

BUDGET 2021-22 Detailed Questions

Page number /section	Heading	Question	
3/1)	General Fund Budget of £42.4m of 2020/21 detailed in Section 3	Please highlight exactly where in Section 3 this figure is shown (presumably 2021-22 not 2020/21)	This is wrong it should read Section 5. In para 5.5.1. it should read £42.6m not £42.4m
3/1)	1% of Adult Social Care precept of 3% available	Any proposal to agree that balance will be included in 2022-23 CTax? Will this decision be made as part of 2022-23 budget?	MTFP 22/23 assumes a 4% rise, 2% for general council tax and 2% for adult social care. Technically, the Government have not told us what powers we have for 22/23 (other than say we can do 3% over 2 years), they normally confirm this in December and then we can make the decision in 22/23.
10/3.2.13	£211k funding in recognition of increased costs of providing local council tax support	Is this taken into account before the collection fund deficit of £160k appendix 1?	The two things are not related. The £160k relates to 20/21 deficit which is paid for by RCC in 21/22. The £211k relates to extra support we will get in 21/22 which we will use to fund additional support to new claimants for council tax support. Any deficit or surplus on the Collection Fund in 21/22 is paid for in 22/23.
14/7	Schools funding	Are absolutely all costs relating to education included in Dedicated Schools Fund? £176,600 in People's budget for Schools and Early years?	Those that we are allowed to charge to the DSG are charged. There are some that we can't charge. £76k is depreciation for maintained schools so not a real cost, some of it is our education officers who deal with school improvement, organising training.
15/8	Council tax base	For 21/22 budget approx. how many houses based on compared to 20/21? Bullet point 1	The tax base uses Band D equivalents. In 20/21, the number was 15,652.48. In 21/22, the number is 15,659.87
9/3.2.3	Total government funding 21/22 shown as £10,360,000. In MTFP shown as £10,479,803.	Comparing like with like?	We will amend the first table. There were last minute changes. The £10.479m includes lower tier services grant £44k, social care in prisons £74k, business rates figure is different by £34k.
11/3.2.17 17/11	Pay award 1% for 22/23. Then 2% Pay award 22/23 is 1%	Which is it? What is the basis for the pay inflation contingency in the MTFP? £100k in	It is 0.5% which is c£100k. This is to cover pay inflation for those on lower grades. This is still to be negotiated nationally but HR advice was that this would be between £70k and £100k,

		2021/22 and increasing significantly thereafter?	<p>For 22/23 we go back to 2%.</p> <p>The text is inconsistent as the assumptions changed a few times and we did not pick up all the references.</p>
19/16	Needs management	Is this the explanation of the £273,900 in the budget for 2021/22? What is the basis for this figure and the exponential rises in this in future years? Is this in addition to £200k from earmarked reserves available every year?	<p>Yes, it's effectively an inflation of 3% on certain cost centres where demand can be variable.</p> <p>In effect, the £200k from Reserves funds part of the Needs Management. It's not £279k plus £200k.</p>
19/17	Contract procurement can be costly and one of specialist support will be needed	Basis for this support? Cost as % of savings gained or just fee basis for time spent?	Based on estimates and quotes received by those involved in those projects.
23/3.4.3 c)	Classification of services as either statutory or discretionary is virtually impossible	I don't understand using the example of the finance function here. All central services (ie resource department) are surely indirect overheads. Have £222k in invest to save earmarked reserves- what plans to use this?	<p>The Finance function illustrates the problem quite clearly in my view. The Finance function meets lots of statutory requirements e.g. my costs as s151 officer, producing the accounts, paying bills within 30 days etc. Technically there is nothing anywhere that says you have to have a Finance function but we do have to do all the above duties. So do we classify the Finance function as statutory or not? Is it right to describe Finance as an overhead when we are filling a statutory role in some cases?</p> <p>There are no specific plans to use the ITS reserve at the moment.</p>
37/6.5.2	Misc Grant Funding (Adult Social Care, Highways and Misc Grants) Unallocated funding (£335k) representing various balances from historic funding that the council no longer receives. This funding is not ring fenced.	What is happening to this funding then- can it still only be used for capital?	<p>Yes can only be used for capital.</p> <p>The funding is reviewed and spent broadly on items which it relates where possible e.g. we are utilising some to support the expansion of schools</p>
Appendix 1	MTFP	Why such a huge leap in Peoples directorate costs from 2021-22 to 22/23?	Because in 22/23 we will lose the Public Health funding that sits in the Directorate and this is c£1.2m. We will get the funding through Business Rates Retention which is why the

			Business rates figures goes up quite a bit.
Appendix 1	MTFP	What are housing growth costs and basis for these figures?	As we build more houses, there is likely to be an increase in some service costs e.g. waste collection. Not all services would be impacted e.g. libraries but some could be. I asked fellow s151 officers how they deal with this and everyone seems to ignore it. I went through the Council's budget line by line and took a view as to whether a service cost might change and came up with a figure per household to give an indicative pressure for future years. What happens when we set the budget for 22/23 is that I delete the housing growth costs number and replace it with actual pressures (from growth or anything else) we are facing. It is right to flag in MTFP that housing growth can lead to increased costs.
Appendix 3	Earmarked reserves	Why are earmarked reserves not used in MTFP beyond 2024/25?	They can be. Because they are not meant to fund everyday expenditure, you wouldn't expect this to be plotted this out way in advance. Use of reserves will be decided nearer the time.
Appendices 4,5,6	Cost of running Catmose offices	Where do these costs appear in the budget? Heating, insurance etc etc..	They are part of Property function costs in Places Directorate and are not itemised separately.
Appendix 5.1	Ashwell Road business Units	Shows annual loss £16,500. Why pay and inflation increase of 4.4% on this from 20/21. No employees? If units are let why are they costing RCC money?	The 16.5k includes £10.6k of depreciation which is reversed out below the line. The Actual expenditure lines total £30k with inflation of £0.7k (2.3%) If units are vacant then the council has to pay the business rates for the unit.
Appendix 5.1	Parking budget. IT/operational costs of cashless systems £44k.	Is this a saving against what it costs to run cash machines?	The additional costs will be offset from stopping the cash collection contract, with further efficiencies from staff no longer having to process.