-7			-7
Community Safety	2,158				2,158
Customer Services Contracts		38			38
New Settlement		2,347			2,347
Churchyards				44	44
Small SANG Sites				2,340	2,340
Street Cleaning				108	108
Hackney Carriages			14		14
Tree Preservation Orders				557	557
	9,503	-	612	-	-
		16,210		13,315	19,410

Net Cost of Services **Impact of setting all Services at zero and justifying all income and expenditure**

Cost Centre Name	Community	Corporate	Place	Tech&Env		Grand Total
5 Council Contract - Capita	0	-562,871	0	0	0	-562,871
Social Inclusion & Partnership	-393,037	0	0	0	0	-393,037
COVID19	0	-263,562	0	0	0	-263,562
Commercialisation	0	-256,684	0	0	0	-256,684
			-			
Admin Bldgs - R & M	0	0	198,621	0	0	-198,621
Non Distributed Costs	0	-168,454	0	0	0	-168,454
Community Safety	-121,772	0	0	0	0	-121,772
Highways Traffic Management	0	0	0	-115,765	0	-115,765
Building Control - Fee Earning	0	0	-97,721	0	0	-97,721
Planning Policy	0	0	-96,991	0	0	-96,991
Environment Promotion Strategy	0	0	0	-59,142	0	-59,142
Hart Development	0	0	-51,116	0	0	-51,116
Env Health Commercial	0	0	-50,961	0	0	-50,961
Business Support Staff	0	0	-48,379	0	0	-48,379
Neighbourhood Planning	0	0	-45,598	0	0	-45,598
Leadership Team	0	-42,166	0	0	0	-42,166
Corporate Communication	0	-40,760	0	0	0	-40,760
Taxation & Non Specific Grants	0	0	0	0	-38,000	-38,000
HR Contract	0	-32,280	0	0	0	-32,280
Grounds Mtn Contract	0	0	0	-27,651	0	-27,651
Commons excl Odiham	0	0	0	-22,877	0	-22,877
Private Sector Housing	-22,767	0	0	0	0	-22,767
Support To Elected Bodies	0	-21,069	0	0	0	-21,069
IT Contract	0	-19,632	0	0	0	-19,632
Print Room & Photocopying	0	0	-18,097	0	0	-18,097
Rechargeable Elections	0	-15,228	0	0	0	-15,228
Corporate - Apprentices	0	0	-15,000	0	0	-15,000
Dog Warden	0	0	-12,826	0	0	-12,826
External Audit	0	-12,000	0	0	0	-12,000
Clinical and Bulky	0	-10,622	0	0	0	-10,622
Legal Services	0	-10,423	0	0	0	-10,423
Elvetham Heath Nature Reserve	0	0	0	-9,941	0	-9,941
Tree Preservation Orders	0	0	0	-8,733	0	-8,733
Strategic Housing Services	-8,229	0	0	0	0	-8,229
Estates/Asset Management	0	0	0	-6,841	0	-6,841
Odiham Common	0	0	0	-6,620	0	-6,620
Health & Safety	0	0	-6,093	0	0	-6,093
Hart Drainage	0	0	0	-3,708	0	-3,708
Bramshot Farm	0	0	0	-2,395	0	-2,395
Biodiversity	0	0	0	-2,240	0	-2,240
Churchyards	0	0	0	-1,995	0	-1,995

Revenues & Benefits Contract	0	-1,980	0	0	0	-1,980
Waste Education & Comms	0	-1,377	0	0	0	-1,377
Environmental Protection	0	0	-1,257	0	0	-1,257
Internal Audit	0	-1,194	0	0	0	-1,194
Fleet Pond	0	0	0	-1,075	0	-1,075
Landscape & Conservation	0	0	0	-719	0	-719
Digitalisation	0	-669	0	0	0	-669
Pest Control	0	0	-629	0	0	-629
Register Of Electors	0	-549	0	0	0	-549
Hart Election Costs	0	-508	0	0	0	-508
Civic Function & Chairman	0	-500	0	0	0	-500
Corporate Performance Team	0	-482	0	0	0	-482
Climate Change	0	0	0	-457	0	-457
Out Of Hours Noise Service	0	0	-328	0	0	-328
Street Furniture	0	0	0	-13	0	-13
CCTV	0	0	0	-4	0	-4
Small SANG Sites	0	0	0	555	0	555
Street Naming & Numbering	0	0	2,791	0	0	2,791
Emergency Planning	0	0	0	4,293	0	4,293
Land Repossessions	0	0	0	4,480	0	4,480
Street Cleaning	0	0	0	6,968	0	6,968
Edenbrook Country Park	0	0	0	14,049	0	14,049
Hackney Carriages	0	0	20,330	0	0	20,330
Local Land Charges	0	0	22,773	0	0	22,773
ON Street Parking	0	0	0	25,813	0	25,813
Waste Contract	0	27,500	0	0	0	27,500
Economic Development	0	0	30,067	0	0	30,067
Planning Development	0	0	31,339	0	0	31,339
Licences	0	0	37,282	0	0	37,282
Housing Needs Service	43,211	0	0	0	0	43,211
New Settlement reduction grant	0	102,222	0	0	0	102,222
Corporate Finance	0	111,158	0	0	0	111,158
Customer Services Contracts	0	151,879	0	0	0	151,879
MiRS - Direct Costs	0	0	0	0	160,000	160,000
OFF Street Parking	0	0	0	249,146	0	249,146
Housing/Council Tax Benefits	0	361,026	0	0	0	361,026
Financing & Investment						
Income	0	0	0	0	380,750	380,750
Waste Client Team	0	470,567	0	0	0	470,567
Leisure Centres	0	519,184	0	0	0	519,184
			-			
	-502,594	280,526	499,035	35,128	502,750	-183,225