



LICHFIELD CITY COUNCIL

DRAFT BUDGET 2021/22

The budget report is based on Council Tax remaining at the 2020/21 level of £67.41 (for an average Band D property). The overall precept will reduce slightly due to recalculation at District level to take account of the likely ongoing impact of the pandemic, assuming a 30% increase in working age claimants of Local Council Tax Support as a central scenario. This increase in a discount reduces the Council Tax base.

The report shows:

- Actual net expenditure 2019/20 (last year)
- Original budget for 2020/21 (current year)
- Year-end estimate for 2020/21
- Draft budget estimates 2021/22
- Balances and reserves for 2019/20, 2020/21 and 2021/22
- The Council Tax analysis for the three years

Following the report there is a detailed draft budget analysis to provide further background to members on the headline figures supplied.

Note 1: Anticipated 75% loss of income due to COVID-19 restrictions remaining in 2021/22

Note 2: Anticipated impact of COVID-19 and associated social distancing restrictions remaining in 2021/22 and therefore limiting capacity on the Square

Note 3: Assumes all 2021/22 Civic events will go ahead as normal

Note 4: Reflects reapportionment of staff costs and potential COVID-19 closure implications

Note 5: An assumed reduction in income from SCC for verge cutting based on initial discussions.

Note 6: To be funded from the capital reserve – the draft Repairs and Renewals programme is detailed at **APPENDIX 5**.

Note 7: Contributions from **REVENUE** reserves are £37,634 (4.6% of precept), the remainder (£156,777) being drawn from the capital reserve.

The draft budget includes an assumed inflationary figure of 2% were applicable for expenditure, a 5% increase in Guildhall lettings fees, no increase is included for Market pitch fees/service charge.

The government has confirmed an employee pay freeze for 2021/22 except for those whose median earnings are below £24,000.

RECOMMENDED: That the Council approve the Budget Estimates and Report for the 2020/21 financial year totalling £1,010,811; and that the precept for 2021/22 be set at £816,400.

<u>Net Expenditure</u> SERVICE AREAS	ACTUAL 2019/20 £	BUDGET 2020/21 £	YEAR END ESTIMATE 2020/21 £	BUDGET 2021/22 £	Note
Parks and Footpaths	230,109	247,126	227,840	243,614	
Guildhall	101,972	99,939	136,546	141,179	1
Community Centres	13,214	16,573	10,767	16,273	
Markets	784	-9,023	58,015	33,757	2
Civic	87,081	98,494	65,475	96,189	
Grant Aid/Partnerships	48,842	52,376	53,210	51,428	
Arts/Tourism/Twinning	63,570	68,936	58,749	67,609	
Johnson Birthplace Museum	94,530	108,324	123,564	120,148	3
Democratic Services	98,217	125,235	153,458	101,041	
Investment Interest	-10,811	-22,940	-8,330	-3,600	
Loan Charges	0	0	0	0	
Agency	-18,917	-13,409	-18,350	-13,604	4
Repairs and Renewals	154,423	192,940	132,102	156,777	5
Total Service Cost	£863,732	£964,571	£993,047	£1,010,811	
Capital Contribution	-2,012,975	0	0	0	
Community Infrastructure Levy (CIL)	-9,006	-16,854	-18,518	0	
SUB TOTALS	-1,158,249	947,717	974,529	1,010,811	
PRECEPT	757,180	817,890	817,890	816,400	
To/(From) Balances	£1,915,429	(£129,827)	(£156,639)	(£194,411)	6

<u>Balances and Reserves</u>	ACTUAL 2019/20 £	BUDGET 2020/21 £	YEAR END ESTIMATE 2020/21 £	BUDGET 2021/22 £	
Opening Balance (1 April)	712,058	2,635,273	2,627,487	£2,470,848	
To/(From) balances	1,915,429	(129,827)	(156,639)	(194,411)	
Closing Balance	£2,627,487	£2,505,446	£2,470,848	£2,276,437	
<u>Closing balance held as:</u>					
Repairs/Renewals	1,858,553	1,724,640	1,726,450	1,569,674	
Rent Deposit Deed Reserve	0	0	0	0	
Parish Election Reserve	55,000	20,000	34,080	34,080	
CIL Reserve	24,560	37,008	43,078	43,078	
General Revenue Reserves	689,374	723,798	667,240	629,605	
TOTAL BALANCES AND RESERVES	£2,627,487	£2,505,446	£2,470,848	£2,276,437	

<u>Council Tax Analysis</u>	ACTUAL 2019/20	BUDGET 2020/21	ACTUAL 2020/21	BUDGET 2021/22	
Precept	£757,180	£817,890	£817,890	£816,400	
Apportioned Tax Base	£12,017.8	£12,133.0	£12,133.0	£12,110.3	
RESULTANT BAND D TAX	£63.00	£67.41	£67.41	£67.41	

DRAFT BUDGET 2021/22 ANALYSIS

<u>Net Expenditure</u>	ACTUAL 2019/20	BUDGET 2020/21	ESTIMATE 2020/21 YEAR END	BUDGET 2021/22
	£	£	£	£
SERVICE AREAS				
Parks and Footpaths				
Employee costs	29,166	31,364	29,465	31,254
Central administration	23,375	25,142	20,827	22,440
Contract repair/maintenance	126,826	130,880	130,880	133,555
Other repair/maintenance	44,039	51,790	42,930	52,830
Energy	9,035	9,350	5,640	5,135
Contributions	-1,000	0	-140	0
Miscellaneous income	-8	0	-10	0
Burial fees income	-424	-500	-652	-500
Allotment rents	-900	-900	-1,100	-1,100
Total	230,109	247,126	227,840	243,614
Guildhall				
Employee costs	71,840	77,254	72,557	76,983
Central administration	22,569	24,275	20,109	21,666
Repair/maintenance	23,206	17,680	17,680	17,680
Energy	10,254	9,860	7,440	10,060
Rates	6,926	7,540	7,380	7,530
Supplies and Services	22,317	21,330	17,380	21,760
Lettings	-55,140	-58,000	-6,000	-14,500
Total	101,972	99,939	136,546	141,179
Community Centres				
Employee costs	5,507	5,922	5,562	5,902
Central administration	2,418	2,601	2,155	2,321
Boley Hall	1,096	2,210	1,710	2,210
Curborough	807	2,210	920	2,210
Cruck House	850	1,420	210	1,420
Darwin Hall	2,536	2,210	210	2,210
Total	13,214	16,573	10,767	16,273
Markets				
Employee costs	45,614	49,052	46,070	48,879
Central administration	14,508	15,605	12,927	13,928
Repair/Maintenance	1,000	2,310	2,310	2,310
Energy	1,707	1,400	1,180	1,430
Rates and Water	20,682	21,490	20,890	21,320
Supplies & Services	57,511	54,100	14,683	18,650
Misc. lettings	-14,277	-15,000	-4,920	-5,000
Friday market income	-43,406	-48,250	-9,814	-20,000
Saturday market income	-51,447	-57,450	-12,650	-23,000
Producers market income	-2,760	-2,000	-2,220	-2,760
Tuesday market income	-28,349	-30,280	-10,440	-22,000
Total	784	-9,023	58,015	33,757

<u>Net Expenditure</u>	ACTUAL 2019/20 £	BUDGET 2020/21 £	ESTIMATE 2020/21 YEAR END £	BUDGET 2021/22 £
Civic				
Employee costs	42,780	46,004	43,207	45,842
Central administration	18,539	19,940	16,518	17,797
Mayor's allowance	2,949	3,650	900	3,650
Sheriff's allowance	1,608	3,150	820	3,150
Supplies and services	4,277	4,280	2,820	4,280
Events	2,199	7,210	1,210	7,210
Mayor's Banquet	1,641	1,580	0	1,580
Sheriff's Ride	13,087	12,680	0	12,680
Total	87,081	98,494	65,475	96,189
Grant Aid/Partnerships				
Employee costs	4,246	4,566	4,288	4,550
Central administration	8,060	8,670	7,182	7,738
Grants to outside bodies	29,396	32,000	34,600	32,000
Grants for open Churchyards	7,140	7,140	7,140	7,140
Total	48,842	52,376	53,210	51,428
Arts/Tourism/Twinning				
Employee costs	30,637	32,945	30,943	32,830
Central administration	10,478	11,271	9,336	10,059
Arts/Culture/Tourism	2,377	3,030	1,430	3,030
Christmas Lights	20,322	22,060	17,040	22,060
income	-243	-370	0	-370
Total	63,570	68,936	58,749	67,609
Johnson Birthplace Museum				
Employee costs	67,710	72,813	88,010	93,378
Central administration	12,896	13,871	11,491	12,380
Repair/Maintenance	4,030	7,870	7,870	8,030
Energy	4,554	3,350	3,440	3,420
Rates and Water	620	670	320	690
Supplies and Services	13,298	17,970	10,290	17,970
HLF Match Funding	4,622	7,500	7,500	0
Promotion	2,533	2,000	1,000	2,000
Restoration	5,843	0	0	0
Stock for sale	3,857	3,000	-1,267	3,000
Sales income	-11,462	-9,710	-1,750	-9,710
Contribution from Birthplace Trust	-13,791	-11,010	-3,340	-11,010
Total	94,530	108,324	123,564	120,148

<u>Net Expenditure</u>	ACTUAL 2019/20 £	BUDGET 2020/21 £	ESTIMATE 2020/21 YEAR END £	BUDGET 2021/22 £
Democratic Services				
Employee costs	55,102	59,255	55,652	59,047
Central administration	37,077	39,880	33,036	35,594
Election costs	1,823	20,000	60,920	0
Supplies and Services	0	1,540	1,720	1,840
Newsletter	4,140	4,260	2,130	4,260
Member allowances/travel etc.	75	300	0	300
Total	98,217	125,235	153,458	101,041
Investment Interest	-10,811	-22,940	-8,330	-3,600
Agency				
Employee costs	2,191	2,357	2,213	2,348
Central administration	1,162	1,734	1,437	1,548
SCC Verge Income	-22,000	-17,500	-22,000	-17,500
Total	-18,197	-13,409	-18,350	-13,604
Repairs and Renewals				
Employee costs	11,659	12,536	11,774	12,492
Central administration	9,673	10,404	8,618	9,285
Guildhall/Donegal House	99,414	130,000	65,210	6,000
Samuel Johnson Birthplace	0	0	0	75,000
Parks and Footpaths	19,288	10,000	10,000	4,000
Community Centres	11,741	30,000	29,120	50,000
Markets	2,648	0	7,380	0
Total	154,423	192,940	132,102	156,777
Total Service Costs	£863,732	£964,571	£993,047	£1,011,411
Capital Projects/Contribution				
Receipts	-2,012,975	0	0	0
Total	-2,012,975	0	0	0
community Infrastructure Levy (CIL)				
Expenditure	13,652	0	5,472	0
Receipts	-22,658	-16,854	-23,990	0
Total	-9,006	-16,854	-18,518	0
Johnson Birthplace Charitable Trust				
Grant/Donations	-10,456	-7,730	-3,340	-7,730
Admissions income	-3,245	-3,280	0	-3,280
Funding to LCC	13,791	11,010	3,340	11,010
Total	0	0		
TOTAL	-£1,158,249	£947,717	£974,529	£1,010,811
PRECEPT	-757,180	-817,890	-817,890	-816,400
Total Precept Requirement	-£757,180	-£817,890	-£817,890	-£816,400
TOTAL (To)/From balances	(£1,915,429)	£129,827	£156,639	£194,411

<u>Net Expenditure</u>	ACTUAL 2019/20 £	BUDGET 2020/21 £	ESTIMATE 2020/21 YEAR END £	BUDGET 2021/22 £
NOTE-Internal Recharges				
Employee Cost				
Employee costs	447,562	481,291	452,031	479,600
Recharge to Services	-447,562	-481,291	-452,031	-479,600
Total	0	0	0	0
Central Administration				
Employee costs	81,110	87,223	62,290	66,096
Central administration	0	0	0	0
Mileage Allowance	0	0	1,500	1,500
Professional Fees/Audit Fees	11,806	14,250	7,790	12,300
Office Rates/Water	9,777	10,070	9,790	10,010
Office Energy	4,691	4,920	4,020	5,020
Supplies & Services	31,216	27,930	27,650	27,930
Telephone/Postage	4,848	5,760	5,760	5,760
Subscriptions, Courses/Training	4,092	4,590	4,590	4,590
Insurance	23,723	24,650	25,795	27,100
Office Rent	-10,040	-5,990	-5,540	-5,540
Miscellaneous Receipts	-18	-10	-10	-10
Recharge to Services	-161,205	-173,393	-143,635	-154,756
Total	0	0	0	0
Balances & Reserves				
Opening Balance	712,518	2,635,273	2,627,487	2,470,848
to/-from reserve	1,915,429	-129,827	-156,639	-194,411
Closing Balance	£2,627,487	£2,505,446	£2,470,848	£2,276,437
Breakdown of Reserve				
Repairs/Renewals Reserve-Building	1,858,553	1,724,640	1,726,450	1,569,674
Repairs/Renewals Reserve-Street Lighting	0	0	0	0
Repairs/Renewals Reserve-Open spaces	0	0	0	0
Rent Deposit Scheme	0	0	0	0
Election Reserve	55,000	20,000	34,080	34,080
CIL Reserve	24,560	37,008	43,078	43,078
General Revenue Reserves	689,374	723,798	667,240	629,605
Closing Balance	£2,627,487	£2,505,446	£2,470,848	£2,276,437
Total Expenditure	1,148,161	1,253,241	1,090,048	1,141,861
Total income	-2,306,410	-302,524	-115,519	-131,050
Net Expenditure	-1,158,249	947,717	974,529	1,010,811
Precept	-757,180	-817,890	-817,890	-816,400
TOTAL (To)/From balances	(£1,915,429)	£129,827	£156,639	£194,411