

Report to:	Executive Cabinet Member – Regeneration Executive Cabinet Member – Strategic Housing & Planning Executive Cabinet Member – Environmental Services Delivery Executive Cabinet Member – Deputy Leader Executive Cabinet Member – Highways & Transport		
Date of meeting:	8 th , 14 th , 15 th of March		
Report of:	Director of Place Development, Director of Place Services, Deputy Chief Executive	Report number	41764,41765,41761,41762,41763
Contact officer:	Janet Pollard, Head of Finance, Corporate Resources and Place	Telephone number	01204 336710
Report title:	Directorate of Place – Budget Report 2022/23		
Not confidential			
This report does not contain information which warrants its consideration in the absence of the press or members of the public.			
Purpose:	This report is for completeness of the Corporate Business Planning Process for 2022/2023. It outlines the portfolio revenue budgets, fees and charges updates, savings proposals and capital programme within the Directorate of Place.		
Recommendations:	<p>The Executive Cabinet Members are recommended to:</p> <p>The Executive Cabinet Member</p> <ul style="list-style-type: none"> Notes the proposed revenue budget of £34,340,900 prior to the adoption of savings options. Notes the capital programme of £151,761,362. <p>The Executive Cabinet Member Highways and Transport</p> <ul style="list-style-type: none"> Approves implementation of the £382k savings as set out in paragraph 5.1.1 of this report. <p>The Executive Cabinet Member Environmental Services Delivery</p> <ul style="list-style-type: none"> Approves implementation of the £51k savings as set out in paragraph 5.1.2 of this report. Approves variations to increases in fees and charges for pest control, waste collection, bereavement and school meals as set out in paragraph 5.2.2 to 5.2.6 <p>The Executive Member Strategic Housing & Planning</p> <ul style="list-style-type: none"> Approves to vary increases in fees relating to planning services for 2022-23 as set out in paragraph 5.2.1 <p>The Executive Member Highways and Transport</p> <ul style="list-style-type: none"> Approves that no increase will be applied to 'on street' parking charges for 2022-23 as set out in paragraph 5.2.7 		
Decision:			
Background documents:			
Signed:	Leader/Executive Cabinet Member	Monitoring Officer	
Date:			

Consultation with other officers		
Finance	Yes	Sue Johnson
Legal	No	
HR	No	
Equality Impact Assessment required?	No	
(a) Pre-consultation reports Is there a need to consult on the proposals?		No
(b) Post consultation reports Please confirm that the consultation response has been taken into consideration in making the recommendations.		No
Vision outcomes Please identify the appropriate Vision outcome(s) that this report relates or contributes to by putting a cross in the relevant box.	1. Start Well	
	2. Live Well	
	3. Age Well	
	4. Prosperous	X
	5. Clean and Green	
	6. Strong and Distinctive	

1 INTRODUCTION

This report represents the final stage of the Corporate Business Planning Process (CBPP) for 2022/23 and outlines the revenue budget for the Directorate of Place.

In addition, the report includes the capital programme for the period 2022/23 to 2023/24.

2 BACKGROUND

The 2022-23 CBPP process began with the confirmation of the local government funding settlement. Final proposals for the council budget and council tax were approved at the full meeting of the Council on 16th February 2022.

The Deputy Chief Executive considers that the departmental budget detail as set out in this report is robust.

3 REVENUE BUDGET

The proposed revenue budget for Directorate of Place for 2022-23 is £34,340,900.

Table 1 provides an objective analysis of the budget, with the information analysed by Service Area.

The Director of Place Development and the Director of Place Services consider that the budget as set out in this report is robust.

Table One – Objective Analysis

Portfolio	Services	21-22 £000	22-23 £000
Deputy Leader	Leisure	1,946	2,170
Deputy Leader	Libraries , Museums and Archives	5,102	4,992
Deputy Leader	Regulatory Services	1,476	1,468
Deputy Leader	Albert Halls	122	58
Deputy Leader	Markets	0	-26
Deputy Leader	Directorate Overheads	3,299	1,352
Environment Delivery	Neighbourhood Services	5,410	5,204
Environment Delivery	Waste Management	8,411	7,647
Environment Delivery	Bereavement Services	-989	-1,056
Environment Delivery	Building Cleaning	288	293
Environment Delivery	Catering	66	199
Environment Delivery	Security	-220	-203
Environment Delivery	Supported Employment	54	57
Environment Delivery	Heaton Fold	-38	-82
Environment Delivery	Community Centres	73	82
Highways and Transport	Highways & Engineering and Parking Services	6,162	6,379
Highways and Transport	Fleet Vehicles	-279	-208
Regen and Strat Housing and Planning	Economic Strategy	885	477
Regeneration	Strategic Development Services	816	642
Regeneration	Property Services	3,065	4,245
Strategic Housing and Planning	Planning Services	492	653
	Total PLACE Directorate	36,141	34,341

4 VARIANCE ANALYSIS

Appendix A to this report outlines a detailed variance analysis of changes between the original budget for 2021/22 and the proposed budget for 2022/23. This section explains individual items in more detail.

4.1 Recharge Adjustments (£48,900)

The budget has been amended to reflect changes between various departments of the Council.

4.2 In Year Budget Virements (£754,100)

This represents budget transfers to / from Directorate of Place, as a result of the transfer of functions to / from other Directorates. The details are shown below:

Directorate of Place Virements in 21-22	£'000
Social Needs Transport living wage adjustment	-25.6
Inflation supplementary estimate	120.0
Housing Growth to Directorate of People	-250.0
Business Support Officer to Public Health	-28.7
Mere Hall Notional Rent to Directorate of People	-28.5
Leisure Supplementary Budget from Corporate	500.0
Legal Recharge Realignment	-12.7
Corporate Landlord Model UCAN from Chief Execs	61.8
Albert Hall technical post to Marketing	-30.8
Pay Award adjustment	448.6
Total Virements	754.1

4.3 Corporately Funded Growth

Inflation (£892,800)

This represents anticipated increases in costs resulting from increases in prices paid, less increased income based on the assumptions approved in the budget report approved by Council on 16th February 2022.

Insurance (£9,900)

A budget for insurance has been reflected to show the anticipated charge to the department. The council's insurance costs are apportioned across all departments based on activity.

Demand Pressures (£2,548,000)

To reflect the rising cost of Energy.

National Insurance (£205,300)

From 1st April National Insurance rates will increase by 1.25%

4.3 Strategic Budget 2022/23

The proposed strategic budget for Directorate of Place is £34,340,900.

5 2022-23 Budget Approvals

5.1 2021-23 Saving and efficiency 2021/23 reductions

In setting the previous Strategic Budget for 2020/21, the Directorate of Place was required to implement £6.161m of saving and efficiency reductions over the 2021/23 financial years.

£3.689m of reductions have been implemented during 2020/21, leaving £2.472m to be completed in 2022/23.

5.1.1 Highways (382k)

Of the remaining £1.001m Highways savings target the following proposals are put forward for approval in this report to achieve £382k saving.

Service Area	Proposal	Saving (£k)
Cross Cutting	Removal of inflation on budgets	36
Cross Cutting	Deletion of 6.54 fte vacant posts (see Appendix C)	221
Cross Cutting	Reduction of cash limited budgets	100
Road Safety Team	Reduction of uniform and equipment budget to reflect the actual costs incurred	25
	Total	382

5.1.2 Joint Working (£51k)

Of the remaining £1.471m Joint Working Savings target the following proposals are put forward in this report to achieve £51k saving.

Service Area	Proposal	Saving (£k)
Greenspace	Reduction in cash limited infrastructure budget	16
Waste – domestic	Increase in charges above inflation	10
Waste - trade	Increase fees and charges	25
	Total	51

5.2 FEES AND CHARGES 2022/23

Corporate budget guidance assumes an inflationary increase in fees and charges for 2022/23 of 2%. Approval is sought to vary this increase in the following service areas.

5.2.1 Planning Application fees

Certain planning and building control fees are set in accordance to statutory guidance or based on cost recovery only. In these instances price increases may vary from the 2% inflationary guidance. Increases in other planning service fees may also be varied on an individual basis outside of the guidance level in order to maintain the overall budgeted total income increase of 2% across planning services.

5.2.2 Pest Control

The pest control service established a charge for rats and mice in 2021 at a cost that continued to be subsidised by the other services within pest control. The proposed 12.5% increase in the charge for this element of the service will help to reduce the subsidy on rats and mice control services which currently stand at £49.72 per service request.

The increase in charges for all other pests covers an increase in the cost of chemicals so as to ensure the sustainability of the service.

The following table shows the increased costs associated with the uplifts with a comparison, where available, of the average charges across Greater Manchester.

	Current	%	Proposed	GM average 2019/20
Rats/mice	£40	12.5	£45.00	£55.30
Ants	£70	5	£73.50	£67.56
Wasps	£65	5	£68.25	£62.78
Wasps above gutter height	£78	5	£82.00	Not available
Beetles	£70	5	£73.50	75.75
Flies	£70	5	£73.50	Not available
Silverfish	£70	5	£73.50	Not available
Fleas	£71	5	£73.50	85.67

5.2.3 Domestic Waste

As a contribution to the Joint Neighbourhoods & Waste Service Review savings target, approved in the 2021-23 budget in February 2021, it is proposed to increase Bulky Waste removal charges by inflation plus 8%.

This will increase the current charge from £35 to £40 for up to five items which is comparable with other charges across the Greater Manchester Authorities giving an increased contribution to the Council of £10k

5.2.4 Trade Waste

On renewal of trade waste contracts consideration will be taken of costs incurred against income generated. Approval is sought for increases in excess of 2% where supported by rebalancing of costs and charges on individual contracts.

5.2.5 Bereavement Services

Bereavement Services fees and charges are generally proposed to rise in line with 2% inflation guidance. The exception is those goods and services which are procured from external providers such as memorials and for which larger increases in costs have been notified or are anticipated. Given that supply markets are likely to remain volatile for a period it is proposed to increase fees on these items by 10% at this time and for costs to be monitored. Should it prove necessary then further increases will be proposed in due course.

5.2.6 School Meals

A 2% increase in the charge for a school meal is being applied in response to corporate guidance on inflation. However, this makes the cost unmanageable from a cash collection perspective. It is therefore proposed that the cost of a school meal increases from £2.20 to £2.25.

5.2.7 On Street Parking

A 2% increase to on street parking charges would result in limited changes to tariffs as machines require incremental changes of 10p. Furthermore, this would be offset by the cost of re-programming machines. Approval is therefore sought to maintain the current level of fees with no inflationary increase for 2022-23.

6 CAPITAL PROGRAMME BID

Appendix B provides details of the Directorate of Place capital programme 22/23 to 23/24, which totals £151,761,362.

7 ASSESSMENT OF RISK

Senior managers within the Directorate of Place review financial risks facing the department on a regular basis. These are included within the quarterly finance reports.

8 CONCLUSION

This Strategic Budget Report proposes a net budget for the Directorate of Place of £34,340,900.

9 RECOMMENDATIONS

It is recommended that:

The Executive Cabinet Member

- Notes the proposed revenue budget of £34,340,900 prior to the adoption of savings options.

- Notes the capital programme of £151,762,361.

The Executive Cabinet Member Highways and Transport

- Approves implementation of the £382k savings as set out in paragraph 5.1.1 of this report

The Executive Cabinet Member Environmental Services Delivery

- Approves implementation of the £51k savings as set out in paragraph 5.1.2 of this report.
- Approves variations to increases in fees and charges for pest control, waste, bereavement and school meals as set out in paragraph 5.2.2 to 5.2.6

The Executive Member Strategic Housing & Planning

- Approves to vary increases in fees relating to planning services for 2022-23 as set out in paragraph 5.2.1

The Executive Member Highways and Transport

- Approves that no increase will be applied to 'on street' parking charges for 2022-23 as set out in paragraph 5.2.7

VARIATION ANALYSIS 2021/22 TO 2022/23

	<u>£'000</u>	<u>£'000</u>
Directorate of Place		
Total Approved Budget 2021/22		29,993
Less Recharges		-51
CBPP Budget 2021/22		29,941
Budget Virements		754
Revised Directorate of Place Budget 2021/22		30,695
Corporate Changes		
Inflation	893	
Insurance	10	
Growth (Energy)	2,548	
National Insurance Increase	205	
		3,658
Demand Led		
Increments	58	
Departmental demand	-58	0
CBPP Budget 2022/23		34,353
Add Recharges Received	7,302	
Less Recharges made	-7,313	-11
STRATEGIC BUDGET 2022/23		34,341

Appendix B

	Capital Allocation	Capital Allocation	Capital Allocation	Current Programme
	21/22	22/23	23/24	Total
<u>Development & Regeneration</u>	£	£	£	£
Town Centre Improvement Fund	35,320	34,726	0	70,046
Public Realm Impl Frmwk		98,951	0	98,951
Smithills Hall Internal Refurbishment		20,282	0	20,282
Town Centre Strategy	25,629,544	5,391,000	0	31,020,544
Hall ith Wood Museum	102,555	0	0	102,555
Great Lever Library (UCAN)		408,915	0	408,915
Investments in District Town Centres (£12m)	4,577,592	4,352,953	0	8,930,545
Investments in District Town Centres (£4m cap recs)	0	4,000,000	0	4,000,000
Library Self-Service kiosk replacements	61,890	0	0	61,890
Towns Fund	1,032,167	10,489,000	9,222,500	20,743,667
Enabling works	23,370	506,499	0	529,869
Rivington Chase HIF	285,000	0	0	285,000
FHSF Farnworth	4,174,151	4,514,986	4,587,680	13,276,817
Bolton College of Medical Sciences	2,000,000	12,400,000	5,600,000	20,000,000
Farnworth Library Improvements	62,065	0	0	62,065
Full Fibre Network GMCA (REFCUS)	612,892	0	0	612,892
Disabled Facilities Grants (REFCUS)	4,270,009	898,370	0	5,168,379
Private Sector Renewal (REFCUS)	599,995	867,840	0	1,467,835
Total Development & Regeneration	43,466,551	43,983,522	19,410,180	106,860,253
<u>Corporate Property</u>				
Asset Management Plan - urgent works	486,496	0	0	486,496
Westhoughton Town Hall	1,910,114	0	0	1,910,114
Blackrod Library	109,643	0	0	109,643
61-63 Market St Little Lever	1,950,737	0	0	3,433,737
61-63 Market St Little Lever (District Centres funded)	1,483,000	0	0	1,483,000
Corporate Property Capital Programme	1,500,000	2,594,652	0	4,094,652
Backlog Maintenance 22-23	0	2,000,000	0	2,000,000
Mere Hall - Service Move Works	14,710	0	0	14,710
Decarbonisation Works	1,044,023	0	0	1,044,023
Total Corporate Property	8,498,723	4,594,652	0	13,093,376

	Capital Allocation	Capital Allocation	Capital Allocation	Current Programme
	21/22	22/23	23/24	Total
<u>Environmental Services</u>	£	£	£	£
Highways				
DfT Highways LTP	6,088,636	500,000	0	6,588,636
Challenge Fund - Highways maintenance	724,872	0	0	724,872
Section 31 Grant - Daisy Hill Station Bridge	33,556	2,310,000	0	2,343,556
Improved Street Lighting	133,655	350,000	0	483,655
Depot Improvement Plan - Mayor St		30,374	0	30,374
Road Warning Signals	12,658	0	0	12,658
Highways Improvement Funding (Area Forum)	294,575	500,000	0	794,575
Highways investment	5,464,716	0	0	5,464,716
Highways Maintenance 22-23	0	1,000,000	0	1,000,000
External Highways				
A666 Challenge Fund St Peters Way Improvement	400,601	380,000	0	780,601
LGF Crompton Way / Blackburn Road	150,648	500,000	0	650,648
LGF Town Centre 20mph scheme	178,512	0	0	178,512
LGF Bus Stop Improvement 2021	291,983	0	0	291,983
Bolton Salford Quality Bus Network	1,385,734	0	0	1,385,734
LSTF Bolton - Bury cycle route	48,546	0	0	48,546
City Cycle Ambition	89,903	0	0	89,903
MCF - Doffcocker to TC Bee Route	121,677	1,400,000	0	1,521,677
MCF - Bolton Town Centre East Phase 1 (T5)	265,543	0	0	265,543
MCF - Westhoughton (T6)	78,104	200,000	0	278,104
MCF - Astley Bridge (T6)	83,169	350,000	0	433,169
Safe Streets Cycling & Walking	352,153	0	0	352,153
MCF -A58 Moss Bank Way	35,000	0	0	35,000
MCF-Bolton to Farnworth	667,000	0	0	667,000
MCF -Farn to Borough Boundary	20,000	0	0	20,000
Bolton Culvert Repairs	2,869	0	0	2,869
Bolton Local Levy (Smiths Road)	7,000	0	0	7,000
TFGM Development Fund	200,000	0	0	200,000
Capability Funding	150,000	0	0	150,000
Non-Highways				
Equipped Play Area Strategy (S106)		37,525	0	37,525
Old Station Park		99,649	0	99,649
Replacement of Fleet Vehicles	3,704,522	1,510,577	0	5,215,099
Public Realm (Area Forum)	250,791	189,413	0	440,204
Cleaner Greener	215,000	438,773	0	653,773
Mortfield Lodge Embankment works	240,000	0	0	240,000

	Capital Allocation	Capital Allocation	Capital Allocation	Current Programme
	21/22	22/23	23/24	Total
Elgin St Prevent Landslip	20,000	200,000	0	220,000
Parking improvements in the Moss Bank Park area	0	100,000	0	100,000
Total Environmental Services	21,711,423	10,096,311	0	31,807,734
TOTAL CAPITAL	73,676,697	58,674,486	19,410,180	151,761,362

Proposed Highways Vacancies to be deleted.

School Crossing Patroller..4261	Grade.B..
School Crossing Patroller..4321	Grade.B..
Depot and Stores Operative..58351	Grade.E..
Roadworker 2..51527	Grade.D..
Senior Engineering Manager (Highway Operations)..51433	Grade.L..
Roadworker 3..51510	Grade.E..
Street Mason..51513	Grade.F..
Roadworker 2 51509	Grade.D..