



Cabinet Agenda

Wyre Borough Council
Date of Publication: 12 October 2021
Please ask for : Duncan Jowitt
Democratic Services Officer
Tel: 01253 887608

**Cabinet meeting on Wednesday, 20 October 2021 at 5.00 pm
in the Council Chamber, Civic Centre, Poulton-Le-Fylde**

1. Apologies for absence

2. Declarations of interest

Members will disclose any pecuniary and any other significant interests they may have in relation to the matters to be considered at this meeting.

3. Confirmation of minutes

(Pages 3 - 6)

To confirm as a correct record the minutes of the previous meeting of Cabinet.

4. Public questions

To receive and respond to any questions from members of the public.

Public questions for Cabinet may be submitted at any time by writing to Democratic Services or via email democratic.services@wyre.gov.uk.

Public questions for this meeting must be received by noon on the Thursday before the meeting is held and do not need to specifically relate to items on this agenda. Questioners should provide their name and address and indicate to which Cabinet member the question is to be directed.

The total period of time allocated for public questions will not normally exceed 30 minutes.

5. Medium Term Financial Plan 2021/22 to 2025/26

(Pages 7 - 50)

Report of the Resources Portfolio Holder and Corporate Director Resources.

- 6. Capital Programme Review and Monitoring Report** (Pages 51 - 62)
Report of the Resources Portfolio Holder and the Corporate Director
Resources and Section 151 Officer
- 7. Local Government Ombudsman Annual Review Letter 2021** (Pages 63 - 68)
Report of the Leader of the Council and the Corporate Director Communities



Cabinet Minutes

The minutes of the Cabinet meeting of Wyre Borough Council held on Wednesday, 14 July 2021 at the Council Chamber, Civic Centre, Poulton-Le-Fylde.

Cabinet members present:

Councillor Michael Vincent, Deputy Leader and Resources Portfolio Holder (Chairman)
Councillor Roger Berry, Neighbourhood Services and Community Safety Portfolio Holder
Councillor Simon Bridge JP, Street Scene, Parks and Open Spaces Portfolio Holder
Councillor Alice Collinson, Planning Policy and Economic Development Portfolio Holder

Apologies for absence:

Councillor David Henderson, Leader of the Council
Councillor Lynne Bowen, Leisure, Health and Community Engagement Portfolio Holder

Other councillors present:

Councillor Peter Le Marinel

Officers present:

Mark Billington, Corporate Director Environment
Veronica Wilson, Head of Finance
Ruth Hunter, Head of Public Realm and Environmental Sustainability
Len Harris, Senior Planning Officer
Duncan Jowitt, Democratic Services Officer

No members of the public or press attended the meeting.

CAB.6 Declarations of interest

None.

CAB.7 Confirmation of minutes

Deferred until the next meeting.

CAB.8 Public questions

None

CAB.9 Provision of Public Conveniences

The Street Scene, Parks and Open Spaces Portfolio Holder and the Corporate Director Environment submitted a report seeking Cabinet agreement to undertake a variation and extension of the contract with Danfo (UK) for the service and maintenance of public conveniences across the borough.

Decision

Cabinet

- gave approval to proceed with the variation and extension of the contract under the exemption to Contract Procedures contained within the Financial Regulations and Financial Procedure Rules, on the grounds that exceptions may apply where “The goods, works or services constitute an extension or variation of an existing contract, or are required urgently, or the goods/materials, works or services consist of repairs to, or the supply of parts for, existing proprietary plant or equipment.”
- authorised the Corporate Director Environment and the Legal Services Manager to make the amendments and sign any other legal documentation to action the proposal on behalf of the council.

CAB.10 Lambs Road/Raikes Road Masterplan

The Planning Policy and Economic Development Portfolio Holder and the Corporate Director Communities submitted a report seeking approval of the Masterplan for Local Plan allocation SA12 Lambs Road/Raikes Road, Thornton.

Decision

Cabinet approved the Lambs Road/Raikes Road Masterplan and agreed that powers be delegated to the Head of Planning Services to make minor editorial amendments and corrections if necessary to the masterplan prior to publication.

CAB.11 Disposal of Land at Bourne Hill, Thornton

The Resources Portfolio Holder and the Corporate Director Resources submitted a report seeking Cabinet approval to dispose of land at Bourne Hill, Thornton.

Decision

Cabinet agreed that

- the land identified in Appendix 1 of the report at Bourne Hill, Thornton

- be declared surplus to requirements.
- the Corporate Director Resources be authorised to arrange for the marketing and disposal of the council's land ownership and all related matters.

The meeting started at 5.00 pm and finished at 5.01 pm.

Date of Publication: 15 July 2021

Options considered but rejected

Any alternative options that were considered but rejected, in addition to the reasons for the recommendations that were made, are included in the full reports.

When will these decisions be implemented?

All decisions will be put into effect five working days from the date of publication, unless a decision is "called-in" by any three members of the council within that period.

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Report of:	Meeting	Date
Councillor Michael Vincent, Resources Portfolio Holder and Clare James, Corporate Director Resources	Cabinet	20 October 2021

Medium Term Financial Plan 2021/22 to 2025/26
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1. Purpose of report

1.1 To consider the council's Medium Term Financial Plan for the financial years 2021/22 to 2025/26.

2. Outcomes

2.1 The ability to demonstrate good financial management by ensuring that the council's Medium Term Financial Plan, budgets and capital programme are soundly based and designed to deliver its strategic priorities.

3. Recommendations

3.1 Members are requested to:

- a. Consider the attached Medium Term Financial Plan and the consequential action required in order to address the issues resulting from the five year Financial Forecast (current year plus four years);
- b. Note the revised expenditure projections incorporating the slippage from 2020/21, and the resulting impact on the level of the council's Reserves and Balances at 31 March 2021; and,
- c. Agree the top-up and use of all Reserves and Balances as indicated in Appendix 3 to the Medium Term Financial Plan.

4. Background

4.1 The council's comprehensive, Medium Term Financial Plan, essentially a five year financial forecast, complements the Annual Revenue Budget process and should be considered in conjunction with the Council's Business Plan, its capital investment plans and the Asset Management Plan. It provides detailed proposals for corporately managing the council's resources in the years ahead.

- 4.2 The council’s financial plans support the delivery of strategic plans for assets either through investment, disposals, rationalisation or more efficient asset use. Financial plans show how the financial gap between the need to invest in assets and the budget available will be filled over the long term (for example through prudential borrowing, rationalisation of assets, capital receipts, etc.).

5. Key issues and proposals

5.1 The last Plan was based on the Revenue Budget for 2020/21 and it was recognised that it would be subject to continuous monitoring to ensure its effectiveness. Since the Plan was last considered there have been regular monitoring reports to Members on both the Revenue and Capital Budgets and the 2021/22 Budgets for both of these have been approved. The Outturn figures for 2020/21 (pre audit), were presented to the Audit Committee on 27 July 2021. Attached, at Appendix A, is a copy of the updated Plan, which includes the latest five year financial forecast.

5.2 Based on the detailed appendices to this report, over the forthcoming MTFP period, savings would be required of:

- £888,000 for 2022/23
- £1,479,000 for 2023/24
- £1,626,000 for 2024/25
- £2,318,000 for 2025/26

These are expressed on an assumption that any savings in each year are one-off and non-recurring. Therefore, as an example, should recurring savings be found in 2022/23 of £500,000 then the required savings to be found in each subsequent year would be reduced initially by that same £500,000 (being recurring in nature).

Financial and legal implications	
Finance	Considered in detail in the appendices attached.
Legal	None arising directly from the report.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	✓
health and safety	x

risks/implications	✓ / x
asset management	✓
climate change	✓
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	email	date
Clare James	01253 887308	clare.james@wyre.gov.uk	20.09.2021

List of background papers:		
name of document	date	where available for inspection
None		

List of appendices

Appendix A – Medium Term Financial Plan 2021/22 to 2025/26



Medium Term Financial Plan 2021/22 to 2025/26

Wyre Council
Civic Centre
Breck Road
Poulton-le-Fylde

October 2021

The Medium Term Financial Plan for Wyre Council

1. Strategic Objectives

- 1.1 The Council's Business Plan sets out its vision, objectives and actions for a five year period, highlighting the issues upon which we have decided to focus in order to ensure that our vision is realised. Our vision is 'Wyre is a healthy and happy place where people want to live, work, invest and visit'.

Economy

Our ambition – A strong local economy
Work with the Fylde Coast Economic Prosperity Board to support economic growth and attract investment to Wyre
Collaborate with our partners to facilitate vibrant town centres
Support businesses to grow and prosper and recover
Work with transport authorities to improve the infrastructure and connectivity across the Fylde Coast
Maximise commercial opportunities and deliver efficiencies

People

Our ambition – Empowered communities
Collaborate with residents and local stakeholders to support and maximise opportunities for improving health and wellbeing across our communities
Transform the way customers access our services through making better use of technology
Explore opportunities for communities and partners to deliver initiatives that build resilience and sustainability
Work with partners to support and raise the aspirations of young people

Place

Our ambition – A quality local environment for all to enjoy
Utilise Wyre's USP – the Great Outdoors – supporting residents and visitors to maximise the opportunities from coast to countryside
Collaborate with our partners to respond to a range of climate change issues, including our commitment to carbon footprint reduction and tackling flood risk across Wyre
Work with residents, Parish and Town Councils and businesses to plan, protect and enhance the quality of our neighbourhoods

2. Background

- 2.1 The council's comprehensive, Medium Term Financial Plan is a five year financial forecast which complements the Annual Revenue Budget process and should be

considered in conjunction with the Council's Business Plan, its capital investment plans and the Asset Management Plan. It provides detailed proposals for corporately managing the council's resources in the years ahead.

- 2.2 Without a resilient Business Plan, priorities can be championed that have little or no reference in relation to the needs of local communities, which can lead to a lack of value for money, direction and public satisfaction.
- 2.3 The council continues to face many significant challenges ahead and will have to manage a wide and diverse range of services with decreasing resources and heightened customer expectations.
- 2.4 The council recognises and welcomes the resources that are made available through contributions from other public and private partner organisations, as well as the voluntary sector. These form a key part of the council's application of resources, duly reflected in its key documents, which are shared with those bodies to achieve the most effective mix of contributions to achieve shared aims and objectives.

3. Links to Corporate Priorities

- 3.1 Obviously, the council cannot do everything it would like to do, or indeed, everything its customers and partners would like it to do. The council, in the same way as other organisations, is restricted by the amount of money (revenue and capital) it has to spend. As such, it has to set priorities. These priorities, which are reflected in the Business Plan, are based on clear evidence of community needs and aspirations determined through prior research and local consultation. The 2021 Business Plan update was also influenced by the views of Overview and Scrutiny Committee who were consulted as part of the drafting process.
- 3.2 In order to respond effectively to the diverse needs of the community the council needs to be using resources effectively, delivering the best outcomes for local people and actively seeking new ways to improve the wellbeing of the community. To reflect the growing importance of climate change, a £25,000 ongoing base budget has been formally established as part of this review to provide pump-priming monies and reflect commitments already agreed to projects such as to tree planting.
- 3.3 This process will be achieved through the following mechanisms:

Engagement with Residents using existing mechanisms and groups – The council is keen to ensure that the aspirations and needs of local people are met and continues to use the Together We Make a Difference Network to ensure better and more effective methods of achieving two-way communication.

The Council's Business Plan - outlines our vision, objectives and actions for the period 2019 to 2023 and demonstrates our commitment to make a positive difference to the lives of people living in Wyre.

Medium Term Financial Plan (MTFP) – reflects the budgetary requirements of the Business Plan and is communicated to staff and stakeholders.

Annual Service Plans – contain detailed action plans for the forthcoming year for each service including performance targets.

Team and Individual Objectives – ensures that each member of staff knows how their job helps to deliver a better Wyre. A staff appraisal system helps to assess everyone’s contribution.

Performance Management Framework – a tool that underpins all of the above and allows everyone to track performance.

- 3.4** New schemes requiring funding are referred to Corporate Management Team (CMT) for detailed consideration against corporate priorities. (The Detailed Business Case template for Revenue and Capital projects can be seen at Appendix 1.) Once scrutinised by CMT, successful business cases are then submitted to the relevant Portfolio Holder for approval. Further scrutiny takes place when Cabinet consider the Capital Programme as part of the council’s Estimates Process. In addition, every year, Overview and Scrutiny review the schedule showing planned investment in our assets and this last took place on 7 June 2021. This ensures that, often difficult, decisions are taken in consideration of the council’s duty to promote the wellbeing of the community, as well as service specific needs.
- 3.5** Before detailed business cases are submitted for consideration however, there must be:
- A clear rationale for the project and identification of the corporate priority to which the request relates;
 - Identification of stakeholders;
 - An options appraisal which also considers the impact on the organisation, staffing, technology etc.;
 - Consideration of the benefits, both tangible and intangible that the project could achieve and how these will be measured;
 - Consideration of the financial impact of the expenditure e.g. one off and recurring financial consequences
 - Awareness of the risks attached to the project and how these could be mitigated and/or managed.
- 3.6** Ordinarily, capital receipts can only be used to fund capital expenditure or be set aside to repay debt. However, as part of the multi-year 2016/17 local government finance settlement, greater flexibility to allow council’s to use these receipts to generate ongoing revenue efficiencies was announced although published guidance must be followed. This flexibility has been extended several times and now includes every financial year to at least 2024/25.
- 3.7** This guidance advises that: “The Secretary of State believes that individual authorities and groups of authorities are best placed to decide which projects will be most effective for their areas. The key criteria to use when deciding whether expenditure can be funded by the capital receipts flexibility is that it is forecast to generate ongoing savings to an authorities’, or several authorities, and/or to another public sector body’s net service expenditure.”
- 3.8** The Guidance also recommends that the Strategy setting out details of projects to be funded through flexible use of capital receipts be prepared prior to the start of each financial year and/or should be presented to full Council or the equivalent at

the earliest possible opportunity.

- 3.9** At the present time, there is no intention to make use of this flexibility owing to the significant schedule of works required to maintain and invest in our assets and as such no Strategy has been approved by Council.
- 3.10** The council is keen to strengthen the link between investment and return by encouraging the development and reporting of indicators that can demonstrate how individual schemes have contributed to the achievement of its priorities, i.e. what the community can expect the investment to achieve in terms of outputs and outcomes.

4. Budget Management and Monitoring

- 4.1** In order to ensure that the council is able to demonstrate an effective approach to managing its financial performance, monitoring reports, highlighting any significant deviations from the plan, are submitted to the Executive on a regular basis in respect of both revenue and capital expenditure. This information is informed by regular budgetary reviews undertaken by Spending Officers and the Financial Services Team. Any changes to the phasing of capital schemes and any significant variations to scheme costs are formally reported to Cabinet throughout the year. This process balances the need for a consistent and corporate approach to programme management generally with the responsiveness and flexibility required to manage, often complex, schemes.
- 4.2** The release of funds from the Capital Budget, following a scheme's inclusion in the Capital Programme, is subject to a comprehensive report to the appropriate Portfolio Holder, by the relevant Corporate Director who is responsible for managing the scheme from development through to implementation and review. (This requirement may be relaxed for those schemes where the delay between the date of inclusion in the capital programme and the project start date is less than 9 months and the exact nature of the capital investment requires no further Member approval). The Members' role in performance management and monitoring is supported by the Council's Financial Regulations and Financial Procedure Rules which state the key controls surrounding the capital programme as follows:
- a) a scheme and estimate, including project plan, progress targets and associated revenue expenditure is prepared for each capital project, for approval by the executive
 - b) specific approval by the full Council for the programme of capital expenditure
 - c) expenditure on capital schemes is subject to the approval of the relevant Portfolio Holder prior to scheme commencement
 - d) proposals for improvements and alterations to buildings must be approved by the Corporate Property Officer
 - e) schedules for individual schemes within the overall budget approved by the full council must be submitted to the relevant Portfolio Holder for approval (for example, Refurbishment of Playgrounds)
 - f) the development and implementation of asset management plans
 - g) accountability for each proposal is accepted by a named manager
 - h) monitoring of progress in conjunction with expenditure and comparison with approved budget.
- 4.3** Capital costs must be within approved budgets, the tender process being conducted in accordance with Financial Regulations and Financial Procedure

Rules which set out the circumstances for reporting overspends to the Executive.

- 4.4** The Prudential Code for Capital Finance aims to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable. The Code sets out indicators that can be used and requires local authorities to set relevant limits and ratios. These include a three year forward looking estimate of financing costs to the net revenue stream ratio as well as a backward looking prior year actual financing costs to the net revenue stream ratio. Responsibility for setting and agreeing the prudential indicators rests with the full Council further reinforcing the Members' role in the management of the Capital Programme.
- 4.5** In December 2017, the Chartered Institute of Public Finance and Accountancy, (CIPFA), issued a revised Treasury Management Code and Cross Sectoral Guidance Notes and a Revised Prudential Code. The Prudential Code was further updated in 2018.
- 4.6** A particular focus of these revised codes was how to deal with local authority investments which are not treasury type investments e.g. by investing in purchasing property in order to generate income for the authority at a much higher level than can be attained by treasury instruments. One recommendation was that local authorities should produce a new report to Members to give a high level summary of the overall capital strategy and to enable Members to see how the cash resources of the authority have been apportioned between treasury and non-treasury investments. This report went before Council on 22 April 2021 to ensure compliance with the codes.

5. Basis of Budgetary Forecast

- 5.1** The projections incorporate the final position in respect of the 2020/21 financial year with the Statement of Accounts (subject to audit) approved by Audit Committee on 27 July 2021. The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 require the council's responsible financial officer to certify that the accounts 'present a true and fair view of the financial position' for the 2020/21 financial year by 31 July 2021. The council is then formally required to approve and publish the audited Statement of Accounts no later than 30 September 2021. Owing to the pandemic these deadlines are later than they were and will also apply to the 2021/22 accounts. It is the role of the Audit Committee, independent from the Executive and Overview and Scrutiny functions, to 'review the annual Statement of Accounts considering whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council'. The audited accounts and the report from the External Auditor, referred to as the ISA260 Report were considered at the 28 September meeting.
- 5.2** The Local Government Association (LGA) has yet to confirm the Pay Award for the National Joint Council for Local Government Services for 2021/22. For the five years from 2021/22 an estimated 3% pay award has been included in the forecast. Following the government's announcement in September regarding an additional health and social care NI contribution from April 2022 of 1.25%, this has not been built into the forecasts as we await further information on the funding arrangements.
- 5.3** Provision for inflation has been included where it is considered to be a contractual

obligation and where known inflationary pressures exist. In preparing a prudent budget, the council should also reflect the current economic climate and its potential impact; this has been considered as part of the Risk Assessment at Appendix 5.

- 5.4** Although the income projected from fees and charges should follow the principles of the Audit Commission publication “The Price is Right”, the objective being to maximise support to the Revenue Budget, it has been assumed that additional income generated during 2021/22 will be offset by similar increases in other costs. Where a specific policy decision has already been taken, however, in relation to future levels of charging this has been reflected in the plan. The council’s Charging Policy is attached at Appendix 2. It should be noted that as a result of the Covid-19 pandemic, the government’s Sales, Fees and Charges compensation scheme will continue to apply in the first quarter of 2021/22.
- 5.5** The financial projections reflect all known implications arising from published strategies and plans across the council and joint plans agreed with partners and other stakeholders which include the following:
- Business Plan 2019-2023;
 - Waste Management Strategy 2008-2020 (refresh pending);
 - Digital Transformation Strategy - #DigitalWyre 2017 – 2020 (refresh pending)
 - Disabled Facilities Grants Policy; and
 - Local Plan
- 5.6** As part of the annual budget cycle, and in determining the MTFP, the council continues to identify actions that will improve efficiency, quantifying the expected gains that assist the council in effectively prioritising its finite resources. These efficiency targets, detailed within the council’s ‘Annual Efficiency Programme’ which is published along with the Revenue Budget papers considered by Cabinet, will assist the delivery of the council’s corporate priorities supporting the continued improvement of services for our residents. Savings and efficiency gains identified for the year are monitored throughout the period by the Executive to ensure their achievement. Target efficiency savings will only be reflected in the MTFP, however, as they are realised.
- 5.7** Following the General Election in December 2019 and the ongoing coronavirus pandemic there remains uncertainty around the government’s approach to funding local government. The Spending Review announcement on 25 November 2020 indicated that a one year settlement would be announced in December for 2021/22 and the Fair Funding Review, full Spending Review and Business Rates Reform would all be postponed and not implemented until 2022/23 at the earliest. It is understood that this timetable could be delayed again as a result of the pandemic and some elements may not now proceed. If implementation does go ahead, a delay would allow for the full impact of the pandemic on the current year to be understood before further reform takes place. A three year Spending Review (2022/23 to 2024/25) was launched on 7 September 2021 and is due to conclude on 27 October 2021 alongside the Autumn Budget. As the final values for the 2021/22 settlement, published in March 2021, are the latest known values, these have been used for the purposes of forecasting.
- 5.8** From 1 April 2014 the accounting arrangements for pensions changed and rather than a single percentage contribution rate being calculated to determine the employers’ payment into the scheme, the charges are split with a future service

contribution rate being set and charged to services together with a cash deficit recovery contribution being charged to Non Distributed Costs. The employers' equated superannuation rate, effective for the financial year commencing 1 April 2021, is 18.3% and reflects a future service contribution rate of 18.3% and a deficit recovery contribution of nil. The past service deficit contribution was originally meant to increase by 4.1% per annum. However, the outcome of the latest triennial review for 2020/21 to 2022/23 and the decision to pre-pay our pension contribution has resulted in an overall estimated surplus position which is helping to offset the future service cost %. This option to pre-pay the council's pension contribution for the next three years, delegated to the s.151 Officer, and thereby pay a reduced amount, is estimated to save over £228,000 over the period. The next triennial review by the Actuary will be based on data at 31 March 2022 and will be effective for the three years commencing 1 April 2023 (discussions are under way to modify future review periods but this remains the current position). The government have been consulting on extending the review period to up to five years but the outcome of this is not yet known. The plan assumes a future service rate of 18.8%. This is based on the estimated rate of 18.3% provided by the actuary in December 2019 plus a 0.5% provision for the impact of the recent McCloud judgment which is expected to increase costs.

- 5.9** With effect from the 2007/08 financial year, the council once again become reliant on borrowing to support capital expenditure. The council has borrowed £3.552m to date and this value is used to calculate the minimum revenue provision (MRP) which must be reflected in the accounts. The borrowing to date is as follows:

Date	Loan Ref	Value (£)	Period	Rate (%)	Maturing
05.03.08	494403	1,000,000	3	4.18	Sept' 2010
05.03.08	494404	552,000	30	4.48	Sept' 2037
05.03.08	494405	1,000,000	50	4.41	Sept' 2057
09.03.09	495360	1,000,000	4	2.05	Sept' 2012

Whilst there is no interest paid on the two loans that have matured, the charge to the revenue account reflecting the principal element of the repayment is calculated based on the number of years that the asset will be in operation. Interest paid on long term borrowing in 2021/22 is expected to be £68,830 and principal repayments are £95,559 – a total cost of £164,389. This cost will not reduce until 2024/25 when assets with a 15 year life span fall out of the MRP calculation and the MRP reduces to £89,994 (£158,824 including interest). The MRP calculation then reduces again to £79,703 (£148,533 including interest) in 2025/26.

- 5.10** In an effort to reduce the council's reliance on borrowing and following concerns about the sustainability of continuing to borrow in the current economic climate, a Capital Investment Reserve was created as part of the 2009/10 closure of accounts. The balance remaining on this reserve at 31 March 2021, totalling £1,628,256, is substantially committed.

6. Basis of Resources Forecast

- 6.1** The extent of the growth in the tax base of the authority obviously has an impact on the projections of future Council Tax income. An increase of 1.6% has been anticipated in 2022/23 reducing to 1.2% at the end of the MTFP period.
- 6.2** New provisions for council tax referendums were introduced by the Localism Act with effect from 2012/13 to replace capping. The council increased its share of the

council tax in 2021/22 by £5 or 2.44%. As part of the Local Government Finance Settlement, the Government announced a 2% trigger for local referenda on council tax increases but also allowed any shire district council to charge a de-minimis £5 more in council tax without triggering the referendum. For the purpose of the MTFP a £5 increase in council tax has been assumed in 2022/23 and beyond. If the £5 threshold were withdrawn then the forecast position would worsen. Conversely, if the 2% threshold was returned to 3% and members were supportive of this increase, the position would improve.

- 6.3** The current Business Rates Retention Scheme was introduced in 2013/14 and essentially allows councils to keep a share of any business rate growth. A baseline level of funding has been set which, in effect, replaces the grant support that would otherwise have been awarded. Under the national scheme, the council is allowed to keep 40% of any additional funds that it generates (with 50% being paid to the Government, 9% to Lancashire County Council and 1% to the Fire Authority) but this is normally regulated by the payment of a levy at 50%.
- 6.4** Following a one-year 75% retention pilot pool in 2019/20, with effect from 1 April 2020, the council was again designated as belonging to the 50% Business Rates Pool of Lancashire. This results in the County Council being paid 10% of the retained levy (prior to the cost of administering the pool) with Wyre retaining 90% of the levy previously payable.
- 6.5** A consequence of being part of the Pool arrangement is that the council will no longer be eligible to receive a safety net payment should the business rate base in the area decline and fall below 92.5% of the baseline funding level. The entire Pool would have to drop below the safety net level of 92.5% for any additional support to be paid over.
- 6.6** The council no longer receives revenue support grant and the forecast assumes that the funding level will increase by a modest 1.5% pending further information on the Spending Review and other reforms.
- 6.7** The requirement for financial reserves is acknowledged in statute. The Local Government Finance Act 1992 requires billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. The council's minimum prudent level of balances, calculating the requirement at 5% of net expenditure before other government grants (£638,305) together with the element of the reduction in business rates that authorities must meet before the Government would consider any safety net payment (£255,695 in 2021/22), is now £894,000. Balancing the annual budget by drawing on general reserves may be viewed as a convenient short-term option but where reserves are deployed to finance recurrent expenditure this should be made explicit by the Section 151 officer. **Members must note that the continued use of balances is not sustainable and a significant re-prioritisation exercise, whereby all services are subject to a critical evaluation, must be undertaken to alleviate serious financial problems in future years. A high level review of statutory and non-statutory services has been carried out. The financial projections indicate that further annual savings will be required in future years.** It is important that the council considers its future budgets and continues to monitor closely the MTFP. The value of reserves and balances at the end of March 2021, and projected for the future, can be seen at Appendix 3. The identification of earmarked reserves often takes account of risk assessments and contingency planning with funding being provided

for known events such as the Borough Election and the rolling replacement of ICT equipment and vehicles. The level of general balances also supports contingency planning and recognises anticipated future financial pressures on revenue resources and the difficulties of securing immediate savings. The council's Policy on the Level of Reserves and Balances is included at Appendix 4.

- 6.8** The council's capital spending is constrained by the availability of appropriate resources including capital receipts, capital grants, borrowing and revenue funding. The council has previously adopted a policy of ensuring that assets with the shortest charge life are financed from capital receipts rather than borrowing to minimise the revenue impact. The council submits a variety of external funding bids, many of which are coordinated by the Engineering, Parks and Open Spaces and Economic Development Teams and all funding bids are agreed with Financial Services prior to submission. The council has an excellent track record of securing external grants and continues to seek funding to facilitate investment in the borough.
- 6.9** On 23 March 2020 the coronavirus pandemic resulted in the first of a series of national lockdowns. During 2020 and 2021 the imposition of local and national restrictions were and continue to be felt. The impact of these on people's lives, the economy, statutory deadlines and service priorities to name a few has been immense. The evolving financial impact on the council was primarily assessed using regular returns to central government and these resulted in additional emergency Covid-19 funding for the council. Some of this funding has been used to top-up earmarked reserves as there is still great uncertainty over the 2021/22 and ongoing financial position. New announcements on funding and new responsibilities to be passed to local government are expected in the Autumn but it is not yet confirmed whether the sector will receive a one-year or a multi-year settlement.
- 6.10** Earmarked Reserves and General Balances showed an improved position at outturn. However, the improvement on General Balances was entirely as a result of deferred revenue expenditure, so not a true saving. The improved Earmarked Reserves position was primarily a result of additional Business Rates income in the form of s.31 Grant which will become due to be repaid to the Collection Fund in the current financial year, so is not money available to the council for other purposes (this is likely to be reflected nationally and may lead to misunderstandings on the perceived 'benefit' that councils have received financially from the pandemic. Top-ups to several reserves were made mainly utilising additional Covid-19 related un-ring-fenced grants in anticipation of increased costs on the Leisure Management, Property Investment and Capital Investment Reserves owing to delayed schemes and the ongoing impact of the pandemic. The Council Tax Base Equalisation Reserve (formerly the New Homes Bonus Reserve) has been increased to reflect a two-year extension to the cushioning arrangement introduced following successive years in the 2010s of taking advantage of the then government's council tax freeze grant. This policy meant that the tax base was frozen and created a 'cliff edge' in the forecast which the delayed funding reforms may have resolved. To align with these delays it was deemed prudent to extend this arrangement.

7. Risk Assessment

- 7.1** An assessment of the risks associated with the MTFP has been carried out. This includes the likelihood, severity and level of risk together with the risk management procedures in place to control and monitor them. The guidance framework for

Corporate Governance in local authorities highlights the need to have these risk management procedures in place.

The table below explains the scoring matrix that is used to calculate the level of risk.

Likelihood	Severity	Risk = Likelihood x Severity
Low (1)	Low (1)	1 – 2 = Low
Medium (2)	Medium (2)	3 – 4 = Medium
High (3)	High (3)	6 – 9 = High

Action to be taken after scoring is as follows:

- High = Review existing practices/proposed recommendations and act.
- Medium = Review control mechanisms.
- Low = Limited immediate action; continue to monitor.

7.2 Appendix 5 lists the major risks associated with the MTFP and the controls in place to alleviate the risks.

8. Executive Summary

8.1 Aims

- To improve the quality of services through the strategic planning process and the targeting and prioritising of investment to meet local and national objectives.
- To provide a clear and consistent framework for financial decision-making and management at both the corporate and service level, subject to continuous monitoring to ensure its effectiveness.

8.2 Delivery

The council strives to ensure that its resources:

- Continue to be guided by the key principles underpinning our corporate objectives and contribute effectively to their achievement, through Corporate Service and Financial Planning.
- Are robustly reviewed on a regular basis identifying potential efficiency savings.
- Add value to those provided by partners and other agencies in the Borough to provide joined up solutions.
- Optimise opportunities for corporate working across services and operational strategies, to achieve wider, defined objectives.
- Are not accepted as the only source of funding for services and continues to explore the possibility of attracting funding from external sources.
- Are supported by the achievement of maximum income levels in relation to fees and charges levied for services provided.
- Maximise and make best use of the council's assets.

List of Appendices:

Appendix 1 – Detailed Business Case Template

Appendix 2 – Charging Policy
Appendix 3 – Summary Financial Forecast (including Reserves and Balances)
Appendix 4 – Policy on the Level of Reserves and Balances
Appendix 5 – Risk Assessment



Detailed Business Case

Topic Name: <Insert Topic Name Here>

Prepared by: <Insert Name>

Date: <Insert Date>

Version Control

Version	Date	Author	Change Description
0.1	<Date>	<Name>	<First Draft – Not yet for publication>

Distribution List

Name	Role
<Insert Name 1>	<Insert involvement in this work, not necessarily job title>

Executive Summary

[Insert a summary of the contents of this document – usually this section is completed last]

Background

[Insert the background of the project, aimed at readers who may not know much about the topic]

Reasons for Project

[Insert information on why the project is needed]

Stakeholders

[Use the table below to list the internal and external stakeholders of this project]

Stakeholder	Interest and Involvement

Options Appraisal

[Typically, there will be a number of options available. Insert details, including an economic appraisal, of the different options available. Often doing nothing is included as the first option to show remaining as-is will NOT be a good way forward. One option will then be selected and used in the rest of the business case. In some cases, the benefits, saving, risks and costs will vary depending on the option chosen. In which case, these can be incorporated into each option, rather than included in the separate sections below. If there are not multiple options, this section can be deleted and the information can be incorporated within the Reasons for Project section above.]

Equipment and Technology Considerations

[This section should explain any considerations with regards to technology. Many new initiatives rely on technology to manage or monitor various business functions. Key features of any contract should be included, such as contract terms, payment mechanism and procurement.]

Organisation and Staffing

[With many new products or services there may be a need for additional staffing or for a restructure in order to accommodate the change.]

Benefits Realisation

[Insert the project benefits. These can be tangible and intangible. Where possible, include details of suitable measures, so the reader is clear on how you will know when you have achieved the objective. Typically, many of the benefits will not be realized until long after the project has closed. For example, if the project was to build a children’s play area, user numbers could not be measured until it has been open for a number of months.]

The benefits the project will bring are:

No.	Benefit Description	Measure
1	<Insert>	<Insert>
2	<Insert>	<Insert>
3	<Insert>	<Insert>

Financial Assessment

[Insert details of the cashable and efficiency saving which can be made (if applicable). Please remove sections and rows which are not required. Work out the savings over one year and then over many years. The number of years chosen will differ depending on your project, but will typically be between 3-10 years. You may wish to include a representative from Finance at this point to help you financially model a number of scenarios.]

A summary of the potential savings are shown in the tables below.

Cashable Savings - Item	Savings P.A. £	Savings over <X> years £
TOTAL	<Total>	<Total>
Efficiency Savings - Item	Savings P.A. £	Savings over <X> years £
TOTAL	<Total>	<Total>
OVERALL TOTAL	<Total>	<Total>

Cost

The main costs for this project are summarised below:

ITEM	Costs in year 1 £	Costs over <X> years £
TOTAL COST	<Total>	<Total>

Anticipated savings less costs =	<Savings - Costs>
---	--------------------------------

Risks

The risks associated with delivering the business case are as follows. These will be transferred to the project issues and risks log for ongoing management purposes.

Risk	Potential Impact	Mitigation
<Insert the nature of the risk>	<Explain the potential impact>	<Explain the steps taken to reduce the risk>

Recommendations

[Insert the business case recommendations, including the recommended option from those stated above]

Timescales

[Insert a brief project timetable, or alternatively use the document '[2 Project Plan](#)' or the 'Project In a Box' software to draw a timeline which can then be attached as a link to this document]



Charging Policy 2022/23

Wyre Council
Civic Centre
Breck Road
Poulton-le-Fylde

October 2021

Charging Policy 2022/23

1. Background

- 1.1 The Cabinet last formally considered its charging policy at its meeting on the 18 November 2020.
- 1.2 In September 1999 the Audit Commission published “The Price is Right” which advised councils to focus attention on charges and addresses the following issues:
 - Establish clear principles for charging;
 - Integrate charging into service management and forge links with corporate objectives;
 - Set clear objectives and targets to qualify success in charging;
 - Build an understanding of users and markets;
 - Improve decision making by taking into account the likely impact of changes to charges; and
 - Innovate via imaginative use of charging structures.
- 1.3 In January 2008, the Audit Commission published a further report entitled “Positively Charged”, which identified how different councils’ use their powers to charge for services and draws conclusions that support their earlier publication in that:
 - Charging for local services makes a significant contribution to council finances and for district councils charges make the greatest contribution to service delivery;
 - Councils use charges to influence individuals’ choices and to bring benefits to local communities. Charges can be set to encourage or discourage people to use services and through concessions to pursue local objectives; and
 - Councils need to understand better the likely impact of charges on users and on patterns of service use.
- 1.4 The report recommends, amongst other things, that where there is a subsidy to provide a service, this is transparent as part of the decision making process; that service managers should be aware of both users and non-users of the service being charged for; to engage service users and taxpayers more in decisions about charging levels and that there should be regular debate on charges and charging policy.
- 1.5 A new briefing entitled ‘Income from Charging’ was issued by the Audit Commission in September 2013 which uses data from the value for money profiles and presented a high level analysis of councils’ income from charging and the contribution it makes to service spending and allowed comparisons to other councils of the same type and changes over time. The data was the subject of a value for money review undertaken as part of the Overview and Scrutiny work programme and was considered at the meeting 15 December 2014. Having fully explored and investigated the variances, it was felt that the value of the research was limited with the additional benefit not being sufficient to justify the exercise being repeated.

- 1.6 The level of income generated by fees and charges, and in particular projected increases which the council can influence, forms a key part of the council's financial planning and is therefore reflected in the Medium Term Financial Plan.

2. The Council's Policy

- 2.1 The council needs to maximise its income whilst ensuring that its services are not compromised, taking into account competition from other providers. Indeed, if services are subsidised purely to maintain a competitive price then a fundamental review of the service should be carried out resulting in the justification of the approach or recommending alternative action.
- 2.2 The council is keen to encourage a shared responsibility for improving neighbourhoods and wherever possible will consult local people and communities on charging policies. Information obtained from satisfaction surveys can also help to monitor performance.
- 2.3 The reasoning behind both service provision and the charge levied should be justified each time that charges are re-assessed. For example, there may well be a desire to use a charging policy to meet other objectives such as increasing usage of recreational assets.
- 2.4 Decisions regarding pricing should be taken in the full knowledge of the pricing policies of alternative providers and information should be provided to ensure that Members are sufficiently briefed.
- 2.5 Clear targets should be set for income levels in advance of any review of pricing and achievement of these targets should be monitored using the council's established performance management arrangements.
- 2.6 When considering pricing policies Service Managers should be encouraged to be innovative and flexible in determining the basis for the charge.

3. Impact

- 3.1 The table attached identifies the range of services for which the council currently levies a charge and the value of the income estimated for the current year. The table also details those areas where the fee is externally set, as is currently the case with Planning Fees, or where we must ensure a break-even position, with the charge being set at a level sufficient to recover associated costs.

APPENDIX 2 - Charging Policy

Service Area	Determined by WBC √ or X	Estimated Value 2021/22 £	Able to Influence £	Unable to Influence £
<u>Resources</u>				
Electoral Services	√	1,800	1,800	
Other Legal Fees	√	30,000	30,000	
National Non-Domestic Rates (Court Costs)	√	13,000	13,000	
Photocopying	√	500	500	
Council Tax (Court Costs)	√	334,750	334,750	
Hire of Committee Rooms	√	8,100	8,100	
	Sub Total	388,150	388,150	-
<u>Communities</u>				
Planning	X	750,000		750,000
Development Control	√	12,100	12,100	
Renovation Grants (Fee Income)	√	233,020	233,020	
Houses in Multiple Occupation	√	4,850	4,850	
Land Charges #	X	75,790		75,790
Street Nameplates and Numbering	√	12,500	12,500	
Care and Repair Service	√	115,920	115,920	
Alley Gates	√	50	50	
Handyperson (Fee Income)	√	-	-	
Marine Hall	√	154,300	154,300	
Thornton Little Theatre	√	56,500	56,500	
Mount Grounds	√	1,000	1,000	
Marsh Mill	√	1,000	1,000	
Poulton Market*	√	20,000	20,000	
Fleetwood Market*	√	519,910	519,910	
Cleveleys Market*	√	4,060	4,060	
Leisure Centres (including pools) **	√	-	-	
	Sub Total	1,961,000	1,135,210	825,790
<u>Environment</u>				
Estates use of land for commercial events	√	3,000	3,000	
Animal Licensing	√	10,000	10,000	
Taxi Licensing	√	77,910	77,910	
Licensing Act	X	86,500		86,500
Gambling Act Licensing	X	25,800		25,800
Other Licensing ***	√	5,530	5,530	
Pest Control	√	37,860	37,860	
Private Water Supplies	√	870	870	
Food Safety	√	5,490	5,490	
Contaminated Land	√	100	100	
Pollution Prevention Control	X	7,940		7,940
Building Control #	√/X	233,100	1,500	231,600
Car Parking	√	498,580	498,580	
Residents Parking Permits	√	7,000	7,000	

APPENDIX 2 Continued - Charging Policy				
Penalty Charge Notices (Off street parking)	X	50,990		50,990
MOT Test Centre	√	26,480	26,480	
Cemeteries	√	290,260	290,260	
Countryside	√	3,030	3,030	
Wyre Estuary Country Park	√	1,350	1,350	
Rossall Point	√	30	30	
Dog Warden Service	√	2,000	2,000	
Street Cleansing	X	27,500		27,500
Public Conveniences	√	53,200	53,200	
Outdoor Leisure	√	8,120	8,120	
Bulky Household Waste	√	50,000	50,000	
Green Waste Removal	√	830,100	830,100	
Waste Container Delivery Administration Costs	√	90,000	90,000	
	Sub Total	2,432,740	2,002,410	430,330
	Total	4,781,890	3,525,770	1,256,120

* Fleetwood, Poulton and Cleveleys Market Rents are set under Officer Delegated Powers.

** Involved in agreeing charges but income retained by contractor.

*** WBC is able to influence ear piercing, performance of plays, public entertainment, second hand goods dealers, scrap metal operators' and street trading licences.

Indicates a break even position is required.

<u>Revenue Budgets</u>	<u>2021/22</u> £'000	<u>2022/23</u> £'000	<u>2023/24</u> £'000	<u>2024/25</u> £'000	<u>2025/26</u> £'000
Base Borough Requirements, increased for prior year inflation, but excluding Use/Top-up of Balances (shown below)	12,841	12,773	13,247	13,736	14,240
<u>Inflationary Assumptions on the above Base</u>					
Pay: Officers - from 21/22 3% ongoing; Member Allowances - from 21/22 3% ongoing	0	339	349	360	370
Prices, Specific Contracts and Other Costs (Variable)/Energy	(68)	135	140	144	149
<u>Expected Future Changes on the above Base</u>					
Revenue slippage	1,815	0	0	0	0
Capital Programme revenue implications		0	6	7	7
Employee (incl. Member Allowances) and related cost - NI changes; Pension contributions; Protection; FTCs; long service awards and restructures	54	21	81	84	85
External Grant and Grant Aided schemes - DWP		74	74	74	74
Other Services including - National Fraud Initiative, Citizens Advice Bureau; Marine Hall; Borough Elections; Foreshore/Promenade Fleetwood; Marine Lake; Memorial Park; Contaminated Land; Licensing; Asset Maintenance Review; Leisure Centre Subsidy	160	(367)	(456)	(636)	(670)
Regeneration/Economic situation changes - Local Plan; Depots and Fleetwood Market		85	76	76	77
Waste Management - Waste Collection Contract and Green Waste		0	0	0	0
Capital Programme - Cost of Borrowing and Investment Income		(30)	(30)	(35)	(46)
Capital Programme - Revenue Funding Contributions	2,941	34	(244)	(91)	(179)
Reserve Contribution Changes	(6,430)	(294)	135	146	802
Baseline Funding - External Government Grant (all per final Local Government Finance Settlement)	(3,409)	(3,460)	(3,512)	(3,565)	(3,618)
Lower Tier Services Grant	(145)	0	0	0	0
NDR income lower than Baseline costs borne by Wyre	85	0	0	0	0
New Homes Bonus - Government Grant	(1,073)	(354)	0	0	0
Non-Domestic Rates - Government Grant	(1,981)	0	0	0	0
Non-Domestic Rates - Levy	718	0	0	0	0
Non-Domestic Rates - Retained Levy (Lancashire Pool)	(646)	0	0	0	0
Collection Fund Adjustment - Council Tax prior year	21	0	0	0	0
Collection Fund Adjustment - Non-domestic Rates re prior year	5,184	0	0	0	0
Enterprise Zone growth to be transferred to a ringfenced reserve	(81)	0	0	0	0
Net Wyre Requirement met by Council Tax and Balances	9,986	8,956	9,866	10,300	11,291
Base 20/21 and Forecast Cost met by Council Tax	<u>7,756</u>	<u>8,068</u>	<u>8,387</u>	<u>8,674</u>	<u>8,973</u>
Net Spending change i.e. need to Use/Top Up (-) Balances	2,230	888	1,479	1,626	2,318

	<u>2021/22</u> £'000	<u>2022/23</u> £'000	<u>2023/24</u> £'000	<u>2024/25</u> £'000	<u>2025/26</u> £'000
General Balances as at 1 April	13,093	10,863	9,975	8,496	6,870
Add Top Up of Balances	0	0	0	0	0
Less Use of Balances	(2,230)	(888)	(1,479)	(1,626)	(2,318)
Estimated Balances Surplus/(Deficit) at 31 March	10,863	9,975	8,496	6,870	4,552
NB Prudent level of Balances £894,000					

Tax base	36,980.66	37,571.23	38,165.91	38,595.59	39,058.74
Forecast Council Tax £	£209.74	£214.74	£219.74	£224.74	£229.74
Annual Council Tax Increase £ - higher of £5 or 1.99%	£5.00	£5.00	£5.00	£5.00	£5.00
Annual Council Tax Increase %	2.44%	2.38%	2.33%	2.28%	2.22%
Council Tax Income	£7,756,324	£8,068,046	£8,386,577	£8,673,973	£8,973,355
Additional Annual Council Tax Income		£311,722	£318,531	£287,396	£299,382

<u>Assumptions - Net Service Expenditure</u>	
Inflation - Pay Award:	21/22 onwards 3% (NJC still in negotiation for 21/22)
Inflation - Other costs:	21/22 onwards electricity and gas 5%, other costs 2%
<u>Assumptions - Financing Sources</u>	
Revenue Support Grant:	nil in all years
Govt Support: Baseline Funding	1.5% increase
Council Tax:	higher of £5 or 1.99%
Council Tax Base:	Dec 2020 tax base calculation (25/26 reflects 1.2% increase)

2020/21 Outturn Position

	Opening Balance as at 01/04/2020 £	Transfers in (‘top-up’) £	Transfers out (to fund expenditure) £	Closing Balance as at 31/03/2021 £
<u>Earmarked Reserves</u>				
Building Control	10,315	44,200	-	54,515
Capital Investment	563,319	1,116,066	(51,129)	1,628,256
Elections	-	41,217	-	41,217
Homelessness	-	459,622	-	459,622
Insurance	106,014	40,000	(47,777)	98,237
Investment - I.T. Strategy	480,870	715,585	(245,740)	950,715
Land Charges	17,951	-	(5,389)	12,562
Leisure Management	206,081	260,935	-	467,016
Council Tax Equalisation	1,706,247	1,137,498	(568,749)	2,274,996
Non-Domestic Rates Equalisation	3,900,608	8,254,239	(2,269,299)	9,885,548
Performance Reward Initiatives	24,564	-	(2,050)	22,514
Property Investment Fund	1,000,000	1,906,900	-	2,906,900
Value for Money	802,582	75,540	(14,450)	863,672
Vehicle Replacement/Street Cleansing Maintenance	2,917,657	643,500	(3,005,818)	555,339
TOTAL Earmarked Reserves	11,736,208	14,695,302	(6,210,401)	20,221,109
<u>Ring-fenced Reserves</u>				
Enterprise Zone Growth	1,160,907	39,005	(352,788)	847,124
TOTAL Ring-fenced Reserves	1,160,907	39,005	(352,788)	847,124
TOTAL Reserves	12,897,115	14,734,307	(6,563,189)	21,068,233
<u>Balances</u>				
General Fund	13,906,033	1,815,040	(2,628,350)	13,092,723
TOTAL Balances	13,906,033	1,815,040	(2,628,350)	13,092,723
TOTAL Reserves and Balances	26,803,148	16,549,347	(9,191,539)	34,160,956

2021/22 Estimated Position

	Opening Balance as at 01/04/2021 £	Transfers in (‘top-up’) £	Transfers out (to fund expenditure) £	Closing Balance as at 31/03/2022 £
<u>Earmarked Reserves</u>				
Building Control	54,515	-	-	54,515
Capital Investment	1,628,256	-	(74,250)	1,554,006
Elections	41,217	41,217	-	82,434
Homelessness	459,622	-	(53,910)	405,712
Insurance	98,237	40,000	-	138,237
Investment - I.T. Strategy	950,715	33,630	(186,678)	797,667
Land Charges	12,562	-	-	12,562
Leisure Management	467,016	7,380	-	474,396
Council Tax Equalisation	2,274,996	-	(568,749)	1,706,247
Non-Domestic Rates Equalisation	9,885,548	1,908,780	(5,861,787)	5,932,541
Performance Reward Initiatives	22,514	-	(22,514)	-
Property Investment Fund	2,906,900	-	(2,634,500)	272,400
Value for Money	863,672	-	(206,293)	657,379
Vehicle Replacement/Street Cleansing Maintenance	555,339	580,149	(411,519)	723,969
TOTAL Earmarked Reserves	20,221,109	2,611,156	(10,020,200)	12,812,065
<u>Ring-fenced Reserves</u>				
Enterprise Zone Growth	847,124	-	(118,430)	728,694
TOTAL Ring-fenced Reserves	847,124	-	(118,430)	728,694
TOTAL Reserves	21,068,233	2,611,156	(10,138,630)	13,540,759
<u>Balances</u>				
General Fund	13,092,723	-	(2,230,000)	10,862,723
TOTAL Balances	13,092,723	-	(2,230,000)	10,862,723
TOTAL Reserves and Balances	34,160,956	2,611,156	(12,368,630)	24,403,482

2022/23 Estimated Position

	Opening Balance as at 01/04/2022 £	Transfers in (‘top-up’) £	Transfers out (to fund expenditure) £	Closing Balance as at 31/03/2023 £
<u>Earmarked Reserves</u>				
Building Control	54,515	-	-	54,515
Capital Investment	1,554,006	-	-	1,554,006
Elections	82,434	41,217	-	123,651
Homelessness	405,712	-	-	405,712
Insurance	138,237	40,000	-	178,237
Investment - I.T. Strategy	797,667	51,425	(112,084)	737,008
Land Charges	12,562	-	-	12,562
Leisure Management	474,396	7,380	(250,000)	231,776
Council Tax Equalisation	1,706,247	-	(568,749)	1,137,498
Non-Domestic Rates Equalisation	5,932,541	-	-	5,932,541
Property Investment Fund	272,400	-	(272,400)	0
Value for Money	657,379	-	(50,500)	606,879
Vehicle Replacement/Street Cleansing Maintenance	723,969	578,679	(155,200)	1,147,448
TOTAL Earmarked Reserves	12,812,065	718,701	(1,408,933)	12,121,833
<u>Ring-fenced Reserves</u>				
Enterprise Zone Growth	728,694	-	(49,950)	678,744
TOTAL Ring-fenced Reserves	728,694	-	(49,950)	678,744
TOTAL Reserves	13,540,759	718,701	(1,458,883)	12,800,577
<u>Balances</u>				
General Fund	10,862,723	-	(888,000)	9,974,723
TOTAL Balances	10,862,723	-	(888,000)	9,974,723
TOTAL Reserves and Balances	24,403,482	718,701	(2,346,883)	22,775,300

2023/24 Estimated Position

	Opening Balance as at 01/04/2023 £	Transfers in (‘top-up’) £	Transfers out (to fund expenditure) £	Closing Balance as at 31/03/2024 £
<u>Earmarked Reserves</u>				
Building Control	54,515	-	-	54,515
Capital Investment	1,554,006	-	-	1,554,006
Elections	123,651	41,217	(164,868)	-
Homelessness	405,712	-	-	405,712
Insurance	178,237	40,000	-	218,237
Investment - I.T. Strategy	737,008	49,930	(86,000)	700,938
Land Charges	12,562	-	-	12,562
Leisure Management	231,776	1,240	-	233,016
Council Tax Equalisation	1,137,498	-	(568,749)	568,749
Non-Domestic Rates Equalisation	5,932,541	-	-	5,932,541
Property Investment Fund	0	-	-	0
Value for Money	606,879	-	-	606,879
Vehicle Replacement/Street Cleansing Maintenance	1,147,448	575,685	(149,500)	1,573,633
TOTAL Earmarked Reserves	12,121,833	708,072	(969,117)	11,860,788
<u>Ring-fenced Reserves</u>				
Enterprise Zone Growth	678,744	-	(49,950)	628,794
TOTAL Ring-fenced Reserves	678,744	-	(49,950)	628,794
TOTAL Reserves	12,800,577	708,072	(1,019,067)	12,489,582
<u>Balances</u>				
General Fund	9,974,723	-	(1,479,000)	8,495,723
TOTAL Balances	9,974,723	-	(1,479,000)	8,495,723
TOTAL Reserves and Balances	22,775,300	708,072	(2,498,067)	20,985,305

2024/25 Estimated Position

	Opening Balance as at 01/04/2024 £	Transfers in (‘top-up’) £	Transfers out (to fund expenditure) £	Closing Balance as at 31/03/2025 £
<u>Earmarked Reserves</u>				
Building Control	54,515	-	-	54,515
Capital Investment	1,554,006	-	-	1,554,006
Elections	-	41,217	-	41,217
Homelessness	405,712	-	-	405,712
Insurance	218,237	40,000	-	258,237
Investment - I.T. Strategy	700,938	49,930	(86,000)	664,868
Land Charges	12,562	-	-	12,562
Leisure Management	233,016	-	-	233,016
Council Tax Equalisation	568,749	-	(568,749)	-
Non-Domestic Rates Equalisation	5,932,541	-	-	5,932,541
Property Investment Fund	0	-	-	0
Value for Money	606,879	-	-	606,879
Vehicle Replacement/Street Cleansing Maintenance	1,573,633	575,685	(302,500)	1,846,818
TOTAL Earmarked Reserves	11,860,788	706,832	(957,249)	11,610,371
<u>Ring-fenced Reserves</u>				
Enterprise Zone Growth	628,794	-	(49,950)	578,844
TOTAL Ring-fenced Reserves	628,794	-	(49,950)	578,844
TOTAL Reserves	12,489,582	706,832	(1,007,199)	12,189,215
<u>Balances</u>				
General Fund	8,495,723	-	(1,626,000)	6,869,723
TOTAL Balances	8,495,723	-	(1,626,000)	6,869,723
TOTAL Reserves and Balances	20,985,305	706,832	(2,633,199)	19,058,938

2025/26 Estimated Position

	Opening Balance as at 01/04/2025 £	Transfers in (‘top-up’) £	Transfers out (to fund expenditure) £	Closing Balance as at 31/03/2026 £
<u>Earmarked Reserves</u>				
Building Control	54,515	-	-	54,515
Capital Investment	1,554,006	-	-	1,554,006
Elections	41,217	41,217	-	82,434
Homelessness	405,712	-	-	405,712
Insurance	258,237	40,000	-	298,237
Investment - I.T. Strategy	664,868	49,930	(86,000)	628,798
Land Charges	12,562	-	-	12,562
Leisure Management	233,016	-	-	233,016
Council Tax Equalisation	-	-	-	-
Non-Domestic Rates Equalisation	5,932,541	-	-	5,932,541
Property Investment Fund	0	-	-	0
Value for Money	606,879	-	-	606,879
Vehicle Replacement/Street Cleansing Maintenance	1,846,818	575,685	(215,000)	2,207,503
TOTAL Earmarked Reserves	11,610,371	706,832	(301,000)	12,016,203
<u>Ring-fenced Reserves</u>				
Enterprise Zone Growth	578,844	-	(49,950)	528,894
TOTAL Ring-fenced Reserves	578,844	-	(49,950)	528,894
TOTAL Reserves	12,189,215	706,832	(350,950)	12,545,097
<u>Balances</u>				
General Fund	6,869,723	-	(2,318,000)	4,551,723
TOTAL Balances	6,869,723	-	(2,318,000)	4,551,723
TOTAL Reserves and Balances	19,058,938	706,832	(2,668,950)	17,096,820

2020/21 Revised Estimate and Actuals

* as approved by Council 11th March 2021 (Cabinet meeting 17/2/21 - Appx 5)

	2020/21 Revised Estimate *		2020/21 Actual	
	£	£	£	£
BUILDING CONTROL				
Chargeable work 2020/21 net nil		0		44,200
CAPITAL INVESTMENT				
Boundary Wall Works to St Chad's Church (PH decision 28/5/20)	(62,910)		(3,160)	
Purchase of wheeled bins (19/20 capital slippage)	(42,469)		(42,469)	
Top Up from CCTV			5,500	
Top Up from Building Maintenance			14,500	
Use of reserve to fund The Mount CCTV installation			(5,500)	
2020/21 Top Up to fund Capital Asset Improvement Programme			1,096,066	
		(105,379)		1,064,937
ELECTIONS				
Annual provision May 2023 Borough Elections		41,217		41,217
HOMELESSNESS				
Top Up from funding received within Housing Services		304,060		459,622
INSURANCE				
Annual set aside for possible claims.	40,000		40,000	
Use - to cover new claims.	(10,000)		(47,777)	
		30,000		(7,777)
INVESTMENT - I.T. STRATEGY				
Top Up from IT general savings per latest review	51,425		106,325	
Top Up to fund rolling replacement programme	360,000		360,000	
Additional Rolling Replacement Hardware Programme	(86,000)		(86,000)	
Replacing core IT network (PH decision 25/6/20)	(249,257)		(158,288)	
Tablet devices for Councillors (19/20 capital slippage)	(6,545)		(1,452)	
Top up to fund IT network works	249,260		249,260	
		318,883		469,845
LAND CHARGES				
Chargeable work 2020/21 net nil				(5,389)
LEISURE MANAGEMENT				
Annual Top Up for Exercise Equipment at Garstang Leisure Centre (Year 2 of 4)	7,380		10,935	
2020/21 Top Up to Leisure Management Reserve	-		250,000	
		7,380		260,935
COUNCIL TAX EQUALISATION				
Fund Council Taxpayer income foregone from 11/12 freeze.	(176,689)		(176,689)	
Fund Council Taxpayer income foregone from 12/13 freeze.	(176,166)		(176,166)	
Fund Council Taxpayer income foregone from 13/14 freeze.	(71,250)		(71,250)	
Fund Council Taxpayer income foregone from 14/15 freeze.	(72,037)		(72,037)	
Fund Council Taxpayer income foregone from 15/16 freeze.	(72,607)		(72,607)	
2020/21 Top Up to New Homes Bonus Reserve	-		1,137,498	
		(568,749)		568,749
NON-DOMESTIC RATES EQUALISATION				
Top Up - s31 Local Government Act 2003 Grant net of related NDR Levy	6,012,090		8,254,239	
Release of Prior Year Balances	(1,292,269)		(2,269,299)	
		4,719,821		5,984,940
PERFORMANCE REWARD INITIATIVES				
Fleetwood Beach Wheelchair (PH decision 3/8/20)		(3,000)		(2,050)
PROPERTY INVESTMENT FUND				
Top Up to fund Future Property Acquisitions		1,640,000		1,906,900
VALUE FOR MONEY				
New Burdens funding	47,143		75,540	
Procurement and Implementation of a Citizen Access Portal.	(18,840)		-	
Migration to hosted Revs & Bens software system (PH decision 28/7/20)	(33,030)		-	
Procurement and Implementation of a Citizen Access Portal (19/20 capital slippage).	(76,870)		(14,450)	
Cash Receipting System Upgrade (19/20 capital slippage)	(24,746)		-	
		(106,343)		61,090
VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE				
Refuse Collection Vehicles - Top Up Cabinet 11/7/18 (Year 1 of 8).	239,375		239,375	
Top Up to fund replacement vehicles	385,085		385,085	
Use of Reserve to fund vehicle replacements/adaptations.	(3,023,844)		(3,005,818)	
Additional Income MOT Centre Top Up Reserve to replace equipment.	2,260		19,040	
		(2,397,124)		(2,362,318)
RINGFENCED - ENTERPRISE ZONE GROWTH				
Top Up from Growth identified in NNDR1/NNDR3 Returns	46,989		39,005	
Use of Growth monies to fund expenditure	(49,950)		(25,573)	
Use of Reserve to fund NNDR 1 and NNDR 3 reconciliation adjustments	(138,590)		(130,609)	
Hillhouse EZ infrastructure funding (PH decision 20/8/20)	(320,000)		(196,606)	
		(461,551)		(313,783)
2020/21 TOTAL NET TRANSFER TO / (FROM) RESERVES		3,419,215		8,171,118

Updated 2021/22 Estimate

* as approved by Council 11th March 2021 (Cabinet meeting 17/2/21 - Appx 5)

	Current *		Latest	
	2021/22 Estimate		2021/22 Estimate	
	£	£	£	£
BUILDING CONTROL				
Chargeable work 2021/22 net nil		-		-
CAPITAL INVESTMENT				
Boundary Wall Works to St Chad's Church (PH decision 28/5/20) - 20/21 capital slippage		-	(59,750)	
Use of Reserve to fund works to Fleetwood Market Outdoor Area		-	(14,500)	
		-		(74,250)
ELECTIONS				
Annual provision May 2023 Borough Elections.		41,217		41,217
HOMELESSNESS				
Temp Housing First Engagement Officer (ODR 26/5/21)		-	(29,080)	
Lead Rapid Rehousing Officer (ODR 28/6/21)		-	(970)	
Additional Temp Housing Options Advisor (ODR 29/6/21)		-	(23,860)	
		-		(53,910)
INSURANCE				
Annual set aside for possible claims.		40,000		40,000
INVESTMENT - I.T. STRATEGY				
Top Up from IT general savings per latest review.	33,630		33,630	
Replacing core IT network (PH decision 25/6/20) - 20/21 capital & revenue slippage		-	(64,885)	
Tablet devices for Councillors (19/20 slippage)		-	(5,093)	
Additional Rolling Replacement Hardware Programme.	(86,000)		(86,000)	
Virtual Desktop Infrastructure Storage Area Network Replacement (PH decision 08/09/21)		-	(30,700)	
		(52,370)		(153,048)
LAND CHARGES				
Chargeable work 2021/22 net nil		-		-
LEISURE MANAGEMENT				
Annual Top Up for Exercise Equipment at Garstang Leisure Centre (Year 3 of 4)		7,380		7,380
COUNCIL TAX EQUALISATION				
Fund Council Taxpayer income foregone from 11/12 freeze.	(176,689)		(176,689)	
Fund Council Taxpayer income foregone from 12/13 freeze.	(176,166)		(176,166)	
Fund Council Taxpayer income foregone from 13/14 freeze.	(71,250)		(71,250)	
Fund Council Taxpayer income foregone from 14/15 freeze.	(72,037)		(72,037)	
Fund Council Taxpayer income foregone from 15/16 freeze.	(72,607)		(72,607)	
		(568,749)		(568,749)
NON-DOMESTIC RATES EQUALISATION				
Top Up - s31 Local Government Act 2003 Grant net of related NDR Levy	1,908,780		1,908,780	
Use of Reserve to fund Collection Fund Deficit	(5,183,910)		(5,861,787)	
		(3,275,130)		(3,953,007)
PERFORMANCE REWARD INITIATIVES				
Fleetwood Beach Wheelchair (PH decision 3/8/20) - 20/21 slippage		-	(950)	
Draw down of funds		-	(21,564)	
		-		(22,514)
PROPERTY INVESTMENT FUND				
Use of reserve to fund property acquisition (Cabinet decision Dec 2020)		-		(2,634,500)
VALUE FOR MONEY				
Migration to hosted Revs & Bens software system (PH decision 28/7/20)	(50,500)		(50,500)	
Procurement and Implementation of a Citizen Access Portal (19/20 capital slippage).		-	(62,417)	
Cash Receipting System Upgrade (19/20 capital slippage)		-	(24,746)	
Financial Management System (PH decision 24/06/21)		-	(61,820)	
HR back scanning (20/21 slippage)		-	(6,810)	
		(50,500)		(206,293)
VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE				
Refuse Collection Vehicles - Top Up Cabinet 11/7/18 (Year 1 of 8).	239,375		239,375	
Top Up to fund replacement vehicles	337,774		337,774	
Use of Reserve to fund vehicle replacements/adaptations.	(393,495)		(411,519)	
Additional Income MOT Centre Top Up Reserve to replace equipment.	3,000		3,000	
		186,654		168,630
RINGFENCED - ENTERPRISE ZONE GROWTH				
Use of Growth monies to fund expenditure	(49,950)		(49,950)	
Hillhouse EZ infrastructure funding (PH decision 20/8/20) - 20/21 slippage		-	(68,480)	
		(49,950)		(118,430)
2021/22 TOTAL NET TRANSFER TO RESERVES				
		(3,721,448)		(7,527,474)

Updated 2022/23 Estimate

* as approved by Council 11th March 2021 (Cabinet meeting 17/2/21 - Appx 5)

	Current *		Latest	
	2022/23 Estimate		2022/23 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2022/23 net nil		-		-
<u>CAPITAL INVESTMENT</u>				
<u>ELECTIONS</u>				
Annual provision May 2023 Borough Elections.		41,217		41,217
<u>HOMELESSNESS</u>				
<u>INSURANCE</u>				
Annual set aside for possible claims.		40,000		40,000
<u>INVESTMENT - I.T. STRATEGY</u>				
Top Up from IT general savings per latest review.	51,425		51,425	
Replacing core IT network (PH decision 25/6/20) - 20/21 slippage	-		(26,084)	
Additional Rolling Replacement Hardware Programme.	(86,000)		(86,000)	
		(34,575)		(60,659)
<u>LAND CHARGES</u>				
Chargeable work 2022/23 net nil		-		-
<u>LEISURE MANAGEMENT</u>				
Annual Top Up for Exercise Equipment at Garstang Leisure Centre (Year 4 of 4)	7,380		7,380	
Increased subsidy estimated to be required in 2022/23	0	7,380	(250,000)	(242,620)
<u>COUNCIL TAX EQUALISATION</u>				
Fund Council Taxpayer income foregone from 11/12 freeze.	(176,689)		(176,689)	
Fund Council Taxpayer income foregone from 12/13 freeze.	(176,166)		(176,166)	
Fund Council Taxpayer income foregone from 13/14 freeze.	(71,250)		(71,250)	
Fund Council Taxpayer income foregone from 14/15 freeze.	(72,037)		(72,037)	
Fund Council Taxpayer income foregone from 15/16 freeze.	(72,607)		(72,607)	
		(568,749)		(568,749)
<u>NON-DOMESTIC RATES EQUALISATION</u>				
<u>PROPERTY INVESTMENT FUND</u>				
Use of reserve to fund property acquisition (Cabinet decision Dec 2020)				(272,400)
<u>VALUE FOR MONEY</u>				
Migration to hosted Revs & Bens software system (PH decision 28/7/20)		(50,500)		(50,500)
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
Refuse Collection Vehicles - Top Up Cabinet 11/7/18 (Year 3 of 8).	239,375		239,375	
Top Up to fund vehicle replacement	336,304		336,304	
Use of Reserve to fund vehicle replacements/adaptations.	(155,200)		(155,200)	
Additional Income MOT Centre Top Up Reserve to replace equipment.	3,000		3,000	
		423,479		423,479
<u>RINGFENCED - ENTERPRISE ZONE GROWTH</u>				
Use of Growth monies to fund expenditure		(49,950)		(49,950)
2022/23 TOTAL NET TRANSFER (FROM) RESERVES		(191,698)		(740,182)

Updated 2023/24 Estimate

* as approved by Council 11th March 2021 (Cabinet meeting 17/2/21 - Appx 5)

	Current *		Latest	
	2023/24 Estimate		2023/24 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2023/24 net nil		-		-
<u>CAPITAL INVESTMENT</u>		-		-
<u>ELECTIONS</u>				
Annual provision May 2023 Borough Elections.	41,217		41,217	
Use of Reserve for Borough Elections in 2023	(164,868)		(164,868)	
		(123,651)		(123,651)
<u>HOMELESSNESS</u>		-		-
<u>INSURANCE</u>				
Annual set aside for possible claims.		40,000		40,000
<u>INVESTMENT - I.T. STRATEGY</u>				
Top Up from IT general savings per latest review.	49,930		49,930	
Additional Rolling Replacement Hardware Programme.	(86,000)		(86,000)	
		(36,070)		(36,070)
<u>LAND CHARGES</u>				
Chargeable work 2023/24 net nil.		-		-
<u>LEISURE MANAGEMENT</u>				
Annual Top Up for Exercise Equipment at Garstang Leisure Centre (Year 4 of 4)		1,240		1,240
<u>COUNCIL TAX EQUALISATION</u>				
Fund Council Taxpayer income foregone from 11/12 freeze.	(176,689)		(176,689)	
Fund Council Taxpayer income foregone from 12/13 freeze.	(176,166)		(176,166)	
Fund Council Taxpayer income foregone from 13/14 freeze.	(71,250)		(71,250)	
Fund Council Taxpayer income foregone from 14/15 freeze.	(72,037)		(72,037)	
Fund Council Taxpayer income foregone from 15/16 freeze.	(72,607)		(72,607)	
		(568,749)		(568,749)
<u>NON-DOMESTIC RATES EQUALISATION</u>		-		-
<u>PROPERTY INVESTMENT FUND</u>		-		-
<u>VALUE FOR MONEY</u>		-		-
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
Refuse Collection Vehicles - Top Up Cabinet 11/7/18 (Year 4 of 8).	239,375		239,375	
Top Up to fund vehicle replacement	333,310		333,310	
Use of Reserve to fund vehicle replacements/adaptations	(149,500)		(149,500)	
Additional Income MOT Centre Top Up Reserve to replace equipment.	3,000		3,000	
		426,185		426,185
<u>RINGFENCED - ENTERPRISE ZONE GROWTH</u>				
Use of Growth monies to fund expenditure		(49,950)		(49,950)
2023/24 TOTAL NET TRANSFER (FROM) RESERVES		(310,995)		(310,995)

Updated 2024/25 Estimate

* as approved by Council 11th March 2021 (Cabinet meeting 17/2/21 - Appx 5)

	Current *		Latest	
	2024/25 Estimate	2024/25 Estimate	2024/25 Estimate	2024/25 Estimate
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2024/25 net nil		-		-
<u>CAPITAL INVESTMENT</u>		-		-
<u>ELECTIONS</u>				
Annual provision May 2027 Borough Elections.		41,217		41,217
<u>HOMELESSNESS</u>		-		-
<u>INSURANCE</u>				
Annual set aside for possible claims.		40,000		40,000
<u>INVESTMENT - I.T. STRATEGY</u>				
Top Up from IT general savings per latest review.	49,930		49,930	
Additional Rolling Replacement Hardware Programme.	(86,000)		(86,000)	
		(36,070)		(36,070)
<u>LAND CHARGES</u>				
Chargeable work 2024/25 net nil		-		-
<u>LEISURE MANAGEMENT</u>		-		-
<u>COUNCIL TAX EQUALISATION</u>				
Fund Council Taxpayer income foregone from 11/12 freeze.	(176,689)		(176,689)	
Fund Council Taxpayer income foregone from 12/13 freeze.	(176,166)		(176,166)	
Fund Council Taxpayer income foregone from 13/14 freeze.	(71,250)		(71,250)	
Fund Council Taxpayer income foregone from 14/15 freeze.	(72,037)		(72,037)	
Fund Council Taxpayer income foregone from 15/16 freeze.	(72,607)		(72,607)	
		(568,749)		(568,749)
<u>NON-DOMESTIC RATES EQUALISATION</u>		-		-
<u>PROPERTY INVESTMENT FUND</u>		-		-
<u>VALUE FOR MONEY</u>		-		-
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
Refuse Collection Vehicles - Top Up Cabinet 11/7/18 (Year 5 of 8).	239,375		239,375	
Top Up to fund vehicle replacement	333,310		333,310	
Use of Reserve to fund vehicle replacements/adaptations.	(302,500)		(302,500)	
Additional Income MOT Centre Top Up Reserve to replace equipment.	3,000		3,000	
		273,185		273,185
<u>RINGFENCED - ENTERPRISE ZONE GROWTH</u>				
Use of Growth monies to fund expenditure		(49,950)		(49,950)
2024/25 TOTAL NET TRANSFER TO RESERVES		(300,367)		(300,367)

Updated 2025/26 Estimate

* as approved by Council 11th March 2021 (Cabinet meeting 17/2/21 - Appx 5)

	Current *		Latest	
	2025/26 Estimate		2025/26 Estimate	
	£	£	£	£
<u>BUILDING CONTROL</u>				
Chargeable work 2025/26 net nil		-		-
<u>CAPITAL INVESTMENT</u>		-		-
<u>ELECTIONS</u>				
Annual provision May 2027 Borough Elections.		41,217		41,217
<u>HOMELESSNESS</u>		-		-
<u>INSURANCE</u>				
Annual set aside for possible claims.		40,000		40,000
<u>INVESTMENT - I.T. STRATEGY</u>				
Top Up from IT general savings per latest review.	49,930		49,930	
Additional Rolling Replacement Hardware Programme.	(86,000)		(86,000)	
		(36,070)		(36,070)
<u>LAND CHARGES</u>				
Chargeable work 2025/26 net nil		-		-
<u>LEISURE MANAGEMENT</u>		-		-
<u>NEW HOMES BONUS</u>		-		-
<u>NON-DOMESTIC RATES EQUALISATION</u>		-		-
<u>PROPERTY INVESTMENT FUND</u>		-		-
<u>VALUE FOR MONEY</u>		-		-
<u>VEHICLE REPLACEMENT/STREET CLEANSING MAINTENANCE</u>				
Refuse Collection Vehicles - Top Up Cabinet 11/7/18 (Year 6 of 8).	239,375		239,375	
Top Up to fund vehicle replacement	333,310		333,310	
Use of Reserve to fund vehicle replacements/adaptations.	(215,000)		(215,000)	
Additional Income MOT Centre Top Up Reserve to replace equipment.	3,000		3,000	
		360,685		360,685
<u>RINGFENCED - ENTERPRISE ZONE GROWTH</u>				
Use of Growth monies to fund expenditure		(49,950)		(49,950)
2025/26 TOTAL NET TRANSFER TO RESERVES		355,882		355,882



Policy on the Level of Reserves and Balances

Wyre Council
Civic Centre
Breck Road
Poulton-le-Fylde

October 2021

Policy on the Level of Reserves and Balances

1. Legislative/Regulatory Framework

- 1.1 The requirement for financial reserves is acknowledged in statute. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement.
- 1.2 There is also a requirement reinforced by section 114 of the Local Government Finance Act 1988 which requires the chief financial officer to report to all the authority's councillors if there is or is likely to be unlawful expenditure or an unbalanced budget. This would include situations where reserves have become seriously depleted and it is forecast that the authority will not have the resources to meet its expenditure in a particular financial year.

2. Role of the Finance Director

- 2.1 Within the existing statutory and regulatory framework, it is the responsibility of the finance director (Corporate Director Resources) to advise the local authority about the level of reserves that should be held and to ensure that there are clear protocols for their establishment and use.
- 2.2 There are no statutory minimum levels imposed and it is not considered appropriate or practical for the Chartered Institute of Public Finance and Accountancy (CIPFA), or other external agencies, to give prescriptive guidance on the minimum, or maximum, level of reserves required either as an absolute amount or a percentage of the budget.

3. Types of Reserves

- 3.1 Reserves can be held for three main purposes:
 - A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves and is commonly referred to as 'balances';
 - A contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves or 'balances';
 - A means of building up funds, often referred to as earmarked reserves, to meet known or predicted requirements – earmarked reserves are accounted for separately but remain legally part of the General Fund.
- 3.2 For each reserve held by a local authority there should be a clear protocol setting out:
 - The reason for/purpose of the reserve;
 - How and when the reserve can be used;
 - Procedures for the reserve's management and control; and
 - A process and timescale for review of the reserve to ensure continuing relevance and adequacy.

4. Principles to Assess Adequacy

- 4.1 In order to assess the adequacy of unallocated general reserves when setting the budget or the MTFP, the Chief Finance Officer should take account of the strategic, operational and financial risks facing the authority. The assessment of risks should include external risks, such as flooding, as well as internal risks, for example, the ability to deliver planned efficiency savings. The following factors should be considered:

Budget Assumptions	Financial Standing and Management Assessment/Impact
The treatment of inflation and interest rates	The overall financial standing of the authority (level of borrowing, debt outstanding, council tax and business rate collection rates, etc.), commodity prices e.g. fuel, the cost of borrowing and anticipated investment returns
Estimates of the level and timing of capital receipts	The authority's track record in budget and financial management including the robustness of the medium term financial plans
The treatment of demand led pressures	The authority's capacity to manage in-year budget pressures
The treatment of planned efficiency savings/gains	The strength of the financial information and reporting arrangements
The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments	The authority's virement and end of year procedures in relation to budget under/over spends at authority and directorate level and any contract provisions, designed to safeguard the authority's position
The availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions	The adequacy of the authority's insurance arrangements to cover major unforeseen risks
The general financial climate to which the authority is subject.	External factors such as future funding levels, referenda principles/limits and the authority's ability to replenish reserves once used

- 4.2 The council's minimum prudent level of balances, calculating the requirement at approximately 5% of net expenditure before other government grants (£638,900) together with the element of the reduction in business rates that authorities must meet before the Government would consider any safety net payment (£255,695 in 2021/22), is now £894,000. This is reviewed annually as part of the budget process.

4.3 A review of the level of earmarked reserves is also undertaken as part of the annual budget preparation and as part of the closure of accounts process. The council does not regularly monitor the opportunity costs of maintaining its levels of earmarked reserves as these are generally not held as a form of investment but to meet a recognised need.

5. Reporting Framework

5.1 The level and utilisation of general and earmarked reserves is determined formally by Cabinet in October (November in 2020 owing to pandemic), with the approval of the MTFP, and in February, at the annual budget setting meeting, informed by the advice and judgement of the finance director.

5.2 Both reports include a statement showing the estimated opening general and reserve fund balances for the year ahead, the additions/withdrawals, and the estimated end of year balances. A statement is also included commenting on the adequacy of the general and earmarked reserves in respect of the forthcoming financial years.

6. Reserves Protocol

Reserve as at 31.03.21	Purpose	How and When Used	Procedures for management and control	Timescale for review
Building Control	Fundamental principle of the Building Regs. Scheme introduced 1 April 1999, subsequently amended by the 2010 Regulations.	3 to 5 year rolling accounting period over which costs should equate with charge income.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, updating the MTFP and as part of the closure of accounts process. Also subject to individual reports on proposals for usage.
Capital Investment	To fund capital investment avoiding the need to borrow.	Used to finance the council's capital investment needs.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, updating the MTFP and as part of the closure of accounts process. Also subject to individual reports on proposals for usage.
Elections	To meet the cost of the Borough Election.	Used to smooth the impact of the Borough Election which occurs every four years and is next due in May 2023.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, the updating of the MTFP and as part of the closure of accounts process.

Reserve as at 31.03.21	Purpose	How and When Used	Procedures for management and control	Timescale for review
Enterprise Zone (EZ) Growth	Established in 2018/19 to hold business rates growth from the EZ	Ring-fenced for investment in the EZ, primarily for infrastructure improvements	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, updating the MTFP and as part of the closure of accounts process. Also subject to individual reports on proposals for usage.
Homelessness	Established in 2020/21 to hold a number of Homelessness related external funding streams and one off grants.	Used to fund initiatives to support homelessness prevention, mitigate the problem of rough sleeping and contribute to the general provision of Housing Options services.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, updating the MTFP and as part of the closure of accounts process. Also subject to individual reports on proposals for usage.
Insurance	To meet the cost of insurance claims.	Used to fund the cost of insurance excess and any associated costs not covered by any premium.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, the updating of the MTFP and as part of the closure of accounts process.
Investment – ICT Strategy	Established to renew ICT equipment on a rolling replacement in accordance with the ICT Plan.	Used to smooth the revenue impact of ensuring that the ICT infrastructure and equipment remains ‘fit for purpose’.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, updating the MTFP and as part of the closure of accounts process. Also subject to individual reports on proposals for usage.
Land Charges	Compliance with guidance issued by the Lord Chancellor (Section 13A, LLCA 1975).	Councils are required to assess the cost of providing a service, the projected take-up of that service and thus the charge that should be made over a period of between one and three years.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, the updating of the MTFP and as part of the closure of accounts process.

Reserve as at 31.03.21	Purpose	How and When Used	Procedures for management and control	Timescale for review
Council Tax Base Equalisation (formerly New Homes Bonus)	To delay the impact on successive tax base freezes in the 2010s	Supports the shortfall in income, resulting from the decision to freeze the level of council tax, through to the end of 2024/25.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, the updating of the MTFP and as part of the closure of accounts process.
Non-Domestic Rates Equalisation	To protect against volatility associated with the new Business Rate Retention Scheme.	Section 31 grant receipts, net of NDR levy, used to cushion the council against future reductions in business rate income, including the financial impact of successful appeals as notified by the Valuation Office.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, the updating of the MTFP and as part of the closure of accounts process.
Performance Reward Initiatives	To assist the delivery of TWMAD projects.	Used to support the delivery of the local projects developed as part of the Together We Make a Difference Network.	Managed by the Corporate Director Resources	Annually and subject to individual reports on proposals for usage.
Property Investment Fund	Established in 2018/19 initially as a two year pilot to explore investing in commercial property.	A Property Investment Board is responsible for making decisions on how the fund is utilised.	Managed by the Corporate Director Resources in conjunction with the Property Investment Board	Undertaken as part of the annual budget preparation, the updating of the MTFP, as part of the closure of accounts process and is subject to individual reports on proposals for usage.
Value For Money	Invest to save projects	Originally created to fund VFM initiatives, which may incur up-front costs and now incorporates supplementary grants awarded for the administration of council tax, NDR, housing benefit and LCTS.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, the updating of the MTFP and as part of the closure of accounts process. Also subject to individual reports on proposals for usage.
Vehicle Replacement / Street Cleansing Maintenance	Replacement of the council's vehicle fleet and smoothing the maintenance cost for the street cleaning vehicles.	Funding to meet current and anticipated vehicle/ plant requirements - ultimately charging the cost to revenue over the life of the asset. Also includes maintenance of street cleansing vehicles and set-up costs for MOT station.	Managed by the Corporate Director Resources	Undertaken as part of the annual budget preparation, the updating of the MTFP and as part of the closure of accounts process as well as subject to individual reports on proposals for usage.

Type of Risk	Likelihood	Severity	Level of Risk	Control	Review	Responsible	Reports To
Financial Forecast is wrong.	Low (1)	High (3)	Medium (3)	Review the base budget and adjust for known and likely variations impacting on the forecast.	Ongoing	Head of Finance	Management Board; Cabinet.
Expenditure greater than budget.	Low (1)	High (3)	Medium (3)	Budget monitoring of revenue spend. Budget monitoring of capital spend. 5-Year Financial Forecast.	Monthly Quarterly 6 Monthly	Cost Centre Managers; Financial Services Spending Officers and Head of Finance	Management Board Cabinet Management Board
Unforeseen expenditure, new schemes/initiatives.	Low (1)	High (3)	Medium (3)	Maintenance of a general contingency and review of priorities.	Ongoing	Head of Finance	Management Board
Over dependence on use of reserves and balances.	Medium (2)	Medium (2)	Medium (4)	Compliance with CIPFA guidance on local authority reserves and balances. Adequacy assessed as part of budget process, MTFP and closure of accounts.	Ongoing	Corporate Director Resources (S151 Officer)	Cabinet; Council.
Income targets not achieved owing to economic climate impacting on demand.	Low (1)	Medium (2)	Low (2)	Risk assessment of major income generators during budget preparation – realistic targets built into budget. Regular monitoring of income as part of budget monitoring.	Annually Monthly	Financial Services	Management Board; Cabinet.
Efficiency savings not achieved.	Medium (2)	High (3)	High (6)	Regular review as part of budget monitoring.	Monthly	Management Team	Management Board
Income from investments is lower than expected.	Low (1)	Low (1)	Low (1)	Budget monitoring.	Monthly	Head of Finance	Management Board; Cabinet.
Changes in Government Funding e.g. Business Funding Level and reduction in New Homes Bonus.	Medium (2)	High (3)	High (6)	Limit reliance on this type of funding and review other options, highlighting sensitivities in the MTFP.	Ongoing	Corporate Director Resources (S151 Officer)	Management Board

Type of Risk (Cont'd)	Likelihood	Severity	Level of Risk	Control	Review	Responsible	Reports To
Changes to Local Government Finance resulting from Business Rates Retention Scheme e.g. unfavourable variations in reliefs, decline in RVs, growth, collection rates, beneficial impact of pooling is not realised, etc.	Medium (2)	High (3)	High (6)	Close monitoring of current and any new arrangements and establishment of an earmarked reserve to cushion against volatility.	Ongoing	Corporate Director Resources (S151 Officer) and Head of Finance	Management Board
Potential volatility of the fuel/energy market adding further increases to fuel, heating and lighting.	Low (1)	Medium (2)	Low (2)	Close monitoring of revenue spend. Re-negotiation of energy contracts when they fall due.	Monthly	Head of Finance	Management Team
Capital receipts are not realised from asset disposals.	Medium (2)	Medium (2)	Medium (4)	Prioritisation of disposals and effective marketing of sites.	Ongoing	Head of Built Environment	Management Team
Potential volatility concerning aspects of the Localised Council Tax Support Scheme in conjunction with the Universal Credit rollout e.g. caseload, collection rates, etc.	Medium (2)	Medium (2)	Medium (4)	Close monitoring of new arrangements.	Monthly	Corporate Director Resources (S151 Officer) and Head of Finance	Management Board
New cost pressures are devolved by Central Government as part of the Fair Funding Review, 75% or 100% Business Rates Retention Scheme without the necessary funding.	Medium (2)	Medium (2)	Medium (4)	Early monitoring of situation allowing the development of plans to mitigate financial impact.	Ongoing	Corporate Director Resources (S151 Officer) and Head of Finance	Management Board
Significant sources of revenue income cease (COVID-19 pressures).	Medium (4)	Medium (4)	Medium (4)	Early monitoring of situation allowing the development of plans to mitigate financial impact.	Ongoing	Corporate Director of Resources (S151 Officer) and Head of Finance	Management Board





Report of:	Meeting	Date
Councillor Michael Vincent, Resources Portfolio Holder and Clare James, Corporate Director Resources	Cabinet	20 October 2021

Capital Programme Review and Monitoring Report

1 Purpose of report

1.1 To consider the review of the 2021/22 Capital Programme and progress of schemes for the five month period, covering April 2021 through August 2021, undertaken by spending officers. Noting amendments to the Capital Programme since it was last reported to Cabinet and the financial impact over the term of the Programme, through to the end of 2025/26.

2 Outcomes

2.1 The delivery of the Capital Programme and its monitoring will demonstrate good financial management by ensuring that the Programme is soundly based and designed to deliver the Council's strategic priorities.

3 Recommendations

3.1 That the 2021/22 Capital Programme, and its funding, totalling £16,095,805 be approved, noting the following specific amendments:

- £321,837 additional expenditure on Disabled Facilities Grants in 2021/22, following an additional funding contribution of £246,837 from the Department for Levelling Up, Housing and Communities and £75,000 from Regenda;
- £23,410 expenditure on Cell Eleven Monitoring for Year 1 of a 5 year programme with funding from the Environment Agency via Sefton Council.
- £14,500 additional expenditure on Fleetwood Market to be funded from the Capital Investment Reserve; specific funding had been allocated to the reserve in 2020/21.

3.2 That the Capital Programme over the term through to the end of 2025/26 totalling £64,507,227 be approved.

3.3 That the progress of, and expenditure incurred on, capital schemes for the first five months of the 2021/22 financial year is noted.

4 Background

4.1 As part of the council's Performance Management process spending and financial officers review the progress of capital scheme expenditure against the approved Programme. These reviews are carried out at least three times a year to coincide with key budget planning cycles. The summary results of this first review of the 2021/22 programme, as at 31 August 2021, are contained in Appendix 2.

4.2 The Original Capital Budget for 2021/22 was set at £2,742,622. Details of the changes to funding since then (as shown in Appendix 1) can be found in the appropriate Cabinet, Audit Committee and Portfolio Holder reports. Spend to date, the schemes' year-end position and budget changes are detailed in Appendix 2.

5 Key issues and proposals

5.1 Appendix 2 shows actual costs and commitments totalling £4,548,436 up to the end of August against the full year budget of £16,095,805, representing an aggregate spend of 28%. The scheme variations of spend against full year budget are shown in Appendix 2. Creditor adjustments processed as part of the 2020/21 accounts process, totalling £74,000, for which invoices have yet to be received or processed, have been excluded from the actual costs and commitments figure provided above.

5.2 The current 2021/22 Capital Programme includes 17 schemes that have been slipped from 2020/21. These schemes were reported to the Audit Committee on 27 July 2021 as part of the 2020/21 Final Accounts report (pre-audit) and can be seen at Appendix 4.

5.3 As a result of the period five review with spending officers, when compared to the current approved Budget, the predicted underspend in 2021/22 is expected to be approximately £301,000. The main contributors are:

- £17,000 - Empty Homes;
- £284,000 - Vehicle Replacement Programme

For delayed projects, which are not completed at the end of the financial year, there is a mechanism in place to carry forward funds into future years.

5.4 Neighbourhood Services and Community Safety Portfolio

- 5.4.1** Disabled Facilities Mandatory Grants – actual spend up to period five is £939,889. Officers anticipate that expenditure will be within budget at year end. During 2021/22, the Department for Levelling Up, Housing and Communities have provided an additional £246,837 of funding and Regenda have provided funding totalling £75,000, which will enable further works to be undertaken, with the capital budget being amended accordingly.
- 5.4.2** Cell Eleven Monitoring – the next 5 year programme for coastal monitoring commenced in 2021/22 and will continue through 2025/26; an expenditure budget of £23,410 has been allocated each year and will be funded by the Environment Agency via Sefton Council.
- 5.4.3** Rossall Seawall Improvement Works – currently this scheme is underspending but it is anticipated that the budget will be fully utilised by the end of the year.
- 5.4.4** Wyre Beach Management – the project has been delayed by approximately 12 months owing to three factors in order of impact: change to the site compound location, delays in MMO licensing and availability of consultants and sub-contractors during Covid-19 restrictions. At this present time there is some uncertainty over the timing of expenditure; but overall spend is expected to be on budget in future years. The current budget is reflective of the full project with an estimated cost of £42.6 million funding from the Environment Agency with completion of the project in 2025/26.
- 5.4.5** Innovative Resilience Fund ECO-CoBS – the Environment Agency (EA) has awarded the council a reserved allocation of £6,791,000 for the development of ECO-CoBS (Ecological Community Owned Coastal Buffer Strips) between 1 April 2021 and 31 March 2027. The full grant provision for the Flood and Coastal Resilience Innovation Programme will be made during 2022-2027.

The current budget is for the initial phase of the full project which has been amended to include the capital funding from the EA of £453,000 for 2021/22 with a further £40,000 funding for the project from the Department for Environment, Food and Rural Affairs (DEFRA) to undertake initial project development and outline business case work. Future reports will be presented to the relevant Portfolio Holder as further project phases are agreed.

5.5 Resources Portfolio

- 5.5.1** Vehicle Replacement – the reserve reflects the funding set aside at year-end for the purchase and ongoing replacement of the refuse collection vehicles in 2021/22 and future years. The uncertainty of the vehicle market due to Covid is resulting in increasing costs, reduced choice and availability. An underspend is forecast at the end of March 2022 but will be fully spent in future years.
- 5.5.2** Citizen Access Portal – the new system went live in June 2021 and is set to be completed within budget at the end of March 2022.
- 5.5.3** Cash Receipting System Upgrade – the new system went live in June 2021 and is set to be completed within budget at the end of March 2022.
- 5.5.4** Virtual Desktop Infrastructure Storage Area Network (SAN) – the project will replace the SAN to provide a robust and reliable desktop service to all staff over the next five years and is set to be completed on budget at the end of March 2022.
- 5.5.5** Project Neptune – Getting Building Fund LEP Grant – regular weekly meetings are taking place with Associated British Ports (ABP) and the project is on target for budget spend at the end of March 2022.
- 5.5.6** Acquisition of fish and food processing commercial units – the project has expanded since the initial Cabinet report and includes the purchase of additional land, the inclusion of a bin store and full fibre connectivity. A Cabinet report is currently being prepared to provide an update on the forecast budget position at year-end.

5.6 Planning and Economic Development Portfolio

- 5.6.1** Fleetwood Market Outdoor Area – the project is on target for budget spend to coincide with the CCF5 funder's extended deadline of September 2021 and will utilise the monies from the Capital Investment Reserve, set aside in 2020/21.
- 5.6.2** Market House Studios (previously titled Adelaide Street Studios) – all capital works undertaken for the Studios have now been completed.
- 5.6.3** Fleetwood Heritage Action Zone (HAZ) – the process of finding and working with property owners is slower than anticipated and not helped by the current pandemic but it is anticipated that the budget will be fully utilised by the end of the year.

5.7 Street Scene, Parks and Open Spaces Portfolio

5.7.1 Restoration of the Mount – the scheme has slipped and is on target for budget spend at the end of March 2022.

5.7.2 Play area and playing field improvements – currently all projects are on target for budget spend at the end of March 2022.

5.8 Capital grants, contributions and receipts

5.8.1 There are no capital receipts for 2021/22 to date. At a recent Cabinet meeting, approval for the disposal of Bourne Way was given (July 2021), which will ultimately result in a capital receipt. At present, advice on the optimal marketing of the site is being sought from external Land Agents, in order to maximise the value of the sale.

5.8.2 There has been an increase in external funding in the years from 2021/22 to 2025/26 since the Original Capital Programme was approved by Cabinet on 17 February 2021. Details of these changes are shown below:

Scheme	External Funding Secured (£)	Funding From	Funding to be Spent
King Georges Playing Fields Phase 3	10,678	Section 106 monies	2021/22
Forton Village Hall and Recreation Ground Play Area	50,769	Section 106 monies	2021/22
Wyre Beach Management	39,093,418	Environment Agency	2022/23 – 2025/26
Cell Eleven Monitoring	117,050	Environment Agency via Sefton Council	2021/22-2025/26
Innovative Resilience Fund ECO-CoBS	493,000	Environment Agency	2021-22
		DEFRA	
Disabled Facilities Grants	321,837	Regenda	2021/22
		Department for Levelling Up, Housing and Communities	
Project Neptune – Getting Building Fund	4,030,385	Lancashire Enterprise Partnership	2021/22

Acquisition of fish and food processing commercial units	1,400,000	Lancashire County Council	2021/22
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Financial and legal implications	
Finance	<p>The Capital Programme through to 2025/26 is fully funded utilising external grants and contributions, capital receipts and funding from earmarked reserves.</p> <p>The Capital Programme expenditure, following the review as at the end of August 2021, and the funding indicated in Appendix 1 (2021/22 through to 2025/26) requires use of Capital Receipts, the IT Strategy Reserve, the Value for Money Reserve, the Capital Investment Reserve and the Property Investment Reserve (as shown in Appendix 3).</p>
Legal	None arising directly from this report

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	✓
climate change	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

Report Author	Telephone No.	Email	Date
Karen Rogan, Accountant	01253 887313	karen.rogan@wyre.gov.uk	24/09/2021

List of Background Papers:		
Name of Document	Date	Where available for inspection
None		

List of appendices

Appendix 1 – Capital Programme and Funding 2021/22 – 2025/26

Appendix 2 – 2021/22 Expenditure and Funding Changes and project year-end position as at 31 August 2021 Review

Appendix 3 – Reserves position as at 31 August 2021 review

Appendix 4 – Extract from 2020/21 Final Accounts report Appendix 2 – Table 2 to Audit Committee 27 July 2021

Capital Scheme	Funded By	Original 2021/22	Updated 2021/22	2022/23	2023/24	2024/25	2025/26	TOTAL
		£	£	£	£	£	£	£
Playground Refurbishment Unallocated	Capital Receipts		10,242					10,242
Jubilee Gardens Refurbishment	Capital Receipts		7,000					7,000
Tebay Playground Refurbishment	Capital Receipts		7,000					7,000
Preesall Playing Fields Environmental Improvements	Grants and Contributions		71,307					71,307
Kings George Playing Fields Phase 3	Grants and Contributions		10,678					10,678
Forton Village Hall & Recreation Ground Play Area Improvements	Grants and Contributions		50,769					50,769
Restoration of the Mount	Grants and Contributions		78,493					78,493
Cell Eleven Monitoring	Grants and Contributions		23,410	23,410	23,410	23,410	23,410	117,050
Rossall Sea Wall Improvement Works	Grants and Contributions		208,432					208,432
Wyre Beach Management Business Case	Grants and Contributions		2,775,593	10,388,657	11,736,713	11,736,713	5,231,335	41,869,011
Innovative Resilience Fund ECO-CoBS	Grants and Contributions		493,000					493,000
Disabled Facilities Mandatory Grants	Grants and Contributions	1,833,127	2,963,108	1,833,127	1,833,127	1,833,127	1,833,127	10,295,616
Empty Homes Delivery	Grants and Contributions		17,049					17,049
Vehicle Replacement/Str. Cleansing Mtnce	Revenue -Vehicle Replacement Reserve	393,495	411,519	155,200	149,500	302,500	215,000	1,233,719
Citizen Access Portal	Revenue -Value For Money Reserve		62,417					62,417
Cash Receipting System Upgrade	Revenue -Value For Money Reserve		24,746					24,746
Replacement of Core IT Network Infrastructure	Revenue -IT Strategy Reserve		38,800					38,800
Virtual Desktop Infrastructure Storage Area Network	Revenue -IT Strategy Reserve		30,704					30,704
St Chad's Churchyard Boundary Wall Works	Revenue -Capital Investment Reserve		59,750					59,750
Project Neptune - Getting Building Fund LEP Grant	Grants and Contributions		4,030,385					4,030,385
Acquisition of fish and food processing commercial units	Grants and Contributions / Revenue - Property Investment Reserve		4,034,500					4,034,500
CCF5 Fleetwood Market Outdoor Area/Digital Signage	Grants and Contributions/ Revenue - Capital investment Reserve		48,553					48,553
Fleetwood HAZ	Grants and Contributions			516,000	638,350	855,000	214,656	1,708,006
TOTAL		2,742,622	16,095,805	13,255,394	13,957,406	13,895,750	7,302,872	64,507,227

Funding Sources

	Original 2021/22	Updated 2021/22	2022/23	2023/24	2024/25	2025/26	TOTAL
	£	£	£	£	£	£	£
Grants and Contributions	2,349,127	12,794,627	13,100,194	13,807,906	13,593,250	7,087,872	60,383,849
Revenue -Capital Investment Reserve		74,250					74,250
Revenue -IT Strategy Reserve		69,504					69,504
Revenue -Vehicle Replacement Reserve	393,495	411,519	155,200	149,500	302,500	215,000	1,233,719
Revenue -Value For Money Reserve		87,163					87,163
Revenue - Property Investment Reserve		2,634,500					2,634,500
Capital Receipts		24,242					24,242
Loan							0
TOTAL	2,742,622	16,095,805	13,255,394	13,957,406	13,895,750	7,302,872	64,507,227

Please note:- Purple text indicates externally funded schemes

Portfolio	Director	Capital Project	Approved 2021/22 Budget	Updated 2021/22 Budget			Spend to date to end of Period 5	Commitments	Total spend including commitments	Status	Outturn scheme spend
				Council/PH decision	Slippage, advanced spend and change of category expenditure	Total					
			£	£	£	£	£	£			
SSP&OS	MB	Playground Refurbishment Unallocated			10,242	10,242	0	0	0	Not started	On Target
SSP&OS	MB	Jubilee Gardens Refurbishment			7,000	7,000	0	0	0	Delayed	On Target
SSP&OS	MB	Tebay Playground Refurbishment			7,000	7,000	0	0	0	Not started	On Target
SSP&OS	MB	Preesall Playing Fields Environmental Improvements			71,307	71,307	0	3,397	3,397	Delayed	On Target
SSP&OS	MB	King Georges Playing Field Phase 3		10,678		10,678	0	0	0	Delayed	On Target
SSP&OS	MB	Forton Village Hall & Recreation Ground Play Area		50,769		50,769			0	Not started	On Target
SSP&OS	MB	Restoration of the Mount			78,493	78,493	11,253	60,158	71,411	On Track	On Target
NS&CS	MB	Cell Eleven Monitoring		23,410		23,410	5,736	92	5,828	On Track	On Target
NS&CS	MB	Rossall Sea Wall Improvement Works			208,432	208,432	0	0	0	Not started	On Target
NS&CS	MB	Wyre Beach Management Business Case		-526,485	3,302,078	2,775,593	720,943	1,761,596	2,482,540	Delayed	On Target
NS&CS	MB	Innovative Resilience Fund ECO-CoBS		493,000		493,000			0	Not started	On Target
NS&CS	MH	Disabled Facilities Mandatory Grants	1,833,127	321,837	808,144	2,963,108	939,889	0	939,889	Delayed	On Target
NS&CS	MH	Empty Homes Delivery			17,049	17,049	0	0	0	Not started	Underspend
R	MB	Vehicle Replacement/Str. Cleansing Mtnce	393,495		18,024	411,519	0	20,753	20,753	Delayed	Underspend
R	CJ	Citizen Access Portal			62,417	62,417	6,050	9,493	15,543	On Track	On Target
R	CJ	Cash Receipting System Upgrade			24,746	24,746	0	0	0	On Track	On Target
R	MH	Virtual Desktop Infrastructure Storage Area Network		30,704		30,704	0	0	0	Not started	On Target
R	MH	Replacement of Core IT Network Infrastructure			38,800	38,800	18,950	7,110	26,060	On Track	On Target
R	MB	St Chad's Churchyard Boundary Wall Works			59,750	59,750	0	0	0	On Track	On Target
R	MH	Project Neptune - Getting Building Fund LEP Grant		4,030,385		4,030,385	402,343	0	402,343	On Track	On Target
R	MH	Acquisition of fish and food processing commercial units		4,034,500		4,034,500	401,053	0	401,053	On Track	Overspend
P&ED	MH	CCF5 Fleetwood Market Outdoor Area/Digital Signage		14,500	34,053	48,553	30,427	609	31,036	On Track	On Target
P&ED	MH	Fleetwood HAZ	516,000		122,350	638,350	94,474	54,108	148,582	Delayed	On Target
			2,742,622	8,483,298	4,869,885	16,095,805	2,631,119	1,917,317	4,548,436		

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Portfolio Key	
NS&CS	Neighbourhood Services and Community Safety
P&ED	Planning and Economic Development
R	Resources
SSP&OS	Street Scene, Parks and Open Spaces

Director Key	
CJ	Clare James, Corporate Director Resources
MB	Mark Billington, Corporate Director Environment
MH	Marianne Hesketh, Corporate Director Communities

Please note:- Purple text indicates externally funded schemes

	Reserve balances	Updated	2022/23	2023/24	2024/25	2025/26
	£	£	£	£	£	
Capital Investment Reserve						
Opening balance as 1st April 2021	1,628,256					
Withdrawals - out	-74,250	-74,250	0	0	0	0
Contributions -in	0	0	0	0	0	0
Closing balance as 31st March 2026	<u>1,554,006</u>					
IT Strategy Reserve						
Opening balance as 1st April 2021	950,715					
Withdrawals - out	-556,762	-186,678	-112,084	-86,000	-86,000	-86,000
Contributions - in	234,845	33,630	51,425	49,930	49,930	49,930
Closing balance as 31st March 2026	<u>628,798</u>					
Vehicle Replacement Reserve						
Opening balance as 1st April 2021	555,339					
Withdrawals - out	-1,233,719	-411,519	-155,200	-149,500	-302,500	-215,000
Contributions - in	2,885,883	580,149	578,679	575,685	575,685	575,685
Closing balance as 31st March 2026	<u>2,207,503</u>					
Value For Money Reserve						
Opening balance as 1st April 2021	863,672					
Withdrawals - out	-256,793	-206,293	-50,500	0	0	0
Contributions - in	0	0	0	0	0	0
Closing balance as 31st March 2026	<u>606,879</u>					
Capital Receipts (over £10k)						
Opening balance as 1st April 2021	766,437					
Withdrawals - out	-24,242	-24,242	0	0	0	0
Contributions - in	0	0	0	0	0	0
Closing balance as 31st March 2026	<u>742,195</u>					
Leisure Management Reserve						
Opening balance as 1st April 2021	467,016					
Withdrawals - out	-250,000	0	-250,000	0	0	0
Contributions - in	16,000	7,380	7,380	1,240	0	0
Closing balance as 31st March 2026	<u>233,016</u>					
Property Investment Reserve						
Opening balance as 1st April 2021	2,906,900					
Withdrawals - out	-2,906,900	-2,634,500	-272,400	0	0	0
Contributions -in	0	0	0	0	0	0
Closing balance as 31st March 2026	<u>0</u>					

Please note:- Contributions - in figures include both capital and revenue contributions, as reflected in the Medium Term Financial Plan

Comparison of 2020/21 Capital Expenditure to Budget including Slippage

Appendix 2 - Table 2

Portfolio	Director	Capital Project	Revised Budget 2020/21	Actual Capital Expenditure To 31st March 2021	Actual Revenue Expenditure To 31st March 2021	Variance	Overspend	Underspend	Slippage to 2021/22*	Comments
			£	£	£	£	£	£	£	
LH&CE	MB	Fleetwood Leisure Centre - Heating	1,323	1,323		0			0	Project complete
SSP&OS	MB	Playground Refurbishment Unallocated	15,542	0		-15,542			-15,542	Slippage - £5,300 to be transferred to Jubilee Gardens in 2021/22
SSP&OS	MB	Jubilee Gardens Refurbishment	42,000	35,000		-7,000		-5,300	-1,700	Slippage - External funding not available (reflective of underspend amount). Unallocated playground refurbishment budget used for shortfall in funding in 2021/22
SSP&OS	MB	Tebay Playground Refurbishment	7,000	0		-7,000			-7,000	Slippage
SSP&OS	MB	Preesall Playing Fields Environmental Improvements	74,070	2,763		-71,307			-71,307	Slippage - project ongoing
SSP&OS	MB	Refurbishment of Children's Playground Jean Stansfield	1,475	1,474		-1		-1	0	Project complete
SSP&OS	MB	Kings George Playing Fields Thornton Phase 2	31,605	20,927		-10,678		-10,678	0	Project complete
SSP&OS	MB	Restoration of the Mount	1,027,386	948,893		-78,493			-78,493	Slippage - project ongoing
SSP&OS	MB	Wheeled Bins (box exchange programme 2019/20)	42,469	42,469		0			0	Project complete
SSP&OS	MB	Children's Playground Refurbishment Memorial Park Fleetwood	37,500	37,500		0			0	Project complete
NS&CS	MB	Cell Eleven Monitoring	32,777	27,686		-5,091		-5,091	0	Project complete
NS&CS	MB	Rossall Sea Wall Improvement Works	238,432	30,000		-208,432			-208,432	Slippage - information signage and street furniture design to be agreed
NS&CS	MB	Wyre Beach Management Business Case	3,974,633	672,555		-3,302,078			-3,302,078	Slippage - change of site compound resulted in additional work/delays prior to obtaining planning permission
NS&CS	MH	Disabled Facilities Mandatory Grants	2,154,964	1,346,820		-808,144			-808,144	Slippage - installation delays due to Covid 19
NS&CS	MH	Empty Homes Delivery	17,049	0		-17,049			-17,049	Slippage
R	MB	Vehicle Replacement/Str. Cleansing Mtnce	3,045,842	3,027,818		-18,024			-18,024	Slippage - delay on purchasing bespoke dog cage conversions on 4 electric vans
R	CJ	Citizen Access Portal	76,867	14,450		-62,417			-62,417	Slippage - project ongoing. New website going live on 1 July 2021
R	CJ	Cash Receipting System Upgrade	24,746	0		-24,746			-24,746	Slippage - Civica Pay cash receipting system going live on 29 June 2021
R	MH	Tablet Devices for Councillors	6,545	1,452		-5,093			-5,093	Slippage* - the full balance to be transferred to revenue schemes in 2021/22
R	MB	LED Lighting Works -Civic Centre	32,497	28,698		-3,799		-3,799	0	Project complete
R	MH	Replacement of Core IT Network Infrastructure	249,257	135,860		-113,397		-22,427	-90,970	Slippage* - split between capital (£38,800) & revenue (£52,170)
R	MB	St Chad's Churchyard Boundary Wall Works	62,910	0	3,160	-59,750			-59,750	Slippage - 2020/21 costs transferred to revenue owing to nature of expenditure
P&ED	MH	CCF5 Fleetwood Market Outdoor Area/Digital Signage	330,475	299,592		-30,883			-30,883	Slippage - delays in completing the project
P&ED	MB	CCF5 Market Street Studios	120,537	113,370	3,997	-3,170			-3,170	Slippage - transferred to Fleetwood Market Outdoor Area project in 2021/22
P&ED	MH	Fleetwood HAZ	122,350	0		-122,350			-122,350	Slippage - project delay due to lower than anticipated applications
			11,770,251	6,788,650	7,157	-4,974,444	0	-47,296	-4,927,148	

*Includes £57,263 slipped to Revenue.

Portfolio Key	
LH&CE	Leisure, Health and Community Engagement
NS&CS	Neighbourhood Services and Community Safety
P&ED	Planning and Economic Development
R	Resources
SSP&OS	Street Scene, Parks and Open Spaces

Director Key	
CJ	Clare James, Corporate Director Resources
MB	Mark Billington, Corporate Director Environment
MH	Marianne Hesketh, Corporate Director Communities

Please note:- Purple text indicates externally funded schemes

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Report of:	Meeting	Date
Councillor David Henderson, Leader of the Council, and Clare James, Corporate Director Resources	Cabinet	20 October 2021

Local Government Ombudsman Annual Review Letter 2021

1. Purpose of report

- 1.1 To consider the Annual Review letter from the Local Government and Social Care Ombudsman (LGO) for 2020/21, attached at Appendix A.

2. Outcomes

- 2.1 Learn from the outcome of complaints made to the LGO to improve our services and underpin effective working relationships between the council and the LGO's office.
- 2.2 Support greater transparency and democratic scrutiny of local complaint handling and ensure effective local accountability of public services.

3. Recommendation

- 3.1 That Cabinet notes the comments made by the LGO in the Annual Review Letter.

4. Background

- 4.1 At the end of March 2020 the LGO took the unprecedented step of temporarily stopping their casework, in the wider public interest, to allow authorities to concentrate efforts on vital frontline services during the first wave of the COVID-19 pandemic. They restarted casework in late June 2020, after a three month pause.
- 4.2 This annual review provides a summary of statistics on the complaints made to the LGO about Wyre for the year ended 31 March 2021. The data that the LGO has provided shows the complaints and enquiries they have received, along with the decisions they have made and Wyre's compliance with recommendations during the period.
- 4.3 The number of complaints, taken alone, is not necessarily a reliable indicator of an authority's performance. The volume of complaints should

be considered alongside the uphold rate (how often the LGO found fault when they investigated a complaint) and statistics that indicate Wyre's willingness to accept fault and put things right when they go wrong. The LGO also provide a figure for the number of cases where the authority provided a satisfactory remedy before the complaint reached them and statistics about the authority's compliance with recommendations they have made; both of which offer a more comprehensive and insightful view of Wyre's approach to complaint handling.

- 4.4** The LGO have published its annual data for all authorities on their website, alongside its annual review of local government complaints. This includes data on authorities' compliance with the LGO's recommendations. Our data was uploaded to the LGO's interactive map, [Your council's performance](#), along with a copy of the LGO's letter and its Review of Local Government Complaints. This collated data supports the scrutiny of local services.

5. Key issues and proposals

- 5.1** During the year the LGO Advice Team received 10 complaints and enquiries about the council in the 12 months up to 31 March 2021. This is a decrease of four complaints when compared to those received by the LGO in 2019/20.

- 5.2** The number of decisions made in the year will not necessarily be the same as the number of complaints received by the LGO Advice Team because some complaints decided in 2020/21 will have been received in the previous year, and some sent to the Investigative Team during 2020/21 will be ongoing. However 10 decisions were made in total.

- 5.3** Four complaints were referred back for local resolution.

- 5.4** Five complaints were closed after initial enquiries and they related to the following service areas:

Planning and Development	4
Environmental Services, Public Protection and Regulation	1

- 5.5** One complaint was incomplete and closed as there was insufficient information provided by the complainant.

Financial and legal implications	
Finance	On occasion the Local Government Ombudsman may recommend that a payment is made to a complainant to compensate for any injustice they have experienced. No payments were made in 2020/21.
Legal	None arising directly from the report.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no	email	date
Joanne Porter	01253 887503	joanne.porter@wyre.gov.uk	24/09/2021

List of background papers:		
name of document	date	where available for inspection
LGO Annual Review Letter 2020/21	21/07/2021	www.wyre.gov.uk

List of appendices

Appendix A – LGO Annual Review Letter to Wyre BC for the period ending 31/03/2021

Local Government & Social Care OMBUDSMAN

21 July 2021

By email

Mr Payne
Chief Executive
Wyre Borough Council

Dear Mr Payne

Annual Review letter 2021

I write to you with our annual summary of statistics on the decisions made by the Local Government and Social Care Ombudsman about your authority for the year ending 31 March 2021. At the end of a challenging year, we maintain that good public administration is more important than ever and I hope this feedback provides you with both the opportunity to reflect on your Council's performance and plan for the future.

You will be aware that, at the end of March 2020 we took the unprecedented step of temporarily stopping our casework, in the wider public interest, to allow authorities to concentrate efforts on vital frontline services during the first wave of the Covid-19 outbreak. We restarted casework in late June 2020, after a three month pause.

We listened to your feedback and decided it was unnecessary to pause our casework again during further waves of the pandemic. Instead, we have encouraged authorities to talk to us on an individual basis about difficulties responding to any stage of an investigation, including implementing our recommendations. We continue this approach and urge you to maintain clear communication with us.

Complaint statistics

This year, we continue to focus on the outcomes of complaints and what can be learned from them. We want to provide you with the most insightful information we can and have focused statistics on three key areas:

Complaints upheld - We uphold complaints when we find some form of fault in an authority's actions, including where the authority accepted fault before we investigated.

Compliance with recommendations - We recommend ways for authorities to put things right when faults have caused injustice and monitor their compliance with our recommendations. Failure to comply is rare and a compliance rate below 100% is a cause for concern.

Satisfactory remedy provided by the authority - In these cases, the authority upheld the complaint and we agreed with how it offered to put things right. We encourage the early resolution of complaints and credit authorities that accept fault and find appropriate ways to put things right.

Finally, we compare the three key annual statistics for your authority with similar types of authorities to work out an average level of performance. We do this for County Councils, District Councils, Metropolitan Boroughs, Unitary Councils, and London Boroughs.

Your annual data will be uploaded to our interactive map, [Your council's performance](#), along with a copy of this letter on 28 July 2021. This useful tool places all our data and information about councils in one place. You can find the decisions we have made about your Council, public reports we have issued, and the service improvements your Council has agreed to make as a result of our investigations, as well as previous annual review letters.

I would encourage you to share the resource with colleagues and elected members; the information can provide valuable insights into service areas, early warning signs of problems and is a key source of information for governance, audit, risk and scrutiny functions.

As you would expect, data has been impacted by the pause to casework in the first quarter of the year. This should be considered when making comparisons with previous year's data.

Supporting complaint and service improvement

I am increasingly concerned about the evidence I see of the erosion of effective complaint functions in local authorities. While no doubt the result of considerable and prolonged budget and demand pressures, the Covid-19 pandemic appears to have amplified the problems and my concerns. With much greater frequency, we find poor local complaint handling practices when investigating substantive service issues and see evidence of reductions in the overall capacity, status and visibility of local redress systems.

With this context in mind, we are developing a new programme of work that will utilise complaints to drive improvements in both local complaint systems and services. We want to use the rich evidence of our casework to better identify authorities that need support to improve their complaint handling and target specific support to them. We are at the start of this ambitious work and there will be opportunities for local authorities to shape it over the coming months and years.

An already established tool we have for supporting improvements in local complaint handling is our successful training programme. During the year, we successfully adapted our face-to-face courses for online delivery. We provided 79 online workshops during the year, reaching more than 1,100 people. To find out more visit www.lgo.org.uk/training.

Yours sincerely,



Michael King
Local Government and Social Care Ombudsman
Chair, Commission for Local Administration in England

Complaints upheld

The Ombudsman carried out no detailed investigations during this period

Compliance with Ombudsman recommendations

No recommendations were due for compliance in this period

Satisfactory remedy provided by the authority

The Ombudsman did not uphold any detailed investigations during this period

NOTE: To allow authorities to respond to the Covid-19 pandemic, we did not accept new complaints and stopped investigating existing cases between March and June 2020. This reduced the number of complaints we received and decided in the 20-21 year. Please consider this when comparing data from previous years.