

# Public Document Pack

Your ref  
Our ref  
Ask for Christine Lewis  
Email



District Council House, Frog Lane  
Lichfield, Staffordshire WS136YU

Customer Services 01543 308000

Dear Sir/Madam

## **STRATEGIC (OVERVIEW AND SCRUTINY) COMMITTEE SUPPLEMENT**

Please find attached supplement papers for Strategic (Overview and Scrutiny) Committee on  
**THURSDAY, 19TH NOVEMBER, 2020 at 6.00 PM**

Yours faithfully

A handwritten signature in black ink, appearing to read 'Christie Tims', written in a cursive style.

Christie Tims  
**Head of Governance and Performance**

### **SUPPLEMENT**

5. Medium Term Financial Strategy 2020-2025

3 - 4

This page is intentionally left blank

## Agenda Item 5

### The Draft MTFS (Revenue Budget, Capital Programme and General Reserves)

- 3.33. The **draft Revenue Budget** with submissions and income scenarios (income or savings are in brackets) together with their impact on the Funding Gap or transfer to General Reserves is summarised below:

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
<b>LEVEL OF UNCERTAINTY / RISK</b>	<b>MEDIUM</b>	<b>HIGH</b>	<b>HIGH</b>	<b>HIGH</b>	<b>HIGH</b>
<b>Approved Funding Gap (transfer to General Reserves)</b>	<b>(385)</b>	<b>982</b>	<b>1,519</b>	<b>2,300</b>	<b>2,692</b>
Revenue Growth Bids	65	98	62	63	65
Funding Gap Proposals	(116)	(467)	(518)	(548)	(579)
<b>Changes in Income - central scenario</b>					
Council Tax		152	171	166	132
New Homes Bonus		0	0	300	200
Retained Business Rates		(922)	(501)	(461)	(399)
Negative Revenue Support Grant		(493)	0	0	0
Sales, Fees and Charges		561	377	189	76
<b>Sub Total</b>	<b>0</b>	<b>(702)</b>	<b>47</b>	<b>194</b>	<b>9</b>
Risk or Recovery contingency budget		89	0	0	0
<b>Funding Gap (transfer to General Reserves) - central</b>	<b>(436)</b>	<b>0</b>	<b>1,110</b>	<b>2,009</b>	<b>2,187</b>
<b>Funding Gap (transfer to General Reserves) - optimistic</b>	<b>(436)</b>	<b>(954)</b>	<b>507</b>	<b>1,496</b>	<b>1,257</b>
<b>Funding Gap (transfer to General Reserves) - pessimistic</b>	<b>(436)</b>	<b>1,784</b>	<b>2,808</b>	<b>3,827</b>	<b>3,679</b>

- 3.34. The projection of no Funding Gap in 2021/22 assumes that in the Local Government Finance Settlement, negative Revenue Support Grant is abated and the Council is able to retain Business Rate growth.

- 3.35. The **draft Capital Programme** including capital bids is detailed at **APPENDIX F** and is summarised below:

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
<b>LEVEL OF UNCERTAINTY / RISK</b>	<b>MEDIUM</b>	<b>HIGH</b>	<b>HIGH</b>	<b>HIGH</b>	<b>HIGH</b>
<b>Approved Capital Programme</b>	<b>7,945</b>	<b>3,368</b>	<b>7,321</b>	<b>4,051</b>	<b>0</b>
Capital Programme Bids - spend	170	(258)	(44)	(44)	1,081
<b>Draft Capital Programme</b>	<b>8,115</b>	<b>3,110</b>	<b>7,277</b>	<b>4,007</b>	<b>1,081</b>

- 3.36. The **draft General Reserves** (assuming at this stage, the minimum level remains at **£1,600,000**) based on the projections contained in this report are summarised below:

	2020/21		2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
	Original Budget £000	Revised Budget £000				
<b>LEVEL OF UNCERTAINTY / RISK</b>	<b>LOW</b>	<b>MEDIUM</b>	<b>HIGH</b>	<b>HIGH</b>	<b>HIGH</b>	<b>HIGH</b>
<b>Available General Reserves Year Start</b>	<b>4,792</b>	<b>4,792</b>	<b>4,851</b>	<b>5,132</b>	<b>4,145</b>	<b>1,980</b>
(Funding Gap) / transfer to General Reserves	462	436	0	(1,110)	(2,009)	(2,187)
COVID-19 Revenue Budget Impact		(1,548)				
COVID-19 Council Tax Collection Fund			(130)	(157)	(156)	
COVID-19 Business Rates Collection Fund			(4,571)	(146)	(145)	
Business Rates Volatility Reserve			4,571	146	145	
New Homes Bonus in excess of the 'Cap'	1,171	1,171	411	280	0	0
<b>Available General Reserves Year End</b>	<b>6,425</b>	<b>4,851</b>	<b>5,132</b>	<b>4,145</b>	<b>1,980</b>	<b>(206)</b>
Minimum Level	1,600	1,600	1,600	1,600	1,600	1,600
<b>Total General Reserves - central scenario</b>	<b>8,025</b>	<b>6,451</b>	<b>6,732</b>	<b>5,745</b>	<b>3,580</b>	<b>1,394</b>
<b>Optimistic scenario</b>	<b>8,025</b>	<b>6,451</b>	<b>7,686</b>	<b>7,302</b>	<b>5,650</b>	<b>4,393</b>
<b>Pessimistic scenario</b>	<b>8,025</b>	<b>6,451</b>	<b>4,948</b>	<b>2,264</b>	<b>(1,719)</b>	<b>(5,398)</b>

This page is intentionally left blank