

Name of meeting: Cabinet / Council
Date: 12 October 2021 / 13 October 2021

Title of report: Council budget strategy update; 2022/23 and future years

Purpose of the report

To determine the Cabinet’s approach to the annual update of the Council’s Medium Term Financial Plan (MTFP). This is reported to full Council each year and sets a framework for the development of draft spending plans for future years by officers and Cabinet.

| | |
|---|---|
| Key decision – is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards? | Yes |
| Key decision - is it in the <u>Council’s Forward Plan (key decisions and private reports)</u>? | Key decision - Yes |
| The Decision - Is it eligible for “call in” by <u>Scrutiny</u>? | No |
| Date signed off by Strategic Director & name | Rachel Spencer-Henshall, 4 October 2021 |
| Is it also signed off by the Service Director for Finance | Eamonn Croston, 4 October 2021 |
| Is it also signed off by the Service Director – Legal, Governance & Commissioning ? | Julie Muscroft, 4 October 2021 |
| Cabinet member <u>portfolio - Corporate</u> | Cllr Paul Davies |

Electoral wards affected: All

Ward Councillors consulted: All

Public or private: Public

GDPR: This report contains no information that falls within the scope of General Data Protection Regulations.

1. Summary

1.1 Introduction

1.1.1 This report sets out the financial planning framework for subsequent development of budget proposals for consideration at Budget Council for the financial year 2022/23, and future years.

- 1.1.2 The Cabinet is required under Financial Procedure Rules to submit to Council a provisional budget strategy update no later than October, each year, for endorsement.
- 1.1.3 On the same Cabinet agenda is the ‘Council Plan’, which updates the 2020 Corporate Plan to March 2023. The Corporate Plan sets out how the Council will deliver against its shared outcomes over the period.
- 1.1.4 The Council Plan also provides relevant context regarding COVID impact and the Council’s focus on recovery.
- 1.1.5 Cabinet has already commenced work with the Executive Team to develop the budget for 2022/23 and beyond and will be looking to develop proposals that continue to build on their ambition for inclusive investment that supports Council priorities while being mindful of the broader context set out in this report.

National Context

1.2 UK economic outlook

- 1.2.1 Table 1 below sets out a range of indicator trends across a 3 year period, extracted from KPMG’s most recent quarterly UK Economic Outlook paper, published on June 2021:

Table 1 – KPMG Economic Outlook Quarter 1 2021/22

| Headline economic indicator | 2020 actual % | 2021 forecast % | 2022 forecast % |
|------------------------------|---------------|-----------------|-----------------|
| Gross Domestic Product (GDP) | -9.8 (-7.2) | 6.6 (2.8) | 5.4 |
| Consumer Spending | -10.6 (-9.5) | 5.7 (1.3) | 8.6 |
| Investment | -8.8 (-12.6) | 8.0 (1.8) | 6.6 |
| Unemployment rate | 4.5 (8.6) | 5.1 (11.0) | 5.3 |
| Inflation | 0.9 (1.0) | 1.7 (0.8) | 2.1 |
| Base Interest rate | 0.1 (0.1) | 0.1 (0.1) | 0.1 |

- 1.2.2 The bracketed indicators show equivalent forecasts from the Quarter 1, 2020 KPMG report, which was early on in terms of the emerging global and national economic impacts of COVID. The comparative data suggests an overall improvement in economic outlook over the rolling 3 year period, albeit it remains overall below pre-COVID levels.
- 1.2.3 The Office of Budget Responsibility (OBR) review of public finances also for Quarter 1, 2021 reported that the budget deficit for Quarter 1 was £19 billion lower than its initial March forecast; a combination of stronger than expected receipts and lower

than expected spending.

1.2.4 More recently, The Bank of England Monetary Policy Committee on 23 September 2021 reported that UK GDP was projected to recover further over the remainder of the year, with demand growth boosted by a waning impact from COVID.

1.2.5 However, there was projected to be a period of excess demand in the near term, before demand and supply were expected to return broadly to balance as demand growth slowed and constraints on supply eased. CPI inflation was projected to rise temporarily in the near term, to 4% in 2021 Quarter 4, owing largely to developments in energy and goods prices. CPI inflation was expected to fall back to close to the 2% target in the medium term.

1.3 Spending Review 2021 (SR21)

1.3.1 Government launched a 3 year spending consultation on 7 September 2021, which will conclude on 27 October, alongside the Autumn Budget 2021.

1.3.2 The spending review (SR21) will set out the Government Plan 'Build Back Better' to deliver the priorities for the British People and continue to support businesses and jobs; through ensuring strong and innovative public services, levelling up across the UK to increase and spread opportunity, leading the transition to Net Zero across the country and more globally, advancing Global Britain and seizing the opportunities of EU Exit; and delivering the Government's Plan for Growth.

1.3.3 The Chancellor's SR21 launch letter is included at Appendix H to this report for reference.

1.3.4 The other key Government announcement also published on 7 September 2021, was "Build Back Better - Our Plan for Health and Social Care".

1.3.5 This announcement which sits alongside SR21 sets out plans for record investment in Health and Social Care of around £12 billion per year across the UK over the next 3 years. In broad terms it sets out the following intent:

- i) £5.4bn funding for NHS in 2021/22 – includes £578m for hospital discharge programme, £1bn COVID backlogs, £2.8bn enhanced infection control measures;
- ii) implement a Health & Social care levy from April 2022 (equivalent to 1.25% annual uplift in employer & employee NI rates); expected to raise £12bn per annum over next 3 years for NHS and social care funding.

1.3.6 The above includes £5.4bn investment in social care over the next 3 years to deliver the funding and system reform commitments set out in the Health & Social Care Plan; including £500m over 3 years to support the social care workforce.

1.3.7 In the narrative of the Plan, Government further states that it will:

".....ensure Local Authorities have access to sustainable funding for core budgets at the Spending Review. We expect demographic and unit cost pressures will be met through Council Tax, social care precept, and long-term efficiencies; the overall level of Local Government funding, including Council Tax and social care precept, will be determined in the round at the Spending Review in the normal way....."

1.3.8 As previously reported to Council as part of last year's MTFS update report, the IFS report on the future outlook for Council finances (published 24 September 2020) suggested a structural funding gap in social care funding requirement over the 2022-25 period of just under £13bn (mid-range scenario).

1.3.9 While the above headline announcements on 7 September are clearly significant, until the detail behind the headlines is subsequently released, it is too early to assess at this stage what any funding will translate to locally, relative to existing baseline MTFS assumptions for 2022/23.

1.4 Other National Policy developments

1.4.1 There are a number of current national policy developments that are also likely to have some bearing on regional and local strategies, resource allocations, funding and Place shaping agendas over the medium term, including the following:

Integration & Innovation; working together to improve health & social care for all

1.4.2 Released on 11 February 2021, this white paper sets out proposals for a Health & Care Bill; integration within the NHS to remove some of the cumbersome boundaries to collaboration and to make working together an organising principle; and greater collaboration between the NHS and local government, as well as wider delivery partners, to deliver improved outcomes to health and wellbeing for local people.

As part of the SR21 launch on 7 September 2021, Government also committed to a future social care/health integration white paper; timescale to be determined.

Social Housing white paper

1.4.3 Released on 17 November 2020, this white paper sets out a Charter for Social Housing residents'. Government will work with the regulator of social housing to create a strong, proactive consumer regulatory regime, strengthening the formal standards against which landlords are regulated.

Environment Bill

1.4.4 Currently going through its Parliamentary stages, this bill includes details on creating a new governance framework for the environment; a new direction for resources and waste management; improving air quality; securing our water services; enhancing our green spaces; and updating laws on chemicals (REACH).

Planning for the future consultation

1.4.5 This proposes reforms of the planning system to streamline and modernise the planning process, bring a new focus to design and sustainability, improve the system of developer contributions to infrastructure, and ensure more land is available for development where it is needed.

Levelling up agenda

1.4.6 Government has committed to an Autumn 2021 white paper on levelling up agenda, including a pledge to hand more power to local leaders, with the possibility of elected mayors for Counties.

National Fair Funding/Business Rates review

- 1.4.7 Government had previously confirmed a 'pause' in planned local government funding reforms which had in scope the implementation of a national Council 75% Business Rates Retention Scheme and re-basing of Council funding through a National Fair Funding Review, from April 2021. It is anticipated that this could be further delayed to the next spending review.

1.5 Local Context

- 1.5.1 Last year's budget round continued the theme of recent budget rounds which included targeted investment to support the Administration's key priorities; outstanding children's services, tackling climate change and Investing in our places.
- 1.5.2 Approved Council budget plans for 2021/22 delivered a balanced general fund and HRA budget, and revenue and capital investment to support the Council's ambitions and priorities. It was also underpinned by a level of revenue reserves deemed adequate to meet potential budget risks and provide sufficient organisational financial resilience and flexibility over the short to medium term.
- 1.5.3 Indicative spend and funding forecasts for the following 4 years reflected a general fund revenue budget gap of £14.6m in 2022/23, increasing to £21.0m by 2025/26, and a long term (30 year) financially sustainable HRA business plan.
- 1.5.4 Approved budget plans for 2021/22 also noted the emerging Dedicated Schools Grant deficit reflecting spending pressure mainly on High Needs funding block, forecast at the time to be in excess of £19m by the end of 2020/21.
- 1.5.5 The Council financial outturn report 2020/21 was reported to Cabinet on 27 July and Council on 8 September 2021, and noted the significant impact of COVID on unplanned Council spend of over £200m in excess of approved budgets; mitigated in the main by a range of Government funding support.
- 1.5.6 The 2020/21 financial outturn report also noted the roll forward of £49m specific COVID related funding received in 2020/21, into 2021/22, through earmarked reserves, and which it is anticipated will largely be applied in 2021/22 (see also section 2.9).
- 1.5.7 The Council's 2021/22 Quarter 1 financial monitoring report to Cabinet on 31 August 2021 shows continued in-year general fund revenue COVID pressures of £27m, with compensating in-year Government specific COVID grants and £6.1m drawdown from earmarked COVID response reserves. Government continues to closely monitor local government sectoral COVID pressures as it did in 2020/21, and this Council will likewise continue to monitor and review COVID impacts on service pressures locally and as part of continued sectoral dialogue with Government to ensure the true costs of the pandemic are understood; not just to date, but also in terms of COVID recovery, and emerging additional pressures and demands over the medium term.
- 1.5.8 The economic impact of COVID was also reflected in the Council's approved budget plans for 2021/22 in terms of local tax income base downward adjustments on council tax income base at £4.4m and business rates (Council share) at £4.5m. At this stage of the year, in-year local tax income collection forecasts are anticipated to be in line with these downward budgeted expectations. The extent to which the

Council's local tax income bases may recover (see also section 1.2 earlier), over the short to medium term will also be critical to the Council's emerging financial strategies and plans, alongside the forthcoming Government 3 year funding announcements on 27 October 2021.

Council Plan ambition

- 1.5.9 Local context also reflects a number of strategic developments to support the Council Plan ambition. Many of these are included within existing budget plans, and some are significant emerging priorities that will be considered as part of subsequent budget development.
- 1.5.10 Existing multi-year budget plans include £37m capital investment over the 2021-26 period, and £4m base budget revenue investment over the 2020-23 period to support the Councils overall Waste Strategy. The Council's Waste and Resource strategy 2021-2030 received Council approval on 8 September 2021.
- 1.5.11 Subsequent to the above, the Council Waste disposal - interim contract arrangements were approved at Cabinet on 21 September 2021. This represents a key early milestone for the shaping of the 10 year Waste & Resources strategy.
- 1.5.12 The Cultural Heart, part of the Huddersfield Blueprint – Next Steps report was approved at Cabinet on 22 June 2021. The report set out proposals for an accelerated programme so that the Cultural Heart master plan and Outline Business Case (OBC) can be completed as soon as is practical, with the intention to bring back to Cabinet the master plan late this year, and the OBC by June 2022.
- 1.5.13 There are also a number of significant Council regeneration funding bids into Government including round 1 Levelling Up funding bid for Penistone upgrade at £48m, Huddersfield Market High Street fund bid at £18m, and through West Yorkshire Mayoral Combined Authority (WYMCA), significant regional bid into Government for a Sustainable Regional Transport Settlement for the region; the outcome of such bids expected to be confirmed as part of the 27 October Autumn Budget/SR21 announcement.
- 1.5.14 Existing budget plans also include a number of priority funds to support the Council's Investment ambition, including a Strategic Investment fund at £4.9m, and an Inclusive Investment fund at £3m.
- 1.5.15 Existing budget plans also include a number of priority funds to support the Council's Inclusion ambition, including Place Partnership funds of £2m for active travel and £1.4m for Mental Health and Domestic Abuse and the Local Welfare Provision fund at £2.4m.
- 1.5.16 Existing budget plans include £900k revenue provision for preparations and delivery of Kirklees Year of Music 2023 programme over 2 years. Existing plans also include a Transformation fund for £2.3m to support the development of priority Council transformational activity including SEND, Waste Strategy and Adults. A specific recovery fund at £2m also supports a range of COVID impacted environmental backlog and recovery work. Further funds that support the Place agenda include Ward activity at £1.4m and Place Standard Investment Fund at £0.5m.

1.6 Financial Planning Framework for 2022/23- Key Principles

- 1.6.1 The starting point for the Council’s updated Medium Term Financial Plan (MTFP) are the existing revenue budget plans 2021 to 2026, approved at Budget Council on 10 February 2021, and updated 5 year capital plans 2021 to 2026, approved by Council on 8 September 2021 as part of the 2020/21 Financial Outturn & Rollover report.
- 1.6.2 The baseline financial planning framework set out in this report covers the 2022-26 period. The intention is that as part of subsequent budget development, this will incorporate spend and funding forecasts for a new year 5 (2026/27) for revenue and capital, that will be included as part of the annual report to Budget Council in February 2022.
- 1.6.3 In light of the significance of the 3 year Spending Review (SR21) and Health and Social Care headline funding announcements set out earlier in this report, and the extensive detailed clarifications required how they will subsequently translate into funding at a local level over the 2022-25 period, the baseline spend and funding assumptions at this stage remain unchanged from those set out as part of the approved budget plans at Budget Council on 10 February 2021.
- 1.6.4 The baseline (net) spend and funding control totals set out in this report provide the basis for Cabinet to then formulate and recommend draft budget proposals for 2022/23 to deliver a balanced budget, and updated budget forecasts for future years. Cabinet recommendations will be considered at Budget Council on 16 February 2022, in accordance with the corporate budget timetable.
- 1.6.5 The baseline planning framework also includes the continuing roll forward of existing £37m financial resilience risk reserves, £19.3m demand risk reserves and £10m general balances, into 2022/23, at this stage. This will be critical to supporting the Chief Finance (& s151) Officer judgement on the adequacy of reserves going forward to underwrite the potential range of unbudgeted risks captured in the Council’s most current corporate risk register (see also, Appendix E).
- 1.6.6 The above approach also acknowledges the most significant current unbudgeted risk; namely continuing spend pressures in excess of available funding on the Dedicated Schools Grant (DSG) High need block. All existing reserves will be subject to ongoing review through the remainder of the current budget round.
- 1.6.7 Baseline general fund revenue budget spend and funding forecasts over the 2022-26 period, are summarised at Table 2 below:

Table 2 – Summary General Fund baseline Budget spend and funding forecasts 2022-26:

| | 22/23 | 23/24 | 24/25 | 25/26 |
|--------------------------------|-------------|-------------|-------------|-------------|
| | £m | £m | £m | £m |
| Net spend | 328.1 | 337.0 | 354.9 | 359.1 |
| Funding | (311.5) | (319.9) | (330.6) | (338.1) |
| Use of Reserves | (2.0) | - | - | - |
| Budget Gap (MTFP 21-26) | 14.6 | 17.1 | 24.3 | 21.0 |

- 1.6.8 The budget figures set out at Table 2 above result in a baseline budget gap of £14.6m in 2022/23, rising to £17.1m in 2023/24, £24.3m in 2024/25 and £21.0m in 2025/26. The baseline position, in light of emerging national and local intelligence aligned to Council plan ambition and priorities, will be factored into subsequent

budget development through the remainder of this budget round to enable a balanced budget to be delivered for 2022/23, alongside updated forecasts for future years.

- 1.6.9 The key baseline (net) spend and funding assumptions underpinning Table 2 above are described in more detail in the following sections in this report in this report.

Dedicated Schools Grant (DSG) deficit

- 1.6.10 The 2020/21 Council financial outturn & rollover report reported an in-year Dedicated Schools Grant (DSG) deficit of £10.7m and a year-end accumulated deficit of £25m; mainly due to spend pressures against the High Needs funding block. The 2021/22 Quarter 1 financial monitoring report to Cabinet on 31 August noted that this pressure was forecast to increase to at least £33m by current year end.
- 1.6.11 Both the in-year DSG deficit and accumulated DSG deficit are accounted for separately from other General fund net spend. The deficit is carried forward on the Council balance sheet through an 'unusable reserve'. However, notwithstanding the 'technical' accounting treatment of the deficit, the actual impact of the deficit on overall Council finances is real. The Council's auditors, Grant Thornton, as part of their update report to Corporate & Governance Audit Committee on 24 September 2021, highlighted the significance of the DSG deficit risk in relation to the Council's medium term financial sustainability, and will feature heavily as part of their forthcoming annual VFM (Value for Money) assessment of the Council.
- 1.6.12 The increasing DSG deficit pressure has been reported extensively to Cabinet and Council over recent times. The Council has invested significantly over the past 2 years in a wide ranging Special Educational Needs and Disabilities (SEND) transformation agenda which includes £2.6m revenue and headline £28m capital investment (district sufficiency) over the period; the latter investment following an update report to Cabinet on 5 October expected to increase further to £36m.
- 1.6.13 The Council is in current dialogue with the Education, Skills and Funding Agency (ESFA) regarding a draft management plan that builds on the transformation action plan and district sufficiency plans. The intention with the management plan is for the Council to work to an in-year break even position of spend versus funding against the High needs funding block, by 2026/27, in conjunction with a 'safety valve' funding agreement with ESFA to offset the accumulated DSG deficit.
- 1.6.14 Also as previously reported, the Government's National Fair Funding (NFF) formula review for schools resulted in a baseline uplift in the Council's High Needs funding block by £7m in 2018/19. However, due to transitional funding arrangements following NFF implementation, actual annual baseline uplifts in the Council's High Needs funding block from 2018/19 have been in £1m increments only. Had the Council received the full £7m uplift from 2018/19, the forecast DSG deficit by current year end would be nearer £15m, not £33m. While clearly there are significant pressures, the extent of the accumulated DSG deficit to date would have been significantly less.
- 1.6.15 At this stage ESFA has indicated that they are in discussions with an increasing number of Councils on their DSG deficit pressures, and the availability of ESFA funding support and how much, cannot be confirmed until later in the year, following SR21 announcement. The intention is to bring back to Cabinet in due course, an

update on the Management plan and ESFA funding support position once confirmed.

1.7 Housing Revenue Account (HRA)

- 1.7.1 HRA budget plans support the delivery of a high quality landlord service to 22,000 Council tenancies and 1,030 leaseholders alongside supporting the Council's strategic HRA capital investment ambitions, within a self-financed and wholly ring-fenced 30 year HRA business plan
- 1.7.2 The Government social housing White Paper; 'The Charter for social housing residents' published in November 2020 sets out proposals that are intended to deliver transformational change for social housing residents, with clear expectations what every social housing resident should be able to expect, from safety to engagement, and which, once enshrined in future legislation will underpin the key HRA business plan priorities (see also section 2.12).

1.8 Capital Investment

- 1.8.1 The Financial Outturn Report presented to Council on 8 September 2021 updated the capital plan budget for 2021-22 at £230.3m; subsequently re-phased and adjusted post approval to £229.1m following Quarter 1 Financial Monitoring Report to Cabinet on 31 August 2021.
- 1.8.2 The updated Council multi-year capital plans are detailed in Appendix D and summarised in table 3 below:

Table 3 – Updated Multi-Year Capital Plans

| Capital Plan – Primary Outcomes | 21/22 £m | 22/23 £m | 23/24 £m | 24/25 £m | 25/26 £m | Total £m |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Aspire & Achieve | 24.6 | 20.4 | 15.1 | 11.6 | 3.7 | 75.4 |
| Best Start | 3.4 | 4.1 | 1.7 | 0.0 | 0.0 | 9.2 |
| Independent | 6.1 | 8.0 | 2.2 | 8.9 | 0.2 | 25.4 |
| Sustainable Economy | 126.6 | 199.6 | 81.4 | 48.9 | 118.4 | 574.9 |
| Well | 13.5 | 4.6 | 3.8 | 2.4 | 1.8 | 26.1 |
| Safe & Cohesive | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 | 0.2 |
| Clean & Green | 11.4 | 8.3 | 26.1 | 4.6 | 2.3 | 52.7 |
| Efficient & Effective | 4.5 | 2.2 | 1.5 | 1.5 | 2.2 | 11.9 |
| General Fund | 190.3 | 247.2 | 131.8 | 77.9 | 128.6 | 775.8 |
| HRA - Independent | 38.8 | 38.3 | 32.1 | 35.2 | 39.5 | 183.9 |
| Council Total | 229.1 | 285.5 | 163.9 | 113.1 | 168.1 | 959.7 |

- 1.8.3 Existing Council multi-year capital plans include significant strategic priority spend on West Yorkshire Mayoral Combined Authority (WYMCA) funded Schemes, investment in regeneration activity in Town Centres, Waste Management Plant and Infrastructure, Day Services Support for Vulnerable Adults and investment in Special Education Needs Schools.
- 1.8.4 Cabinet received a report on the Council's vision for a new Cultural Heart (22 June 2021), built around the Queensgate Market and the existing library and art gallery building. The Council's existing multi-year plan includes £34.2m which will be utilised in part to support Gateway 1 (master plan) and 2 (outline business case) feasibility work on the pretext that there will be a capital programme from this initial

development work. As noted earlier in this report within section 1.5, emerging resource implications from the above will be factored into subsequent budget development as appropriate.

- 1.8.5 The Council has bid to the Government Levelling Up Fund (round 1) for a package of works for £48m, to improve travel along the Penistone Line between Huddersfield, Barnsley, and Sheffield. The Council has also made a bid, through the West Yorkshire Combined Authority, to the Government's City Region Sustainable Transport Settlement to help address growth and productivity, Levelling Up West Yorkshire and Decarbonisation through investment in bus priority/bus fleet, planning ahead for mass transit and increased accessibility to public transport, Electric Vehicle charging infrastructure and active travel modes of travel. This bid also includes provision for future highway services budgets, such as highway maintenance.
- 1.8.6 Other major Council bids include round 1 Levelling Up funding bid for Penistone upgrade at £48m and Huddersfield Market High Street fund bid at £18m. The outcome of these bids, including further levelling up bidding rounds, are expected as part of the 27 October 2021 Autumn Budget announcement and, will be factored into subsequent updated capital plans as appropriate.
- 1.8.7 The updated Council multi-year capital plans set out in this report will continue to be reviewed and re-freshed on an ongoing basis through the corporate annual reporting cycle. This will include consideration of further re-phasing and prioritisation of schemes within existing plans.

2. Information required to take a decision

- 2.1 This report includes a range of supporting information set out in the following appendices:

Appendices

| | |
|---|---|
| A | Summary funding and spend assumptions in existing MTFP |
| B | General Fund Reserves |
| C | Summary Housing Revenue Account (including reserves) |
| D | Summary Updated Capital Investment Plan 2021 and future years |
| E | Corporate Risk Register |
| F | Corporate Budget Timetable |
| G | Sensitivity analysis – key assumptions |
| H | SR2021 Launch Letter |

2.2 General Fund

- 2.2.1 Appendix A represents a high level summary of funding and spend control totals and assumptions over the 2022 to 2026 period, approved as part of the existing 2021-26 MTFP by Budget Council in February 2021. The following sections of this report set out in these underpinning assumptions in more detail.

FUNDING ASSUMPTIONS

2.3 Business Rates

Business Rates Retention Scheme

- 2.3.1 Current budget plans included a reduction in local share of Business Rates income of 5%, or £3m, in 2021/22 as a result of the economic impact of COVID on local tax revenues. The existing MTFP assumes gradual recovery of this income to pre-COVID levels by 2024/25.
- 2.3.2 There was also a budgeted reduction in the Business Rates collection rate, with an assumed rate of 95.6% in 2021/22. This was estimated in existing plans to recover to pre-COVID levels of 98.6% by 2024/25; equating to an additional £0.5m income per annum over the 2022-24 period, from the 2021/22 baseline.
- 2.3.3 Settlement Funding Assessment (SFA) uplifts of 1.0% per annum are also included in the existing MTFP, from 2022/23 onwards; equating to additional income of approximately £1.0m each year. Actual uplifts will be confirmed after Spending Review 2021 in October.

2.4 Leeds City Region (LCR) Business Rates Pool

- 2.4.1 Kirklees is part of the Leeds City Region Business Rates Pool in 2021/22. The levy gain to the Pool is 50%, with the remaining 50% returned to Government. The existing pool will cease at current year end and on 13 September 2021 Government invited new pool applications for 2022/23 with a deadline of 8 October 2021. Pool arrangements for 2022/23 will have the same benefits and risks as the current 2021/22 Pools.
- 2.4.2 Pool members are currently reviewing options for 2022/23 to meet the Government deadline, and at the time of writing this report, it is anticipated that, through delegated authority to the Chief Executive and Service Director – Finance, in consultation with the Leader and Corporate Portfolio holder, the Council will express its intention to continue as a member of the Pool for 2022/23. At this stage this is an expression of interest, and following the release of the provisional financial settlement expected mid-December, prospective Pool members have a further 28 days to consider their final decision.

2.5 Council Tax

Referendum Principles 2022/23

- 2.5.1 Existing budget plans assume an annual Council Tax uplift of 1.99% per annum over 2022/23 and subsequent years, with an assumed continuation of the referendum limit for Councils at 2% in 2022/23. It is at the discretion of Councils to decide whether or not to uplift Council Tax up to the referendum limit. An annual Council Tax uplift of 1.99% in 2022/23 is equivalent to £4.0m.
- 2.5.2 At Band 'A' level, an overall 1.99% uplift in 2022/23, would be equivalent to an annual uplift of £21.87; (equivalent to £0.42 per week) from £1,098.75 in 2021/22 to £1,120.62 in 2022/23 (before fire, police and parish council precepts).
- 2.5.3 At Band 'D' level, a 1.99% uplift in 2022/23 would be equivalent to an annual uplift of £32.80; (equivalent to £0.63 per week) from £1,648.13 in 2021/22 to £1,680.93 in 2022/23.
- 2.5.4 Referendum principles do not currently apply to Parish Councils, but this area is being kept under active review by Government.

- 2.5.5 Last year's spending review (SR20) allowed Councils with Social Care responsibilities local discretion to uplift Council tax in 2021/22 up to a maximum of a further 3%. This could be taken in its entirety in 2021/22 or split over 2021/22 and 2022/23. Approved 2021-26 budget plans reflected the maximum allowable uplift of 3% for Adult Social Care (ASC) precept in 2021/22; equivalent to £5.6m. This was ringfenced to support adult social care base budget spend requirements in 2021/22.
- 2.5.6 As noted in section 1.3, the Health and Social Care Reform announcement, made on 7 September 2021, indicated that local authorities will have to fund their "demographic and unit cost pressures" from a combination of "council tax, social care precept and long-term efficiencies". This suggests that the ASC precept will continue going forwards. At this stage, officers have not incorporated ASC precept income into baseline funding assumptions, pending confirmation in SR21.

Council Tax Base

- 2.5.7 The 2021/22 Council Tax Base (CTB), approved as part of the 2021-26 Annual Budget Report, incorporated a series of negative adjustments reflecting the forecast wider economic impact of COVID on Council Tax income. In total, the adjustments amounted to a £4.4m reduction in budgeted Council Tax income for 2021/22, compared to previous estimates included in the 2020-23 MTFP. The existing budget plans include a gradual return to pre-COVID forecasts over time.
- 2.5.8 Housing growth projections were dampened down in the CTB calculations, with growth of only 500 Band D equivalents assumed in 2021/22. Existing budget plans include an estimated 1,000 Band D equivalents per annum thereafter; bringing the growth assumptions largely back in line with the local plan (2013-2031). Growth of 1000 Band D's generates in the region of £1.6m additional Council Tax revenues based on the 2021/22 Band D Council Tax charge of £1,648.13.
- 2.5.9 2021/22 CTB calculations also incorporated an increase in working age Local Council Tax Support claimants to 27,000, from a pre-COVID level of 23,000, as a result of more residents experiencing a loss in disposable income. The local Council Tax Reduction (CTR) scheme supports some of the borough's households on low incomes, is means tested and eligible claimants receive up to 80% discount from their full council tax liability. The local scheme only applies to those of working age. The national pension age scheme means there is no such minimum payment and eligible pensioners can receive up to 100% discount.
- 2.5.10 Existing budget plans assume a reduction in working age CTR claimants by 1,000 per annum from 2022/23, returning to the original 23,000 baseline by 2025/26. This equates to an additional £0.5m Council Tax income per annum over the 2022-25 period.
- 2.5.11 Future year CTB figures will be subject to regular review given the relative high level of volatility and sensitivity linked to the short to medium term impact of both COVID and other longer-term structural impacts on the UK and local economy. The assumed CTB bad debt requirement for 2021/22 was set at 2.76%, compared to 1.43% in 2020/21. The 2021-26 MTFP assumed a reduction in the bad debt requirement over time, recovering to pre-COVID levels by 2024/25.

2.6 Un-ringfenced Grants

- 2.6.1 While these grants are separately identifiable, the Council can apply this funding flexibly to meet overall Council spend priorities. Budgets for 2021/22 included additional “one off” grant streams totalling £17.6m, announced as part of SR20 to fund ongoing impacts of COVID. Existing plans assume that these funding streams will cease in 2022/23.
- 2.6.2 A new Lower Tier Services Grant (LTSG) was also announced as part of the 2021 Financial settlement. This funding stream, of £111m nationally, was funded out of surplus New Homes Bonus (NHB) monies. Given the potential of funding reforms going forwards, existing budget plans assume that this grant will be for one year only, with Kirklees £0.5m allocation dropping out in 2022/23.
- 2.6.3 The future of NHB is unclear, and existing budget plans assume that any reduction in NHB may be added back into the national funding pot and re-distributed across local authorities based on need as per the refreshed formulae derived out of the eventual Fair Funding Review. In the absence of any further intelligence, current budget figures assume that the net impact of this will be neutral for Kirklees, with the NHB estimate for 2022/23 onwards being maintained at the current level of £2.8m.
- 2.6.4 Housing and Council Tax Administration Grant allocations are forecast in current budget plans to reduce year on year by about £150k. This reflects the assumed pace of Universal Credit rollout across the borough, and consequential impact on reduced grant required due to decreasing volumes of Housing Benefit directly administered by the Council over the period.

2.7 Schools Funding (Dedicated Schools Grant or DSG)

- 2.7.1 The Department for Education has recently issued illustrative figures for the 2022/23 school funding round. The settlement will include funds for a minimum increase of 2.65% per pupil in comparison to 2021/22 individual school funding levels per pupil. The National Funding Formula (NFF) factors for 2022/23 will show an average rise of 2.81%
- 2.7.2 The increasing number of local schools already fully funded by the NFF will see the full 2.81% average increase. Many local schools are still in receipt of cash protection via the Government’s Minimum Funding Guarantee mechanism – they will see their share of the NFF increase by the average 2.89% but their cash protection will reduce as a consequence such that the worst overall outcome for them would be the 2% minimum increase per pupil.
- 2.7.3 Kirklees’ Schools Block funding allocation for 2021/22 is £325m, The High Needs Block is, £48.6m the Early Years Block £29.3m and the Central Schools Services Block £2.27m. The Government has published indicative figures on 14 September 2021 for 2022/23 (the final allocation figures will be confirmed in December 2021). The Schools Block is illustrated to increase by nearly £7.15m.
- 2.7.4 The High Needs Block allocation will rise to £53.7m. The Central Schools Services Block will be similar to its 2021-22 level at £2.36m. No illustrative amount has yet been provided for the 2022/23 Early Years Block of funding.
- 2.7.5 The prospects for schools funding beyond 2022/23 will be confirmed through SR21. Government has also re-affirmed its intention to have every school in every local

authority funded by the 'hard' National Funding Formula in due course, through a recent NFF consultation.

2.8 SPENDING PLAN ASSUMPTIONS – key highlights

- 2.8.1 Existing budget plans include £550k per annum for continued children's social care inflationary pressures, and additional base budget resources of approximately £11m per annum over the 2022 to 2026 period for adults volume/complexity of need pressures, and provider cost pressures; the latter relating to social care external provider costs impacted on by an assumed continuation of annual national living wage uplifts in the region of 4.6% over the period.
- 2.8.2 The above assumptions will be subject to detailed service review and challenge through the remainder of the budget round; in particular with regard to updated business intelligence informing modelled service demand scenarios, and potential mitigating service actions.
- 2.8.3 Existing budget plans continue to assume that a number of current specific adult social care grants will roll forward into 2022/23 baseline. These include the existing Social Care grant at £13.5m and the Improved Better Care Fund (iBCF) totalling £15.4m. There is also funding allocated through the Better Care Fund (BCF) pooled with Health, with the Council share about £19.5m. This (along with the iBCF) has national reporting conditions and joint health sign off agreements.
- 2.8.4 In addition to the above, existing budget plans include further incremental increases in social care grant funding of £11.0m per annum over the duration of the MTFP to offset continuing and growing pressures in Adult Social Care. Any uplift in Adult Social Care funding for growth pressures will be announced as part of SR21, which will also incorporate the Government plan for Health and Social Care, referenced in section 1.3 of this report. The level of funding support made available will have to be considered alongside the Government intention to continue with social care precepts over the 2022-25 period.
- 2.8.5 Existing budget plans also assume future year inflationary uplifts on the Better Care Fund of £600k per annum over the 2022-26 period.
- 2.8.6 The Council's current Private Finance Initiative (PFI) Waste Contract was due to end in 2022/23 with the option of an extension for a further 2 years (see also para 1.5.9 earlier). The associated fall out of the Waste PFI credit is included in existing budget plans with an additional budget requirement of £3.2m from 2023/24 onwards.

Central budgets

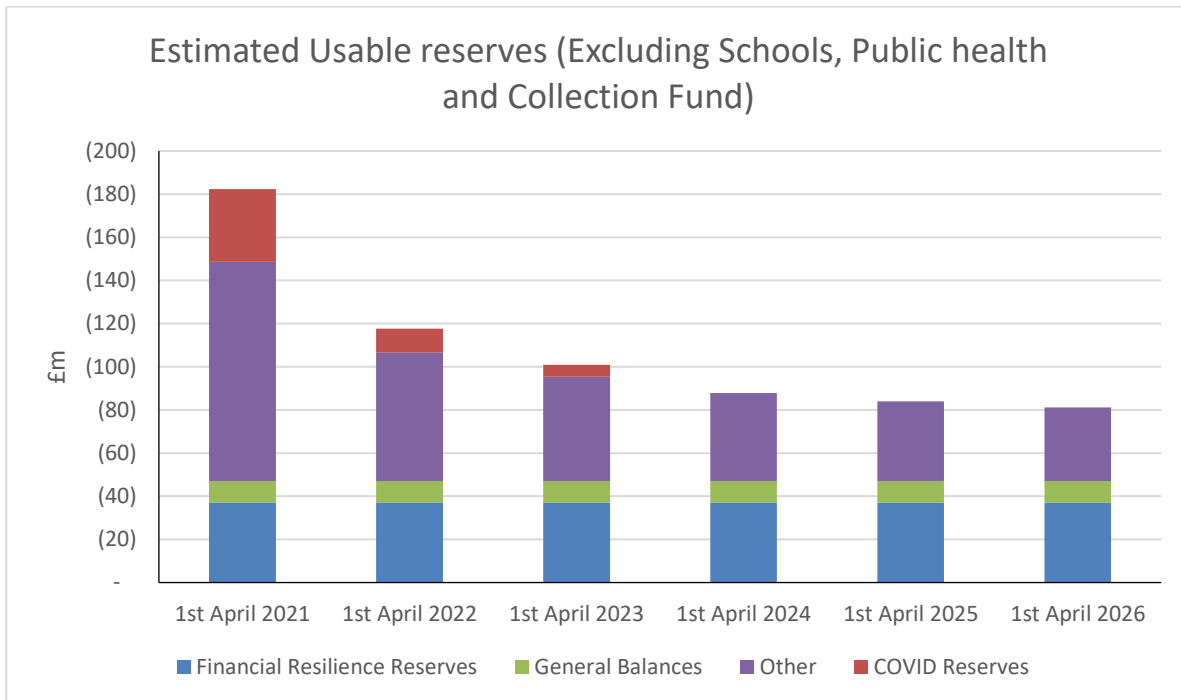
- 2.8.7 Existing budget plans include pay awards at 2% per annum from 2022/23, with National Living Wage annual uplifts across social care provider contracted services assumed to be in the region of 4.6% per annum to 2026; notwithstanding the actual 2.2% National Living Wage (NLW) increase in 2021/22. Also included is an estimated 1% increase in employer contributions, equivalent to £1.6m, to the West Yorkshire Pension Fund for the next tri-ennial review period 2023-2026.
- 2.8.8 Elsewhere, cash limited budgets remain for non-pay inflation across the 2022-26 period, with the expectation that services manage efficiently and effectively within these inflationary constraints. Income inflation across fees and charges is assumed

at 1.5% per annum, other than car parking and markets income, which assume zero uplift.

- 2.8.9 A further base budget of £5m was included in the approved 2021/22 budget to reflect the likelihood of continued income loss from sales, fees and charges and commercial rents as a result of COVID, over the medium term. This budget reduces to £4m in 2022/23 and by a further £1m per annum thereafter over the remainder of the existing MTFP, in anticipation of the medium-term recovery of the local economy.
- 2.8.10 Existing Treasury Management budgets include provision for historic and future debt requirements, short and longer term borrowing strategies, and cashflow management. They also take into consideration CIPFA Prudential Borrowing Code and Government Treasury Management guidance including longer term considerations of borrowing affordability and sustainability.
- 2.8.11 Future debt requirements also align to Council multi-year approved capital plan prudential borrowing requirements. They also factor in prudent slippage assumptions on schemes funded by borrowing; currently 30% and the repayment of existing loans as they become due. These assumptions, along with projected interest rates will be reviewed and refreshed throughout the budget process.
- 2.8.12 There are some significant markers in this report around future Council ambition, including the Cultural Heart part of the Huddersfield Blueprint not currently included in the baseline treasury budgets. Depending on subsequent strategic outline case (masterplan) proposals to be presented to Cabinet later this year, and associated capital costs, this is likely to have a significant impact on emerging treasury management budget proposals.
- 2.8.13 Council treasury management policy relating to minimum revenue provision (annual revenue resources set aside for repayment of debt, also known as MRP), was revised from 2017/18 onwards. This resulted in a reduced ongoing MRP requirement over the 2017 to 2027 period, effectively 'releasing' annual base budget to support organisational flexibility and financial resilience over the medium to longer term.
- 2.8.14 Given the scale of short-term pressures facing the council in the wake of COVID, existing budget plans assume the maximum allowable MRP unwind of £13.7m in 2022/23, to be applied to reduce the overall budget gap. Likewise, the remaining £13.6m balance of MRP budget is assumed to be released in 2023/24; this being the final year of the unwind.

2.9 General Fund Revenue Reserves

- 2.9.1 Updated forecast general fund revenue reserves over the 2021 to 2026 period are shown graphically below. These reserves are set out in more detail at Appendix B together with a summary explanation of each reserve held.



2.9.2 Usable reserves (excluding Schools and Public Health) on 1 April 2021 at £182.3m, equates to 57.3% of the 2021/22 net annual revenue budget of £317.9m. This balance includes £62.5m of COVID related reserves, largely created from the roll forward of unspent COVID grants received in 2020/21, for which expenditure is largely anticipated to be incurred by 31 March 2023.

2.9.3 If the COVID related reserves are excluded from the calculation, the adjusted useable reserves balance as at 1 April 2021 is £119.8m, or 37.7% of the 2021/22 (net) revenue budget; equivalent to approximately 19.5 weeks in-year (net) spend. It should be noted that the equivalent useable reserves balance at 1 April 2020, before the impact of COVID funding, was £107.9m. For comparator purposes, based on the recently updated CIPFA resilience index using 2019/20 revenue outturn data, the median percentage across the 36 metropolitan Councils on this particular indicator was 37% as at 31 March 2020, accepting that this data is a snapshot in time from 12 months back.

2.9.4 The significance of this indicator is that it features as part of CIPFA's suite of 'financial resilience' performance indicators developed to support officers, members and other stakeholders as an independent and objective suite of indicators that measure the relative financial sustainability and resilience of Councils, given extensive and ongoing national coverage and concern about financial sustainability across the local government sector.

2.9.5 Based on the above graph, Useable Reserves are forecast to reduce to £78.5m by year end 2025/26, which equates to 25% or just under 13 weeks (net) spend, based on current budgets. This includes the planned drawn down over the period of set aside earmarked funds to support key Council Plan priorities over the period.

2.9.6 Under Section 25 of the Local Government act (2003), in setting annual budgets the statutory s151 officer is required to give positive assurance statements in relation to the robustness of budget estimates and the adequacy of reserves and balances. There is no prescriptive guidance on the latter. Most recent sectoral

guidance comes from a joint CIPFA/Local Authority Accounting Panel paper in 2014, which states:

- i) when reviewing their medium term financial plans and preparing their annual budgets, local authorities should consider the establishment and maintenance of reserves;*
- ii) authorities should make their own judgements on such matters taking into account all the relevant local circumstances; and*
- iii) in assessing the appropriate level of reserves, a well-managed authority will ensure that the reserves are not only adequate but are also necessary. There is a broad range within which authorities might reasonably operate depending on their particular circumstances.*

2.9.7 The outlined reserves position takes into account the above guidance, but also acknowledges the continued volatility in the budget risk environment within which the Council is operating both currently and over the medium term, as referenced in sections 1.2 to 1.5 of this report.

2.9.8 Financial resilience reserves at £37.1m and demand reserves at £19.3m remain key elements of the Council's budget strategy in terms of Council financial resilience and sustainability to manage unbudgeted risks and pressures over the current year and 2022 to 2026 period; the current most significant unbudgeted pressure being the Council's forecast DSG deficit at least £33m by the end of the current financial year. These were also the minimum financial reserves requirement recommendations by the Chief Financial Officer at least to the start of 2022/23, as set out in the 2021-26 Annual Budget Report, alongside £10m general balances minimum provision. Reserves requirements are also informed by the Council's corporate risk register; current version attached at Appendix E for information.

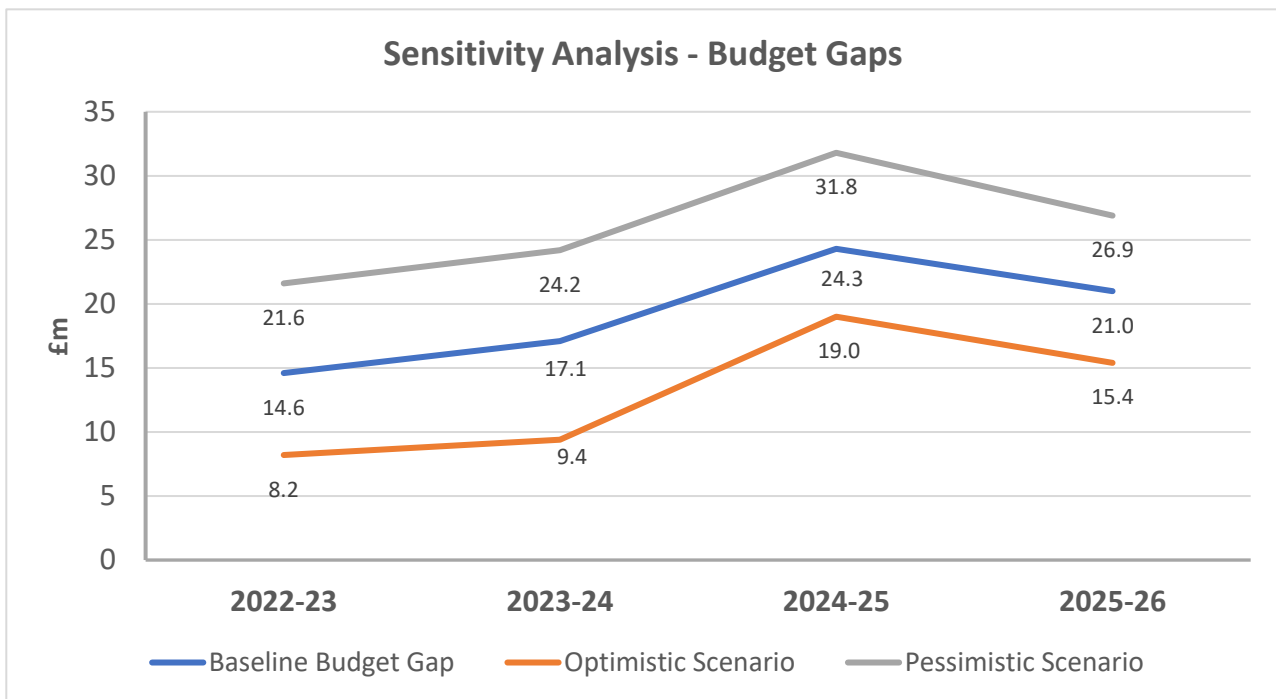
2.9.9 A further assessment of reserves requirements will be undertaken throughout the remainder of the budget round and will be reported as part of the Annual Budget report to Council in February 2022.

2.10 Budget Forecasts – Sensitivity Analysis

2.10.1 The baseline budget figures presented in this report are underpinned by a number of funding and spend assumptions. Included at Appendix G are a range of potential sensitivities relative to these baseline budget forecast assumptions.

2.10.2 The range of sensitivities reflect marginal changes to a number of key assumptions but illustrate the potential extent of volatility of budget forecasts due to such adjustments, and the cumulative effect of these over time.

2.10.3 The impacts of the budget forecast sensitivities are summarised in the graph below.



2.10.4 Illustratively here, the starting point budget gap in 2022/23 could span a range of £13.4m; from £8.2m to a £21.6m deficit. This reflects the uncertainty surrounding the residual effects of COVID on the Council’s bottom line, both in terms of Council Tax and Business Rates income and also the potential ongoing cost and income pressures within the general fund, relative to baseline assumptions.

2.10.5 It is intended that this sensitivity analysis will continue to be reviewed to include longer-range treasury management forecasts, together with expanded resources and spend sensitivity forecasts going forward.

2.11 Flexible Capital Receipts Strategy

2.11.1 The Current flexible capital receipts strategy guidance is set out by the Ministry of Housing, Communities and Local Government (MHCLG), and previously applied over the 2016-22 period. The web link to current Government guidance is shown below:

[Final Guidance on flexible use of capital receipts](#)

2.11.2 As part of the 2021/22 Final Financial Settlement announcement, Government confirmed that the strategy would be extended for a further 3 years to cover the 2022-25 period.

2.11.3 Government intend to provide further details of the 2022-25 extension in due course. National guidance states that the flexible use of in-year capital receipts must be approved by full Council annually, which this Council has done to date over the 2016-22 period. Any proposals to extend the policy for another 3 years would need to be approved by Council and incorporated accordingly into forthcoming budget proposals.

2.12 Housing Revenue Account (HRA)

- 2.12.1 The overarching context for the financial planning framework for the HRA is a sustainable, self-financed 30 year HRA business plan, which delivers the following key objectives:
- i) annual servicing of HRA debt
 - ii) capital improvements and maintenance of all Council housing stock to a minimum decency standard ,
 - iii) delivery of high quality and cost effective housing management and repair service, and
 - iv) inclusion of funding for a number of HRA strategic capital priorities and scope to consider further investment opportunities
- 2.12.2 Existing baseline HRA spending and income control totals are summarised at Appendix C, including assumed Government allowable maximum rent uplifts of CPI+1% per annum over the 2020-25 period. For illustration, every 1% rent uplift raises about £800k additional rental income. The assumed rent uplift is currently 3% over the 2020-25 period, and 2% thereafter, and the CPI rate for 2022/23 will be based on the actual September 2021 CPI rate.
- 2.12.3 Other assumptions include Right to Buys over the 2022 to 2026 period continuing at about 200 per annum based on current trends, void level targets of 1.1% and the continuation of the transfer into a bad debt provision to provide for bad and doubtful debts.
- 2.12.4 The gradual uplift takes account of predicted rollout of universal credit, which includes housing benefit, and the adverse impact of direct payments to an increasing number of tenants in terms of timing of payments, consequential impact on household income and ability to pay backdated rents, and HRA bad debt provision requirement.
- 2.12.5 HRA revenue reserves commitments include a set aside of £4m for business risks; in particular, with regard to proposed welfare reform changes. The balance of commitments includes £1.5m working balance, and the planned build up (sinking fund) of reserves to support longer term HRA business plan capital investment requirements.
- 2.12.6 The Council regularly reviews and updates the HRA business plan with the aim to produce a self-financed and balanced budget position over the 30 year plan that delivers the key objectives set out in paragraph 2.12.1 above.

3. Implications for the Council

- 3.1 The Council's budget plans support the overall delivery of the following Council objectives and Priorities within available resources:
- i) Working with People
 - ii) Working with People
 - iii) Place Based Working
 - iv) Climate Change and Air Quality
 - v) Improving Outcomes for Children

Other (e.g Financial, Legal or Human Resources)

- 3.2 A robust Medium Term Financial Plan and budget strategy is a key element of financial and service planning. This will be updated in detail by Budget Council on 16 February 2022. This report sets a framework for development of draft plans by officers and Cabinet, for consideration by all Members in due course.
- 3.3 Key funding and spend assumptions factored into the MTFP update will be subject to further review, informed by most current local and national intelligence, including the outcome of the 3 year SR2021, funding arrangement for the Health & Social Care Plan, and forecast economic trends on current COVID impacted demand management and service and local tax income assumptions over the medium term.
- 3.4 Any further material changes to funding and spend assumptions will be considered for incorporation into the finalised annual budget report as appropriate.

RISK ASSESSMENT

- 3.5 The MTFP update is based on a range of local and national intelligence, and risk assessments underpinning current and future funding and spend assumptions, acknowledging that the extent of these are all potential risk factors to the delivery of balanced budget plans over the medium term. These risk factors are summarised at Appendix E alongside identified management actions to mitigate the risks.

Financial Planning Framework

- 3.6 The updated budget plans set out in this report provide the planning framework for officers to bring forward proposals to Cabinet and members through the remainder of the current budget round, in order to deliver a balanced budget for 2022/23, indicative forward plan budget forecasts, and updated multi-year capital plans and associated funding.
- 3.7 The key budget timetable milestones for the remainder of this budget round are set out at Appendix F.

Budget Consultation

- 3.8 The Council's overall financial planning framework includes consideration of wider engagement, consultation and timetabling on residents and other stakeholder views on high level priorities in resource allocation, including consultation with representatives of non-domestic ratepayers.
- 3.9 In addition, there may be a requirement for more detailed service consultations, led by the relevant services, on specific service budget proposals. These will engage service users as early as possible and target the groups most likely to be affected.
- 3.10 There is also on-going engagement with the business and voluntary and community sectors.
- 3.11 The Council has a duty, under section 149 of the Equalities Act 2010, to comply with the Public Sector Equality duty when developing budget proposals. Key decisions include accompanying evidence available to members; namely officer led integrated impact assessments, which are reviewed and updated as appropriate, including key budget proposals. Integrated impact assessments are also made available on the Council's website, in a timely manner. This purpose of the assessments is to ensure

that decision makers have due regard to the Council's equalities duties on key decisions.

4. Consultees and their opinions

- 4.1 This report is based on consultation with the Council's Executive Team and Cabinet members in assessing the current issues, risks and factors to be addressed.

5. Next Steps

- 5.1 The Council's Chief Finance Officer (& Service Director, Finance) will co-ordinate the development of draft budget proposals and options and supporting budget documentation within the budget framework and planning totals along with the development of the budget consultation process.
- 5.2 Cabinet will bring forward detailed budget proposals in the new year, for consideration at Budget Council on 16 February 2022.

6. Cabinet portfolio-holders recommendations

The budget update report presented here sets out a number of key markers; national, regional and local with regard to ambitious long-term plans for the borough's residents, articulated through the accompanying Council Plan, that will be factored into subsequent budget developments. The report also makes reference to the forthcoming Autumn Budget/3 year spending review (SR21) announcement on 27 October and this will be hugely significant for the medium term financial sustainability of the local government sector; not just in terms of COVID recovery and supporting our local ambition for our own residents, but also the detail behind proposals for future social care funding.

The headline baseline assumptions set out in this report, at this stage, largely reflect those set out in the annual budget report approved at Budget Council in February 2021, for 2022/23 and future years, in light of the forthcoming and hugely significant Autumn Budget announcement. Following this, baseline funding and spend assumptions will be further reviewed, alongside other national and local intelligence, in the formulation of subsequent budget proposals.

Alongside this, our existing financial plan means we will be able to respond effectively to residents' priorities despite an uncertain environment. The Covid-19 pandemic continues to produce additional service demands and pressures on council finances. The council needs to be able to fund additional services where residents need them due to the pandemic or where we have had to reprioritise services to protect lives and livelihoods. We will manage our reserves down within this financial year and maintain a level that is prudent for an organisation of our size and reflects these uncertain circumstances.

7. Officer recommendations and reasons

Having read this report and the accompanying Appendices, Cabinet are asked to:

- 7.1 note the funding and spend assumptions informing the updated budget forecasts as set out in section 2.3 to 2.12 of this report;
- 7.2 note current and forecast earmarked reserves and general balances as set out at

Appendix B;

- 7.3 note the decision on preferred option for Business Rates Pool arrangements for 2022/23 to be delegated to the Chief Executive and Service Director – Finance, in consultation with the Leader and Corporate Portfolio holder, as per Section 2.4 of this report;
- 7.4 note the updated multi-year capital budget plans as set out at Appendix D;
- 7.5 approve the financial planning framework set out in Section 1.4 of this report;
- 7.6 note the corporate budget timetable and approach set out at Appendix F; and
- 7.7 delegate authority to the Strategic Director Corporate Strategy, Commissioning and Public Health to agree the approach to budget consultation and relevant timescales in consultation with the Portfolio Holder for Corporate Services.

The above approach allows the updated budget plans to be adjusted subsequently for major factors identified and sets the basis for officers to update draft service plans within a clear Council budget framework.

8. Contact Officer

Eamonn Croston, Service Director, Finance
eamonn.croston@kirklees.gov.uk

James Anderson, Head of Service, Accountancy
james.anderson@kirklees.gov.uk

Sarah Hill, Finance Manager, Finance
sarahm.hill@kirklees.gov.uk

9. Background papers and History of Decisions

Building Britain Better-Spending Review 21 launch, 7 September 2021
[Spending Review 2021 launch letter - GOV.UK](#)

Health & Social Care Plan launch, 7 September 2021
[Build Back Better - Our Plan for Health and Social Care - GOV.UK](#)

Annual budget report 2021/22 and future years; Budget Council 10 February 2021
[Agenda for Council on Wednesday 10th February 2021 \(Item 5\)](#)

Annual Financial Outturn and Rollover Report 2020/21 to Council 8 Sept 2021.
[Agenda for Council on Wednesday 8th September 2021 \(Item 10\)](#)

Financial monitoring report 2021/22; Quarter 1 to Cabinet 31 August 2021.
[Agenda for Cabinet on Tuesday 31st August 2021, 3.00 pm](#)

IFS; future outlook for Council finances, published 27 September 2020.
[Institute for Fiscal Studies about the future outlook for council finances](#)

KPMG Economic Outlook report; Quarter 1 2021/22.

<https://home.kpmg/uk/en/home/insights/2018/09/uk-economic-outlook.html>

Council Resources & Waste Strategy 2021-30

Agenda for Council on Wednesday 8th September (Item 9);

Interim Waste contract arrangements

Agenda for Cabinet on Tuesday 21st September 2021 (Item 9)

The Cultural heart – part of the Huddersfield Blueprint – next steps.

Agenda for Cabinet on Tuesday 22 June 2021 (Item 14)

SEND Masterplan-Capital investment & re-build of 2 Special schools

Agenda for Cabinet on Tuesday 5th October 2021 (Item 10)

Monetary Policy Committee Summary - September 2021.

Bank Rate maintained at 0.1% - September 2021 | Bank of England

Extension of flexible capital receipts policy

Extension of Flexible Capital Receipts Strategy

10. Service Director responsible

Eamonn Croston, Service Director, Finance

eamonn.croston@kirklees.gov.uk