



Rochdale BC

Budget Report 2020/21

Including:

Revenue Budget 2020/20 – 2022/23

Capital Programme 2020/21 – 2022/23

Council Tax 2020/21

Budget Carry Forward Policy

Pay Policy

Treasury Management Strategy

Capital Investment and Disposal Strategy

Medium Term Financial Strategy

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1 Introduction

1.1 This report contains:

- Revenue Budget 2020/21 - 2022/23;
- Capital Programme 2020/21 - 2022/23;
- Budget Carry Forward Policy;
- Pay Policy Statement;
- Treasury Management Strategy;
- Capital Investment and Disposal Strategy;
- Medium Term Financial Strategy 2020/21 – 2024/25;

Which are being recommended to Budget Council for approval by Cabinet.

1.2 This report is presented in two parts, as there is a requirement for all billing authorities to keep a separate Collection Fund Account to the main General Fund Budget. Part 1 deals with the budget requirements of Rochdale BC whilst Part 2 concentrates on Collection Fund issues.

2 Part 1 : District Requirements

2.1 The General Fund Revenue Account

2.1.1 The proposed budgets for 2020/21 to 2022/23 are set out at summary level at Appendix 1. The estimated resources for 2020/21 are £224.128m, as set out in Table 1.

Table 1: Estimated Resources

	2020/21
	£'000
Council Tax	91,715
Business Rates Retained	63,878
Business Rates Top-up Grant	36,341
General Grants	30,526
Collection Fund Surplus	1,668
Total Resources	224,128

2.1.2 The assumptions on which Directorate budgets are based are set out in the Medium Term Financial Strategy, as outlined in Appendix 7. The individual Directorate budget plans are provided at Appendix 2.

- 2.1.3 The budget takes account of the latest projected outturn for 2019/20, which is currently forecast to be in line with the budget after the application of an estimated £6.7m from the Equalisation Reserve and expected refunds from the Greater Manchester Combined Authority. The Council's general balances will be £17m at 31st March 2021 and will support the risks within the proposed budget. Any increase / decrease against the proposed budget for 2019/20 will be allocated to/from the Equalisation Reserve.
- 2.1.4 Further information on budget risks is provided as a separate agenda item as part of the Local Government Act 2003 report requirements. Members should consider the views of the Chief Finance Officer set out within this report with regard to the robustness of the budget and the adequacy of balances and reserves when determining the budget requirement.
- 2.1.5 The calculation of 2020/21 Council Tax (for District purposes) for Band D properties based on the proposed expenditure level of £224.128m is shown in Table 2.

Table 2: Proposed Budget and Council Tax for District Purposes

	<u>2019/20</u>	<u>2020/21</u>	Variation	
	Budget	Proposed Budget	£'000	%
1 BUDGET REQUIREMENT	216,223	224,128	7,905	3.66%
<u>Funding Available</u>				
2 Business Rates Top-up Grant	35,597	36,341	744	2.09%
3 General Grants	25,819	30,526	4,707	18.23%
4 Business Rates Retained	61,206	63,878	2,672	4.37%
5 Net Requirements	93,601	93,383	-218	-0.23%
6 Collection Fund Surplus	-6,305	-1,668		
7 Amount to be precepted on the Collection Fund	87,296	91,715	4,419	5.06%
8 Council Tax for District Purposes	£1,582.14	£1,645.27	£63.13	3.99%
9 Tax Base	55,176	55,745	569	

2.1.6 **Changes in Estimated Resources**

Table 3 provides an analysis of the changes in Estimated Resources compared to the position reported to Cabinet 29th October 2019.

Table 3: Changes in Estimated Resources 2020/21

	As per October Cabinet	Proposed Budget 2020/21	Increase/ (Decrease) in Resources
	£m	£m	£m
Government Grants			
Business Rates Top-up Grant	36.308	36.341	0.033
New Homes Bonus	2.052	1.804	-0.248
Improved Better Care Fund	11.917	11.917	0.000
Business Rates Section 31 Grants	9.890	9.806	-0.084
Additional Social Care Funding	6.512	6.925	0.413
Other Section 31 Grants	0.074	0.074	0.000
	66.753	66.867	0.114
Locally Generated Income			
Council Tax	91.560	91.715	0.155
Business Rates	63.294	63.878	0.584
Collection Fund surplus 2019/20	0.000	1.668	1.668
	154.854	157.261	2.407
Total Resources	221.607	224.128	2.521

2.1.7 The estimated resources for 2020/21 have been updated to reflect:

- The Final Local Government Finance Settlement 2020/21 (see Section 2.2).
- The estimated Council Tax income for 2020/21 of £91.715m. This is based on Council Tax base 2020/21 of 55,745, as approved by Council 18th December 2019, and assumes a Council Tax increase of 3.99% for 2020/21.
- Estimated Business Rates income of £63.878m for 2020/21.
- The Council's share of the estimated Collection Fund surplus 2019/20 (£1.668m).

2.2 Local Government Finance Settlement 2020/21

2.2.1 The Final Local Government Finance Settlement 2020/21 was announced in a written statement to Parliament on 6th February 2020. The Local Government Finance Settlement 2020/21 is a one-year settlement, ahead of a multi-year Spending Review in 2020.

2.2.2 Settlement Core Funding

The final settlement proposes that settlement core funding (Revenue Support Grant) is increased in line with inflation. The Greater Manchester 100% Business Rates Retention pilot scheme is continuing in 2020/21. Under the pilot Revenue Support Grant and Public Health grant are not received directly by Rochdale. However, increases in these grants, and in the Business Rates Multiplier, are reflected in the Business Rates Top-up grant.

2.2.3 Funding for Social Care

The final settlement makes £1.5bn of new funding available nationally for Adult and Children's Social Care. This includes £1bn of new grant funding, a continuation of all existing Social Care grants, and the ability for authorities to raise up to £0.5bn more via the Adult Social Care precept. Rochdale's additional Social Care Funding for

2020/21 is £6.925m, which is £0.413m higher estimated in the figures reported to October Cabinet.

2.2.4 Improved Better Care Fund

In 2020/21, £1.837bn has allocated nationally through the Improved Better Care Fund, the same amount as for 2019/20. Improved Better Care Fund also now includes the £240m Winter Pressures Grant Funding. Rochdale's 2020/21 allocation is £11.917m.

2.2.5 New Homes Bonus

The final settlement confirms the 2020/21 New Homes Bonus allocations. The Government has decided not to make any change to the payments baseline, and this will remain at 0.4% for the 2020/21 allocations. There will be no legacy payments relating to the 2020/21 allocation, i.e. the 2020/21 allocation will be received for one year only, rather than four years as was the case with previous allocations. Rochdale's 2020/21 allocation, based on figures from the 2019 Council Tax Base return is £1.804m, which is £0.248m lower than estimated at October Cabinet. The budget assumes that from 2021/22 there will be no new NHB allocations.

2.3 Schools Funding Settlement

2.3.1 A summary of the Dedicated Schools Grant (DSG) allocation is provided in Table 4.

Table 4 Dedicated Schools Grant Allocation

	2019/20	2020/21	Variation		Transfers
	£m	£m	£m	%	£m
Schools Block	164.260	171.068	6.808	4.1%	-0.855
High Needs Block	23.860	27.838	3.978	16.7%	0.855
Central Schools Services	1.202	1.187	-0.015	-1.2%	
Early Years Block	16.693	17.406	0.713	4.3%	
Total	206.015	217.499	11.484	5.6%	0.000

2.3.2 The Schools, High Needs and Central Schools Services Block are final allocations with the Early Years Block indicative until July 2021. Both Schools and the High Needs Block allocations for 2020/21 are based on National Funding Formulae (NFF).

2.3.3 There is an overall increase in DSG from 2019/20 of £11.484m (5.6%). The national DSG allocation has increased 2.8% from 2019/20 due to additional schools funding of £2.6bn which was announced in the September Spending review, this funding will increase further to £4.8bn in 2021/22.

2.3.4 The increase of £6.808m in the Schools Block is due in part to an increase in pupils (451) together with the increased funding. The revised DSG Operational Guidance for 2020/21 introduced a minimum per pupil funding level (£3.75k for primary and £5k for secondary), as well as setting a minimum funding guarantee (MFG) of +0.5%

which ensures all schools will receive an increase in their per pupil funding over 2019/20.

2.3.5 There is a significant pressure in 2019/20 of £4.292m within High Needs, £0.262m is the pressure on Council funded areas and the remaining £4.030m is related to a pressure on the Dedicated School Grant (DSG). The pressures are in relation to a continued rise in numbers of children with education health care plans and children requiring SEND support.

2.3.6 As part of the £2.6bn the Government has recognised the pressures within the High Needs Block and provided an additional £700m for 2020/21. The increase of £3.978m in the High Needs Block is unlikely to be sufficient for 2020/21 due to continuing unprecedented growth in this area, therefore Schools Forum approved a 0.5% transfer from the Schools Block to High Needs block of £0.855m in October 2019.

2.3.7 Funding to schools can still be based on a local formula for 2020/21, however Rochdale has been transitioning to the NFF over the last three years and is now closely mirroring the NFF for 2020/21.

2.4 Council Budget Position 2020/21 to 2022/23

2.4.1 The assumptions that underpin the Council's budget gap have been reviewed in line with the latest available information, including the impact of the Local Government Finance Settlement 2020/21.

2.4.2 The latest budget for 2020/21, 2021/22 and 2022/23 is continually updated throughout the budget process. The major factors influencing the Council's Budget are:

- The level of resources received by the Council, both locally generated and government grants;
- Health and Social Care integration;
- Budget pressures.

2.4.3 The budget position will continue to be updated in the light of the latest available information; any further changes will be reported to Budget Council 26th February 2020.

2.4.4 Table 5 shows how the Council's Budget Gap has changed from the position reported to Cabinet 29th October.

Table 5 Updated Council Budget Gap 2020/21 to 2022/23

	2020/21	2021/22	2022/23
	£m	£m	£m
Budget Gap October Cabinet	4.064	15.045	15.375
Changes to Budget Assumptions			
Increase/(Decrease) in Budget Requirements	0.677	2.080	5.402
(Increase)/Decrease in Resources	-2.521	-7.601	-10.562
	-1.844	-5.521	-5.160
Revised Budget Gap	2.220	9.524	10.215

2.4.5 Further detail behind the updated Budget Gap is discussed in the Medium Term Financial Strategy provided at Appendix 1 to this report.

2.4.6 Savings proposals were submitted to Cabinet 29th October 2019 as a basis for consultation. A separate report elsewhere on the agenda outlines the outcome of consultation. The savings proposals following consultation are detailed in Table 6.

Table 6 Savings Proposals 2020/21 to 2022/23

	2020/21		2021/22		2022/23	
	Ongoing	One Off	Ongoing	One Off	Ongoing	One Off
	£m	£m	£m	£m	£m	£m
<u>Cabinet Approval</u>						
Proposals not requiring consultation	-2.424	-0.220	-2.782	-0.225	-3.852	-0.155
Service Delivery/Workforce	-0.033	0.000	-0.033	0.000	-0.033	0.000
Service Delivery	-0.016	0.000	-0.016	0.000	-0.016	0.000
Workforce	-0.187	0.000	-0.217	0.000	-0.233	0.000
	-2.660	-0.220	-3.048	-0.225	-4.134	-0.155
<u>Integrated Commissioning Board Approval</u>						
Adult Care	-1.282	-0.060	-2.235	0.015	-2.235	0.000
Public Health	-0.307	-0.153	-0.307	0.000	-0.307	0.000
	-1.589	-0.213	-2.542	0.015	-2.542	0.000
Overall Total	-4.249	-0.433	-5.590	-0.210	-6.676	-0.155

2.4.7 It is proposed that Contingency is utilised in order to help manage the Council's Budget Gap over the years 2020/21, 2021/22 and 2022/23.

2.4.8 Table 7 summarises the budget position for 2020/21 to 2022/23 after the application of Savings Proposals and the utilisation of Contingency.

Table 7 Council Budget Position after Savings Proposals/Contingency

	2020/21	2021/22	2022/23
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Budget Gap October Cabinet	4.064	15.045	15.375
Changes to Budget Assumptions			
Increase/(Decrease) in Budget Requirements	0.677	2.080	5.402
(Increase)/Decrease in Resources	-2.521	-7.601	-10.562
	-1.844	-5.521	-5.160
Revised Budget Gap	2.220	9.524	10.215
Savings Proposals	-4.682	-5.800	-6.831
Transfer to/(from) Contingency	2.462	-1.724	-1.384
Revised Budget Gap	0.000	2.000	2.000

2.4.9 The remaining £2m Budget Gap in 2021/22 and 2022/23 relates to the Transformation Funding for Adult Care coming to an end. This will be managed via the Pooled Fund.

2.5 Pooled Fund Gap

2.5.1 The Local Authority has operated a formal pooled budget arrangement from 1st April 2018 for Health and Social Care. The Pooled Fund includes the Adult Social Care, Public Health, and elements of Children's Services. The Non-Pooled Fund includes Economy, Neighbourhoods, Resources and elements of Children's Services.

2.5.2 The Council's budget has been combined with the latest Heywood, Middleton and Rochdale Clinical Commissioning Group (HMRCCG) budget position to produce an overall budget for the locality.

2.5.3 Table 8 summarises the Overall Budget Gap, split between the Pooled Fund and Non Pooled Fund budgets, showing how this has changed from the position reported to Cabinet 29th October.

Table 8 Overall Budget Gap

	2020/21	2021/22	2022/23
	<u>£m</u>	<u>£m</u>	<u>£m</u>
Total Budget Gap - Oct Cabinet	14.445	32.226	38.531
Changes to LA Gap Assumptions	-1.844	-5.521	-5.160
Changes to CCG Gap assumptions	4.239	4.239	4.239
Revised Budget Gap	16.840	30.944	37.610
Savings Proposals	-15.585	-16.703	-17.734
Transfer to/from Contingency	2.462	-1.724	-1.384
Revised Budget Gap	3.717	12.517	18.492
CCG Gap	3.717	10.517	16.492
LA Pooled Fund Gap	0.000	2.000	2.000
LA Non Pooled Gap	0.000	0.000	0.000
Revised Budget Gap	3.717	12.517	18.492

2.6 2021/22 – 2022/23 Provisional Estimates

- 2.6.1 The provisional estimates for 2021/22 to 2022/23 set out the resources the Council will receive based on the most up to date available information.
- 2.6.2 The Local Government Act 2003 Report identifies that the estimates for 2021/22 and 2022/23 have a high degree of risk due to uncertainties regarding the collection of income from both Council Tax and Business Rates, the integration of Health and Social Care, and the multiple reforms to local government funding for 2021/22. Within the Health and Social Care Pooled Fund, a significant proportion of the savings proposals relate to the benefits to be delivered from efficiencies generated through contract/commissioning renegotiations and integration of working between health and social care organisations. Delays in delivery and slippage in the development of new ways of delivery would result in a deficit on the Pooled Fund, resulting in a significant risk for the Council.
- 2.6.3 There is significant uncertainty around the funding that the Council will receive from 2021/22 due to the proposed reforms to local government funding. The provisional budgets for 2021/22 and 2022/23 will be continually reviewed as further information becomes available.
- 2.6.4 There is no current information available on government funding for 2021/22 onwards and therefore current assumptions have been extrapolated forward. On this basis, and assuming an increase in Council Tax of 1.99% in 2021/22 and 2022/23, this would generate budgeted resources of £226.045m in 2021/22 and £231.639m in 2022/23, as shown in Table 8.

Table 8: Provisional Estimate and Council Tax 2021/22 and 2022/23

	Detail	2020/21	2021/22	Variation		2022/23
		Proposed Budget	Provisional Estimate	£'000	%	Provisional Estimate
		£'000	£'000	£'000	%	£'000
1	Resources Available	224,128	226,045	1,917	0.86%	231,639
	<u>Breakdown of Resources:</u>					
2	Top-up Grant	36,341	36,389	48	0.13%	36,438
3	General Grants	30,526	29,553	-973	-3.19%	29,546
4	Business Rates Retained	63,878	65,403	1,525	2.39%	68,146
5	Net Requirements	93,383	94,700	1,317	-1.41%	97,509
6	Less: Collection Fund Adjustments	1,668	0	-1,668		0
7	Precept on Collection Fund	91,715	94,700	2,985	3.25%	97,509
8	Council Tax Band D (District Purposes)	£1,645.27	£1,678.01	£32.74	1.99%	£1,711.40

2.6.6 Table 9 shows the Council's ongoing Budget Requirement for 2020/21 to 2022/23.

Table 9: Ongoing Requirement 2020/21 to 2022/23

	2020/21	2021/22	2022/23
	£'000	£'000	£'000
BUDGET REQUIREMENT	224,128	228,045	233,639
RESOURCES			
Council Tax	-91,715	-94,700	-97,509
Business Rates Retained	-63,878	-65,403	-68,146
Collection Fund Surplus	-1,668	0	0
General Grants	-30,526	-29,553	-29,546
Business Rates Top-Up Grant	-36,341	-36,389	-36,438
TOTAL RESOURCES	-224,128	-226,045	-231,639
NET FUNDING REQUIREMENT	0	2,000	2,000

2.6.7 The 2021/22 and 2022/23 final level of the budget requirement will depend on the outcome of subsequent Local Government Finance Settlements following the outcome of the Fair Funding Review and Spending Review 2020.

2.7 Budget Carry Forward Policy

2.7.1 The Council has experienced significant demand pressures in recent years resulting in a contribution of £3.3m in 2018/19 and an estimated £6.7m from the Equalisation Reserve in 2019/20.

2.7.2 The Budget Carry Forward policy is a framework which Directorates can use to apply to carry forward unspent revenue budget from one financial year to another. The current policy has been in use for a number of years, but given the Council's on-going financial pressures, it is recommended to amend the policy. This would allow unutilised budget to be either held in a reserve for future use, or be used to fund priority issues.

2.7.3 Further detail of the policy is provided in Appendix 3.

2.8 Capital Programme 2020/21 to 2022/23

2.8.1 The proposed Capital Programme has been developed in line with the Council's priorities:

- *Place Plan* – aligning capital investment to support the borough's economic growth potential and continue to regenerate our town centres.
- *Corporate Plan* – ensuring the borough maintains its high standard of quality building and public space.
- *Asset Strategy* – aiming to hold fewer but more efficient assets, realising maximum value from the estate whilst safeguarding its staff, customers and other building users.

2.8.2 Along with the Council's current priorities, the proposed Capital Programme has been developed for 2020/21 to 2022/23, taking into consideration the available resources. The approach for setting the 2020/21 capital budget has followed the steps below:

- Initial budget as provisionally approved at Budget Council on 27th February 2019.
- Review of 2019/20 and 2020/21 schemes – work has been undertaken with Services and Leadership Team to review 2019/20 and 2020/21 schemes taking into account spend to date, previous re-phasing of budget, and links to the Council's priorities.
- Consideration of new schemes in relation to the Council's priorities.
- Final Review Session with the Leader of the Council / Cabinet Member for Finance, Director of Resources, Director of Neighbourhoods, and Director of Economy, followed by approval to progress the proposed programme by the Council's Leadership Team.

2.8.3

Table 10 shows the changes to the Capital Programme reported to Cabinet 2nd December 2019, following consultation.

Table 10 Changes to the Capital Programme

	2020/21	2021/22	2022/23	Source of funding
	£'000	£'000	£'000	
Total Capital Programme presented to 2nd December 2019 Cabinet	80,723	48,480	25,232	
<u>Proposed addition in expenditure</u> Neighbourhoods: Affordable Housing Fund	2,752	-	-	Capital Receipts / External Contributions
REVISED 2020/21 - 2022/23 CAPITAL PROGRAMME	83,475	48,480	25,232	

2.8.4

The Affordable Housing Fund (AHF) is ring fenced for the delivery of affordable housing, as defined in the National Planning Policy Framework (NPPF). The AHF will be utilised in housing schemes to meet the housing needs in the Borough.

2.8.5

When a scheme is approved and the proposed spend is profiled across financial years, the scheme funding will be approved across these financial years and will therefore be considered as a priority in future years. Any reduction in the funding of these schemes will only be considered where contracts have not been entered into.

2.8.6

Schemes totalling £83.475m have been proposed to be included in the 2020/21 Capital Programme. Table 11 shows the total proposed Capital expenditure by service for 2020/21 to 2021/22, and how the expenditure is proposed to be funded

Table 11 Summary of Capital Programme

	2020/21	2021/22	2022/23
Directorate	£'000	£'000	£'000
Adult Care	2,440	2,440	2,440
Children's Services	21,640	7,516	7,516
Economy	19,559	11,550	4,431
Neighbourhoods	33,497	26,686	10,485
Public Health	4,328	288	360
Resources	2,011	0	0
Total requirement	83,475	48,480	25,232

Funding Source			
Prudential Borrowing	19,539	19,975	11,580
External Grant and contributions	39,960	19,973	11,923
Invest to Save	20,428	7,338	1,530
Revenue Contribution to Capital Outlay	1,704	155	155
Capital Receipts	1,844	1,039	44
Total funding	83,475	48,480	25,232

2.8.7

The Capital schemes are detailed in Appendix 4 and are categorised as follows:

- *Annual Allocation* - These schemes receive annual allocations either as a result of external funding, or because the capital investment is essential for the Council to maintain current service delivery or to meet statutory responsibilities.
- *Scheme started in previous years* - These schemes are multi-year schemes that commenced prior to 2020/21.
- *New Bid* - These are new schemes or schemes requiring additional funding for the 2020/21 capital programme.

- 2.8.8 As the cost of the proposed Capital programme is greater than the capital receipts and external funding available, borrowing is required to fund the difference. This has an impact on the Council's Revenue budget. Borrowing requires repayment of both the principle sum borrowed and associated interest over a given number of years. The budgeted cost of borrowing for the 2020/21 Capital Programme is £0.280m, increasing to £1.524m in 2021/22.
- 2.8.9 The Capital budget is funded from a number of sources: borrowing, capital receipts, revenue contribution to capital outlay and external funding/ contributions. Borrowing has an implication for the Council's Revenue budget as the Council has to make provision to repay the cost of borrowing.
- 2.8.10 The Council is able to borrow resources for capital schemes. The revenue implications of this option are that for every £1m of capital expenditure there is approximately £61k per annum of revenue cost to repay borrowing, over a 40 year period. If borrowing is required over a shorter period, the annual cost is greater but the overall cost is less.
- 2.8.11 Since Budget Council in February 2019, a number of new schemes have been added to the provisional 2020/21 Capital Programme which are to be funded by borrowing; and a review of the phasing of expenditure of existing schemes has taken place, with several schemes re-profiling the expenditure into future years. In addition, two schemes, approved in previous years, have been removed from the programme:
- Town Centre Capital Programme
 - Town Centre Purchases – Rochdale & Middleton
- 2.8.12 The net annual budgeted cost of borrowing for 2020/21 additional and revised schemes is £0.117m; the appropriate revenue cost is included within the revenue budget for 2020/21 and future years.
- 2.8.13 The scheme for the decant of Rochdale Town Hall requires revenue funding of £750k, provision for which has been included within the revenue budget for 2020/21.

3. PART 2 COLLECTION FUND AND CALCULATION OF COUNCIL TAX AND BUSINESS RATES

3.1 Collection Fund 2020/21

3.1.2 As a billing authority the Council is required to maintain a separate Collection Fund. The only transactions dealt with through the Collection Fund relate to the collection of Council Tax income, Business Rates and the payment of precepts.

3.1.3 The amounts of Council Tax are expressed per Band D property and are shown separately for the Council, the Mayoral Police and Crime Commissioner precept and the Mayoral General precept (including Fire Services).

3.1.4 Under current regulations billing authorities must estimate the annual surplus or deficit on the Collection Fund. They must then notify the relevant precepting authorities of the amount calculated as their share. It is estimated that the Collection Fund will be in a surplus position of £1.779m as at the 31st March 2020. The Council's share of the forecast Collection Fund surplus as at 31st March 2020 is £1.668m.

3.1.5 Table 12 shows the calculation of the 2020/21 Council Tax for district purposes and the amount to be precepted on the Collection Fund in relation to the Greater Manchester Mayoral Police and Crime Commissioner precept and the Mayoral General precept (including Fire Services). A comparison with 2019/20 is provided.

Table 12: Calculation of the Council Tax

	Precept	Council Tax (Band D)		Increase	
		2019/20	2020/21	£	%
1	District Requirements	£ 1,582.14	£ 1,645.27	63.13	3.99%
	<u>Precepts</u>				
2	Mayoral Police and Crime Commissioner Precept	198.30	208.30	10.00	5.04%
3	Mayoral General Precept (including Fire Services)	76.95	90.95	14.00	18.19%
4	Total	1,857.39	1,944.52	87.13	4.69%

3.1.6 The Council Tax Base takes into account changes to the number of properties, discounts and collection levels. The overall estimated collection rate assumed in the calculation has been increased to 98.0% (97.5% in 2019/20) to reflect current collection performance. The Council Tax base for 2020/21 of 55,745 was approved by Council on 18th December 2019, representing the number of Band D equivalent properties that we collect Council Tax from.

3.1.7 The 2020/21 Mayoral Police and Crime Commissioner precept and the Mayoral General precept were confirmed by the GMCA on 14th February 2020:

- Mayoral Police and Crime Commissioner Precept – a maximum £10 increase as per the referendum limit.

- Mayoral General Precept (including Fire Services) – a £14 increase, including £6.25 for Fire Services and £7.75 for Mayoral General functions.

3.2 Recommended Council Tax

3.2.1 The Council Tax recommended for 2020/21, including the Mayoral precepts is £1,944.52 for Band D properties, an increase of £87.13 (4.69%). The Council Tax for individual bands is shown in Table 13.

Table 13: Recommended Council Tax per Band

Council Tax Levels				
Band	2019/20	2020/21	Increase	
	£	£	£	%
Band A	1,238.25	1,296.33	58.08	4.69%
Band B	1,444.63	1,512.40	67.77	4.69%
Band C	1,651.00	1,728.45	77.45	4.69%
Band D	1,857.39	1,944.52	87.13	4.69%
Band E	2,270.14	2,376.62	106.48	4.69%
Band F	2,682.90	2,808.74	125.84	4.69%
Band G	3,095.64	3,240.85	145.21	4.69%
Band H	3,714.78	3,889.04	174.26	4.69%

3.3 Collection of Business Rates

3.3.1 The amount the Council is required to collect in Business Rates in 2020/21 is estimated to be £63.935m. The Council is required to pay 1% of the amount of Business Rates it collects from local businesses to the GM Mayor in respect of Fire Services. The remaining 99% is retained by the Council under the Greater Manchester pilot scheme, as shown in Table 14.

Table 14: Distribution of Business Rates

	2020/21	
	£m	%
Central Government	0.000	0%
GM Fire and Rescue Authority	0.639	1%
Retained	63.296	99%
Total Collection	63.935	

3.3.2 Since 1st April 2013, the Council has been able to retain 100% of the income relating to eligible Renewable Energy schemes within the borough, rather than it being part of the Business Rates Retention Scheme. The Renewable Energy scheme income, estimated to be £0.582m, is transferred directly to the Council's General Fund in 2020/21.

- 3.3.3 The total estimated business rates income for the General Fund in 2020/21 is £63.878m (£63.296m retained business rates income, plus £0.582m for the renewable energy scheme).
- 3.3.4 A number of changes to Business Rates reliefs were announced in the Queen's speech and are expected to be included in the Budget, which is due to take place on 11th March:
- Increase retail relief from 33.3% to 50%
 - Extending retail relief to include cinemas and music venues
 - £1,000 relief for pubs
 - Extending local newspaper relief
- 3.3.5 It is expected that local authorities will be compensated for any reduction in Business Rates income via Section 31 grant.
- 3.3.6 Any growth or loss in Business Rates is managed through the Collection Fund, with any surplus or deficit on the Collection Fund being distributed to the precepting authorities in the following financial year.
- 3.3.7 The Ministry of Housing, Communities & Local Government has been notified of the intention to continue the Business Rates Pool for Greater Manchester plus Cheshire East and Cheshire West and Chester in 2020/21. The purpose of pooling business rates across the individual Authorities is not intended to alter individual authorities' income levels but to retain any levy that might be payable by some authorities to Central Government. Any sum gained, after applying the agreed allocation to the levy authorities, is retained by the Pool for investment within Greater Manchester and the other non-Greater Manchester Authorities involved in the Pool.

4 Costs and Budget Summary

4.1 School meals catering service

A one off payment of £250,000 from the Equalisation Reserve for 2020/21 has been allocated to the school meals catering service. This was approved by the Chief Executive on the basis of urgency and to enable consultation to be undertaken with schools.

4.2 Bus Reform

The financial case for the Bus Reform proposals include a full assessment of how the GMCA could afford to make and operate the proposed scheme. The forecast net costs over the transition period up to 2024/25 are approximately £134.5m. The sources of funding include £17.8m of contributions by Local Authorities as a proposed one off increase in the statutory contribution in 2020/21. The local authority contribution may be required following the outcomes of the consultation on the proposed bus reforms. On the basis of the above Rochdale's share would be £1.4m. Provision has been made in the budget and will be drawn down during 2020/21 if required.

4.3 Children's Strategy

Cabinet 1st October 2019 approved the overall investment strategy for Children's Social Care. Funding for the financial implications of the Children's Strategy has

been included in the budget. Cabinet also approved that funding for stabilisation of the workforce of £880k from the Equalisation Reserve. As the funding for the Children's Strategy has been provided for in the budget, separate funding from the Equalisation Reserve is not required.

4.4 Adult Care pressures

The budget provides funding for Adult Care pressures, particularly in relation to commissioning and the impact of the National Living Wage increase on the cost of the Adult Care contracts.

4.5 Pay and Price inflation

Service budgets are based on a 2% pay award for 2020/21. A separate provision of £671k is held centrally to cover an additional 1% pay award. Service budgets assume no inflation increase in non-pay budgets; with contractual arrangements and other significant inflation issues are considered on a case by case basis. A separate provision of £583k is held centrally to cover an additional 1% increase on prices.

4.6 Advance Payment of Employer Pensions Contributions

The Council currently pays an employer's contribution to the Greater Manchester Pension Fund on a monthly basis for all members of staff who are active in the Fund. We have the opportunity to pay our contributions in advance by one or three years in a single lump sum. The Fund would expect to generate additional returns as a result of the earlier receipt so that less is needed to generate the same final outcome. The Council would benefit from a reduced contribution rate depending on how far in advance the payment is made.

In order to make the advanced payment the Council would need to undertake some additional external borrowing. Our overall net benefits after these costs and the risks associated with the proposal are currently being evaluated. The borrowing can be accommodated within the limits outlined in our Treasury Management Strategy.

4.7 CIPFA Financial Management Code

CIPFA has developed a Financial Management Code (FM Code), which is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability. The FM Code sets the standards of financial management for local authorities. It applies a principles-based approach and relates to other statutory and good practice guidance. It builds on other codes and frameworks. The principles translate into financial management standards which are obligatory but not prescriptive regarding how they are achieved.

Local authorities need to ensure that their governance and financial management meets the requirements of the code. CIPFA considers that the implementation date of April 2020 should indicate the commencement of a 'shadow year' and that by the end of 2020/21, local authorities should be able to demonstrate that they are working towards full implementation of the code. The first full year of compliance with the FM Code will be 2021/22.

An initial consideration of the FM Code indicates that the Council seems well placed, however a formal process to review the requirements of the FM Code will begin in March 2020.

5. Risk and Policy Implications

- 5.1 The budget forecast has been based on a number of assumptions, known levels of expenditure and anticipated levels of resources.
- 5.2 There are a number of areas of the Council's budget where risks to the projections contained in this report have been identified. These are discussed in more detail in the Medium Term Financial Strategy provided at Appendix 7 to this report.
- 5.3 The balanced revenue budget position outlined in section 5.2 is dependent on a number of key budget assumptions. Any variation in these assumptions could impact on the achievement of a balanced budget:
- Council Tax income – the delivery of the projected new housing within the borough.
 - Business Rates income – realisation of the estimated business rates growth.
 - The delivery of the approved savings proposals.
 - Confirmation of estimated government funding.
 - The continued delivery of the benefits generated through integration of Health and Social Care.
 - Containment of service budget pressures.
 - Receipt of expected commercial investment income, for example the Manchester Airport Dividend.
- 5.4 The Local Government Finance Settlement 2020/21 is a one year only settlement, in advance of the Spending Round 2020. Major reforms to the local government funding system are due to be introduced from 2021/22 onwards. These include the resetting of Business Rates baselines, the Fair Funding Review and the proposed move to 75% Business Rates Retention. The provisional budgets for 2021/22 and 2022/23 currently assume that any impact of these reforms will be neutral, taking account of the potential level of funding for local government and the transitional arrangements expected to be put in place. These assumptions will be continually reviewed as further information on the proposed reforms becomes available.
- 5.5 The savings proposals for 2020/21 currently being considered include a number of HMRCCG proposals which are pipeline projects. A one-off provision of £2m has been included in the 2020/21 budget to mitigate the Council's potential liability if the savings proposals approved by the Integrated Commissioning Board are not achieved. The requirement for this provision in 2020/21 and future years will be continue to be reviewed throughout the budget process.
- 5.6 Capital Programme
Externally funded schemes cannot start until confirmation of the required funding has been received. This is a particular risk where the scheme is reliant on external funding with the provisional budget being based on forecast income. Should the level of income not be received, the level of expenditure would need to be considered to allow the scheme to progress with a reduced budget.

The key assumptions are reviewed and updated throughout the year based upon latest information available.

GENERAL FUND SUMMARY ESTIMATES 2020/21 - 2022/23

	SERVICE	2020/21 £'000	2021/22 £'000	2022/23 £'000
1	Adult Care	61,036	65,841	69,524
2	Children's Services	65,788	64,355	63,876
3	Economy	15,595	15,766	15,938
4	Neighbourhoods	51,370	51,528	53,087
5	Resources	8,829	8,578	9,027
6	Public Health and Wellbeing	20,714	20,739	20,798
7	TOTAL	223,332	226,807	232,250
8	Finance Control	16,009	16,772	16,646
9	Contingency	536	1,316	2,646
10	SERVICES SUB TOTAL	239,877	244,895	251,542
11	Budget Pressures Fund	1,000	2,000	2,500
12	Saving Proposals (subject to consultation)	-829	-1,005	-1,036
13	TOTAL REQUIREMENTS	240,048	245,890	253,006
14	Contribution To/(From) Reserves/Balances	4,565	1,591	73
15	Contribution To/ (From) Unusable Reserves	-20,485	-19,436	-19,436
16	Contribution To Integrated Pool Fund	102,339	103,564	106,655
16b	Contribution (From) Integrated Pool Fund	-102,339	-105,564	-108,655
17	NET EXPENDITURE REQUIREMENTS	224,128	226,045	231,643
18	BUDGET REQUIREMENT	224,128	226,045	231,643
	RESOURCES			
	Locally Generated Funding			
19	Council Tax	-91,715	-94,700	-97,510
20	Business Rates Retained	-63,878	-65,404	-68,146
21	Collection Fund Surplus	-1,668	0	0
22	TOTAL LOCALLY GENERATED FUNDING	-157,261	-160,104	-165,656
	Government Grants			
23	Revenue Support Grant	0	0	0
24	General Grants	-30,526	-29,552	-29,549
25	Business Rates Top-Up Grant	-36,341	-36,389	-36,438
26	TOTAL GOVERNMENT GRANTS	-66,867	-65,941	-65,987
27	TOTAL RESOURCES	-224,128	-226,045	-231,643
28	UNFUNDED ONGOING LA REQUIREMENT	0	0	0
30	UNFUNDED ONGOING POOL REQUIREMENT	0	2,000	2,000
31	Less funding from one year only savings	0	0	0
32	UNFUNDED ONGOING REQUIREMENT	0	2,000	2,000

Budget Assumptions 2020/21 – 2022/23

Area of Budget	2020/21	2021/22	2022/23
Council Tax			
General Increase	1.99%	1.99%	1.99%
Adult Social Care Precept	2.00%	0.00%	0.00%
Total Council Tax Increase	3.99%	1.99%	1.99%
Business Rates			
Business Rates Multiplier	1.6%	2.0%	2.0%
Business Rates Top Up Grant	2.1%	0.1%	0.1%
Other Resources			
Improved Better Care Fund (£m)	11.917	11.917	11.917
Additional Social Care Funding (£m)	6.925	6.925	6.925
Service Budgets			
Pay	2.0%	2.0%	2.0%
Superannuation Contribution Rate	20.5%	20.5%	20.5%
Prices*	0.0%	0.0%	0.0%
Discretionary Fees & Charges	2.0%	0.0%	0.0%
Underlying Waste Disposal Levy	-3.7%	-1.4%	2.0%
Underlying Passenger Transport Levy	0.0%	1.0%	1.0%
Budget pressures (£m)	10.306	10.189	9.937

Appendix 3

STATEMENT OF DIRECTORATE REVENUE REQUIREMENTS

	DIRECTORATE	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000
1	Adult Care	61,036	65,841	69,524
2	Children's Services	65,788	64,355	63,876
3	Economy	15,595	15,766	15,938
4	Neighbourhoods	51,370	51,528	53,087
5	Resources	8,829	8,578	9,027
6	Public Health and Wellbeing	20,714	20,739	20,798
7	TOTAL	223,332	226,807	232,250

Budgets for 2020/21 - 2022/23

AREA OF SERVICE: ADULT CARE

	2020/21 £'000	2021/22 £'000	2022/23 £'000
Controllable Budget	58,032	62,838	66,523
Uncontrollable Budget	3,004	3,003	3,001
Total Service Budget	61,036	65,841	69,524

Controllable by Service

Budget		2020/21	2021/22	2022/23
1	Gross Controllable Expenditure	101,539	106,501	110,196
2	Less Expenditure linked to Grant Income	- 26,873	- 26,873	- 26,873
3=1+2	Net Controllable Expenditure	74,666	79,628	83,323

What does the Gross Expenditure budget fund?

	Staffing	11,392	11,521	11,756
	Indirect Staffing Costs	168	169	170
	Premises costs	178	180	183
	Transport	88	88	88
	Supplies and Services	2,086	1,918	1,918
	Third Party Payments	69,007	74,100	77,445
	Transfer Payments	18,613	18,518	18,629
	Reserves	-	-	-
	Capital Financing	4	4	4
	Internally Commissioned	3	3	3
4	Total	101,539	106,501	110,196

Earned Income from Fees & Charges

	Fees and Charges/Earned Income	- 16,634	- 16,790	- 16,800
5	Total	- 16,634	- 16,790	- 16,800
6=3+5	Net Controllable Budget	58,032	62,838	66,523

Uncontrollable by Service

1	Gross Uncontrollable Expenditure	4,767	4,819	4,818
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What areas of expenditure does this cover

	Staffing	-	-	-
	Indirect Staffing Costs	-	-	-
	Premises costs	7	7	7
	Transport	1	1	-
	Supplies and Services	-	-	-
	Third Party Payments	-	-	-
	Transfer Payments	-	-	-
	Internal Charges (net)	4,596	4,648	4,648
	Depreciation	163	163	163
	Reserves	-	-	-
	Capital Financing	-	-	-
	Internally Commissioned	-	-	-
	Total Gross Uncontrollable Expenditure	4,767	4,819	4,818

Uncontrollable Income

2	Gross Uncontrollable Income	- 1,763	- 1,816	- 1,817
3	Net Uncontrollable Budget	3,004	3,003	3,001

Budgets for 2020/21 - 2022/23

AREA OF SERVICE: CHILDRENS SERVICE

	2020/21 £'000	2021/22 £'000	2022/23 £'000
Controllable Budget	47,833	46,602	46,124
Uncontrollable Budget	17,955	17,753	17,752
Total Service Budget	65,788	64,355	63,876

Controllable by Service

Budget		2020/21	2021/22	2022/23
1	Gross Controllable Expenditure	260,294	261,311	260,915
2	Less Expenditure linked to Grant Income	-203,547	-204,104	-204,187
3=1+2	Net Controllable Expenditure	56,747	57,207	56,728

What does the Gross Expenditure budget fund?

	Staffing	31,174	31,667	32,166
	Indirect Staffing Costs	1,240	1,247	1,254
	Premises costs	2,772	2,794	2,805
	Transport	2,992	2,993	2,994
	Supplies and Services	193,041	193,627	193,917
	Third Party Payments	18,414	16,619	15,415
	Transfer Payments	12,583	12,598	12,598
	Reserves	-293	-293	-293
	Capital Financing	-	-	-
	Internally Commissioned	-1,629	59	59
4	Total	260,294	261,311	260,915

Earned Income from Fees & Charges

	Fees and Charges/Earned Income	-8,914	-10,605	-10,604
5	Total	-8,914	-10,605	-10,604
6=3+5	Net Controllable Budget	47,833	46,602	46,124

Uncontrollable by Service

1	Gross Uncontrollable Expenditure	21,627	21,444	21,445
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What areas of expenditure does this cover

	Staffing	-	-	-
	Indirect Staffing Costs	1,633	1,663	1,665
	Premises costs	17	17	17
	Transport	276	277	276
	Supplies and Services	-	-	-
	Third Party Payments	-	-	-
	Transfer Payments	-	-	-
	Internal Charges (net)	9,298	9,314	9,314
	Depreciation	10,403	10,173	10,173
	Reserves	-	-	-
	Capital Financing	-	-	-
	Internally Commissioned	-	-	-
	Total Gross Uncontrollable Expenditure	21,627	21,444	21,445

Uncontrollable Income

2	Gross Uncontrollable Income	-3,672	-3,691	-3,693
3	Net Uncontrollable Budget	17,955	17,753	17,752

Budgets for 2020/21 - 2022/23

AREA OF SERVICE: ECONOMY

	2020/21 £'000	2021/22 £'000	2022/23 £'000
Controllable Budget	15,071	15,248	15,423
Uncontrollable Budget	524	518	515
Total Service Budget	15,595	15,766	15,938

Controllable by Service

Budget		2020/21	2021/22	2022/23
1	Gross Controllable Expenditure	27,063	27,213	27,458
2	Less Expenditure linked to Grant Income	- 366	- 366	- 366
3=1+2	Net Controllable Expenditure	26,697	26,847	27,092

What does the Gross Expenditure budget fund?

	Staffing	3,759	3,828	3,898
	Indirect Staffing Costs	82	83	83
	Premises costs	3,977	4,068	4,165
	Transport	58	58	58
	Supplies and Services	3,629	3,442	3,419
	Third Party Payments	15,369	15,522	15,678
	Transfer Payments	-	-	-
	Reserves	204	227	172
	Capital Financing	-	-	-
	Internally Commissioned	- 15	- 15	- 15
4	Total	27,063	27,213	27,458

Earned Income from Fees & Charges

	Fees and Charges/Earned Income	- 11,626	- 11,599	- 11,669
5	Total	- 11,626	- 11,599	- 11,669

6=3+5	Net Controllable Budget	15,071	15,248	15,423
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Uncontrollable by Service

1	Gross Uncontrollable Expenditure	1,437	1,442	1,443
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What areas of expenditure does this cover

	Staffing	-	-	-
	Indirect Staffing Costs	-	-	-
	Premises costs	13	18	17
	Transport	-	-	-
	Supplies and Services	-	-	-
	Third Party Payments	-	-	-
	Transfer Payments	-	-	-
	Internal Charges (net)	1,304	1,306	1,308
	Depreciation	120	118	118
	Reserves	-	-	-
	Capital Financing	-	-	-
	Internally Commissioned	-	-	-
	Total Gross Uncontrollable Expenditure	1,437	1,442	1,443

Uncontrollable Income

2	Gross Uncontrollable Income	- 913	- 924	- 928
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3	Net Uncontrollable Budget	524	518	515
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Budgets for 2020/21 - 2022/23

AREA OF SERVICE: NEIGHBOURHOODS

	2020/21 £'000	2021/22 £'000	2022/23 £'000
Controllable Budget	50,333	51,289	52,868
Uncontrollable Budget	1,037	239	219
Total Service Budget	51,370	51,528	53,087

Controllable by Service

Budget		2020/21	2021/22	2022/23
1	Gross Controllable Expenditure	77,366	78,268	79,876
2	Less Expenditure linked to Grant Income	- 2,494	- 2,494	- 2,494
3=1+2	Net Controllable Expenditure	74,872	75,774	77,382

What does the Gross Expenditure budget fund?

	Staffing	30,255	30,914	31,588
	Indirect Staffing Costs	335	336	338
	Premises costs	6,353	6,567	6,794
	Transport	3,696	3,753	3,795
	Supplies and Services	17,158	17,357	17,608
	Third Party Payments	20,946	20,876	21,286
	Transfer Payments	-	-	-
	Reserves	1	- 50	- 50
	Capital Financing	8	8	8
	Internally Commissioned	- 1,386	- 1,493	- 1,491
4	Total	77,366	78,268	79,876

Earned Income from Fees & Charges

	Fees and Charges/Earned Income	- 24,539	- 24,485	- 24,514
5	Total	- 24,539	- 24,485	- 24,514
6=3+5	Net Controllable Budget	50,333	51,289	52,868

Uncontrollable by Service

1	Gross Uncontrollable Expenditure	16,363	16,400	16,400
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What areas of expenditure does this cover

	Staffing	-	-	-
	Indirect Staffing Costs	-	-	-
	Premises costs	241	242	242
	Transport	540	541	541
	Supplies and Services	-	-	-
	Third Party Payments	-	-	-
	Transfer Payments	-	-	-
	Internal Charges (net)	7,263	8,077	8,077
	Depreciation	8,319	7,540	7,540
	Reserves	-	-	-
	Capital Financing	-	-	-
	Internally Commissioned	-	-	-
	Total Gross Uncontrollable Expenditure	16,363	16,400	16,400

Uncontrollable Income

2	Gross Uncontrollable Income	- 15,326	- 16,161	- 16,181
3	Net Uncontrollable Budget	1,037	239	219

Budgets for 2020/21 - 2022/23

AREA OF SERVICE: RESOURCES

	2020/21 £'000	2021/22 £'000	2022/23 £'000
Controllable Budget	10,974	10,704	11,124
Uncontrollable Budget	- 2,145	- 2,126	- 2,097
Total Service Budget	8,829	8,578	9,027

Controllable by Service

Budget		2020/21	2021/22	2022/23
1	Gross Controllable Expenditure	77,044	76,673	77,124
2	Less Expenditure linked to Grant Income	- 63,579	- 63,447	- 63,447
3=1+2	Net Controllable Expenditure	13,465	13,226	13,677

What does the Gross Expenditure budget fund?

	Staffing	10,929	10,843	11,052
	Indirect Staffing Costs	1,223	1,235	1,246
	Premises costs	16	16	16
	Transport	30	30	30
	Supplies and Services	2,452	2,183	2,414
	Third Party Payments	1,248	1,220	1,220
	Transfer Payments	61,276	61,276	61,276
	Reserves	-	-	-
	Capital Financing	123	123	123
	Internally Commissioned	- 253	- 253	- 253
4	Total	77,044	76,673	77,124

Earned Income from Fees & Charges

	Fees and Charges/Earned Income	- 2,491	- 2,522	- 2,553
5	Total	- 2,491	- 2,522	- 2,553
6=3+5	Net Controllable Budget	10,974	10,704	11,124

Uncontrollable by Service

1	Gross Uncontrollable Expenditure	8,467	- 4,997	- 4,958
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What areas of expenditure does this cover

	Staffing	-	-	-
	Indirect Staffing Costs	-	-	-
	Premises costs	2	2	2
	Transport	1	1	1
	Supplies and Services	-	-	-
	Third Party Payments	-	-	-
	Transfer Payments	-	-	-
	Internal Charges (net)	8,452	- 5,003	- 4,964
	Depreciation	12	3	3
	Reserves	-	-	-
	Capital Financing	-	-	-
	Internally Commissioned	-	-	-
	Total Gross Uncontrollable Expenditure	8,467	- 4,997	- 4,958

Uncontrollable Income

2	Gross Uncontrollable Income	- 10,612	2,871	2,861
3	Net Uncontrollable Budget	- 2,145	- 2,126	- 2,097

Budgets for 2020/21 - 2022/23

AREA OF SERVICE: PUBLIC HEALTH & WELLBEING

	2020/21 £'000	2021/22 £'000	2022/23 £'000
Controllable Budget	18,932	18,986	19,045
Uncontrollable Budget	1,782	1,753	1,753
Total Service Budget	20,714	20,739	20,798

Controllable by Service

Budget		2020/21	2021/22	2022/23
1	Gross Controllable Expenditure	21,226	21,280	21,339
2	Less Expenditure linked to Grant Income	-	-	-
3=1+2	Net Controllable Expenditure	21,226	21,280	21,339

What does the Gross Expenditure budget fund?

	Staffing	1,179	1,190	1,202
	Indirect Staffing Costs	26	26	26
	Premises costs	267	269	272
	Transport	3	3	3
	Supplies and Services	2,926	2,927	2,926
	Third Party Payments	13,545	13,585	13,630
	Transfer Payments	-	-	-
	Reserves	-	-	-
	Capital Financing	-	-	-
	Internally Commissioned	3,280	3,280	3,280
4	Total	21,226	21,280	21,339

Earned Income from Fees & Charges

	Fees and Charges/Earned Income	- 2,294	- 2,294	- 2,294
5	Total	- 2,294	- 2,294	- 2,294
6=3+5	Net Controllable Budget	18,932	18,986	19,045

Uncontrollable by Service

1	Gross Uncontrollable Expenditure	1,782	1,753	1,753
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What areas of expenditure does this cover

	Staffing	-	-	-
	Indirect Staffing Costs	-	-	-
	Premises costs	-	-	-
	Transport	-	-	-
	Supplies and Services	-	-	-
	Third Party Payments	-	-	-
	Transfer Payments	-	-	-
	Internal Charges (net)	231	231	231
	Depreciation	1,551	1,522	1,522
	Reserves	-	-	-
	Capital Financing	-	-	-
	Internally Commissioned	-	-	-
	Total Gross Uncontrollable Expenditure	1,782	1,753	1,753

Uncontrollable Income

2	Gross Uncontrollable Income	-	-	-
3	Net Uncontrollable Budget	1,782	1,753	1,753

Appendix 4

STATEMENT OF DIRECTORATE CAPITAL PROGRAMME REQUIREMENTS

	DIRECTORATE	2020/21 Estimate £'000	2021/22 Estimate £'000	2022/23 Estimate £'000
1	Adult Care	2,440	2,440	2,440
2	Children's Services	21,640	7,516	7,516
3	Economy	19,559	11,550	4,431
4	Neighbourhoods	33,497	26,686	10,485
5	Resources	2,011	0	0
6	Public Health and Wellbeing	4,328	288	360
8	TOTAL	83,475	48,480	25,232

CAPITAL PROGRAMME 2020/21 TO 2022/23

Appendix 4a

Directorate	Scheme Name	Category	Total Requirement £000			Prudential Borrowing £000			Capital Receipts £000			Government Grants and External Contributions £000			Invest to Save £000			Revenue Contribution to Capital Outlay £000			
			2020/21	2021/22	2022/23	2020/21	2021/22	2022/23	2020/21	2021/22	2022/23	2020/21	2021/22	2022/23	2020/21	2021/22	2022/23	2020/21	2021/22	2022/23	
Adult Care	Disabled Facilities Grant	Annual Allocation	2,440	2,440	2,440							2,440	2,440	2,440							
Children's Services	Children with Disabilities cost reduction project	New bid	1,114												1,114						
Children's Services	Devolved Formula Capital	Annual Allocation	483	483	483							483	483	483							
Children's Services	New Place Planning	Annual Allocation	18,005	5,200	5,200							18,005	5,200	5,200							
Children's Services	Schools Capital Condition Programme	Annual Allocation	1,833	1,833	1,833							1,833	1,833	1,833							
Children's Services	Special Provision Fund	Annual Allocation	205									205									
Economy	Property Growth Fund	Scheme started in previous years	10,000												10,000						
Economy	Hopwood Old Hall refurbishment	Scheme started in previous years	25																25		
Economy	Rochdale & Littleborough Flood Relief Scheme	Scheme started in previous years	1,600	1,600		1,600	1,600														
Economy	East Lancashire Railway	Scheme started in previous years	50			50															
Economy	East Lancashire Railway - Castleton Masterplan	New Bid	500	1,000		500	1,000														
Economy	Hopwood Old Hall - feasibility	New Bid	50																50		
Economy	Milkstone Road Masterplan & improvements	Scheme started in previous years	250			250															
Economy	Rail Strategy and Park & Ride	Scheme started in previous years	200			200															
Economy	Rochdale Fire Station - office space	New bid	200	50											200	50					
Economy	Rochdale Station Gateway	Scheme started in previous years / New bid	250	2,250		250	2,250														
Economy	Smithybridge Railway Station - Park and Ride	New Bid	400			400															
Economy	Drake Street - Phases II & III	Scheme started in previous years	250	150	100	250	150	100													
Economy	Heywood/Middleton/Littleborough - Town Centre Masterplans	New Bid	160																160		
Economy	Metrolink Feasibility	Scheme started in previous years	50																50		
Economy	Rochdale Riverside Phase 2	Scheme started in previous years	500	2,000		500	2,000														
Economy	Rochdale Town Centre (3 year strategy)	Scheme started in previous years	300			300															
Economy	Rochdale Town Hall decant	New bid	750																750		
Economy	Rochdale Town Hall restoration	Scheme started in previous years	3,024			3,024															
Economy	Rochdale Town Hall restoration (phase 2)	New bid			4,331			4,331													
Economy	Rochdale Town Hall restoration (phase 3)	New bid																			
Economy	Rochdale Town Hall Square - phase 2	Scheme started in previous years		3,500			3,500														
Economy	Rochdale Town Hall Square (extension to existing scheme)	New bid																			
Economy	Town Centre Residential Strategy	Scheme started in previous years	1,000	1,000		1,000	1,000														
Neighbourhoods	Boroughwide Allotments	Scheme started in previous years	58	65		58	65														
Neighbourhoods	Replacement Parks/Street Machinery	Annual Allocation	120	120	120	120	120	120													
Neighbourhoods	Rights Of Way	Annual Allocation	80	80	80														80	80	80
Neighbourhoods	Upgrade Play Equipment	Annual Allocation	75	75	75														75	75	75
Neighbourhoods	Vehicle Replacement Programme	Annual Allocation / New Bid	1,345	655	1,839	1,276	616	1,625	69	39	44					170					
Neighbourhoods	Waste Bin Replacement Programme	Annual Allocation	360	360	360	360	360	360													
Neighbourhoods	Bowlee Free School	Scheme started in previous years	522			522															
Neighbourhoods	Highways Investment	Scheme started in previous years / New bid	4,000	3,000		3,000	2,000		1,000	1,000											
Neighbourhoods	Junction 19	New bid	*	*																	
Neighbourhoods	Local Transport Plan	Annual Allocation	1,967	1,967	1,967							1,967	1,967	1,967							
Neighbourhoods	Town Centre Signage	Scheme started in previous years	50																50		
Neighbourhoods	Compulsory Purchase Order Programme	Scheme started in previous years / New bid	1,200	1,000	1,000	1,200	1,000	1,000													
Neighbourhoods	Delivering High Value Housing	Scheme started in previous years	1,000	1,000											1,000	1,000					
Neighbourhoods	Housing Standards Fund	Annual Allocation	800	800	800	800	800	800													
Neighbourhoods	Customer Transformation Programme	Scheme started in previous years	468	150		468	150														
Neighbourhoods	GM Full Fibre Programme	Scheme started in previous years	926												926						
Neighbourhoods	ICT Infrastructure Refresh Programme	Annual Allocation / New bid	444	444	444	260	444	444											184		
Neighbourhoods	ICT Programmes (Staff)	Annual Allocation	500	500	500	500	500	500													
Neighbourhoods	Service Desk System Replacement	New bid	60	50	50		50	50											60		
Neighbourhoods	Extending libraries opening hours	New bid	150																150		
Neighbourhoods	RFID - library self serve equipment - replacement project	New bid	70																70		
Neighbourhoods	Asset Management Group	Annual allocation	2,000	1,750	1,750	2,000	1,750	1,750													
Neighbourhoods	Number One Riverside - revolving doors replacement	New bid		120			120														
Neighbourhoods	Burglary Reduction Scheme	Annual Allocation	100	100	100	100	100	100													
Neighbourhoods	Climate Emergency - Carbon Neutral	New Bid	1,000	1,000	1,000										1,000	1,000	1,000				
Neighbourhoods	Townships Capital Programme	Annual Allocation	400	400	400	400	400	400													
Neighbourhoods	Affordable Housing Fund	New bid	2,752						775			1,977									
Public Health	Hollingworth Lake improvements	New bid	300												300						
Public Health	Leisure Centre Improvements	New bid	20												20						
Public Health	Link4Life additional equipment Heywood	New bid	50												50						
Public Health	Link4Life additional equipment Rochdale	New bid	130												130						
Public Health	Link4Life building alterations Heywood	New bid	170												170						
Public Health	Link4Life building alterations Rochdale	New bid	270												270						
Public Health	Link4Life equipment	Annual allocation / New bid	388	288	360										388	288	360				
Public Health	Replacement of Lake Bank Buildings at Hollingworth Lake	New bid	3,000												3,000						
Resources	HR & Payroll system	New bid	151				151														
Resources	Manchester Airport Investment	Scheme started in previous years	1,860												1,860						
TOTAL			83,475	48,480	25,232	19,539	19,975	11,580	1,844	1,039	44	39,960	19,973	11,923	20,428	7,338	1,530	1,704	155	155	

* This information is exempt by virtue of paragraph(s) 4 of Part 1 of Schedule 12A of the Local Government Act 1972

Appendix 4b - Detail By Scheme

NO.	DIRECTORATE	SCHEME NAME	SUMMARY AND KEY OBJECTIVES	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000
1	Adult Care	Disabled Facilities Grant	The legislative framework governing DFG is provided by the 'Housing Grants, Construction and Regeneration Act 1996'. Since 1990, local authorities have been under a statutory duty to provide grant aid to disabled people for a range of adaptations in their homes.	2,440	2,440	2,440
ADULT CARE				2,440	2,440	2,440

NO.	DIRECTORATE	SCHEME NAME	SUMMARY AND KEY OBJECTIVES	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000
1	Children's Services	Devolved Formula Capital	Schools will develop and commission individual schemes to improve condition and suitability within their buildings with guidance and approval from the Council.	483	483	483
2	Children's Services	New Place Planning	Provision of additional school places to meet statutory duty through a programme of works combining internal remodelling, new build or demountable classroom units.	18,005	5,200	5,200
3	Children's Services	Schools Capital Condition Programme	Development of a programme of works to resolve major condition and improvement issues in school buildings in line with the Local Authority's Asset Management Strategy and Local Policy Statement.	1,833	1,833	1,833
4	Children's Services	Special Provision Fund	The special provision fund is to support local authorities to make capital investments in provision for pupils with special educational needs and disabilities. To be invested in new places and improvements to facilities for pupils with education, health and care (EHC) plans in mainstream and special schools, nurseries, colleges and other provision.	205		-
5	Children's Services	Children with Disabilities cost reduction project	Costing the purchase of a house that would provide a 3-4 bed children's home for young people with complex needs to achieve cost savings. Will include examination of whether the purchase of such a building would, along with the revenue costs, reduce the cost of current and future placements in the context of growing demand.	1,114		
CHILDREN'S SERVICES				21,640	7,516	7,516

NO.	DIRECTORATE	SCHEME NAME	SUMMARY AND KEY OBJECTIVES	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000
1	Economy	Property Growth Fund	Extension of the existing Commercial Investment Fund (CIF) project, which seeks to acquire properties for a commercial, financial return, and to generate revenue savings of 1.5% on the capital invested. To date, all the CIF acquisitions have been within the borough boundaries, although there was no specific prohibition on out-of-borough purchases. In Phase 3 it is proposed to widen the geographical parameters to acquire properties out-of-borough.	10,000		-
2	Economy	Hopwood Old Hall refurbishment	The Council has commissioned a scheme of urgent repairs to stabilise and weatherproof this Grade 1 listed building using match funding from Historic England. The proposal seeks to capitalise on this investment by having a resource to work with stakeholders, funders and potential interested parties to progress feasibility options to secure a sustainable and viable re-use and restoration of this nationally significant heritage asset.	25		-
3	Economy	Rochdale & Littleborough Flood Relief Scheme	The River Roch catchment is the main river network in Rochdale Borough and is vulnerable to extensive flood risks affecting communities, businesses, town centres and infrastructure including power, rail and roads. The Environment Agency have identified the River Roch catchment as one of their regional priorities for their capital investment programme and propose a series of flood storage areas and improved defences to reduce the risk of serious flooding for over 1000 homes and businesses.	1,600	1,600	
4	Economy	East Lancashire Railway	Project is to support ELR extension into Castleton to connect direct rail access to mainline giving accessibility to visitors from across northern England together with investment at Heywood station. The ELR mainline project will be a landmark heritage attraction for the Borough with significant physical and economic benefits for regeneration of Castleton District centre.	50		-
5	Economy	East Lancashire Railway - Castleton Masterplan	The Castleton Station Area Masterplan identifies the ELR and development of the station area as an opportunity to support growth in Castleton, sustainably connect strategic residential sites, develop tourism, increase access to employment, services and culture.	500	1,000	
6	Economy	Hopwood Old Hall - feasibility	Feasibility works to supplement the ongoing capital programme funding to develop viable future uses of Hopwood Old Hall and surrounding land	50		
7	Economy	Milkstone Rd Masterplan & improvements	To produce a masterplan and associated work programme of physical improvements to make the Milkstone and Deepdish Local Centre a more attractive retail and living environment and to secure additional private investment in the more effective use of buildings (including upper floors) and spaces to provide increased residential and mixed uses, The project will deliver improved street scene, building frontages, pedestrian and traffic signage and management and public realm.	250		-
8	Economy	Rail Strategy, and Park & Ride	The proposal is for funding to undertake feasibility work or direct development to provide additional park and ride facilities at mainline railway station and Metrolink stations. Schemes would include Rochdale railway station, Castleton and Smithy Bridge stations where land is available. Option for Metrolink park and ride at Newhey.	200		-
9	Economy	Rochdale Fire Station - office space	Project to create a co-working office space in the 1st floor of the old fire station with excellent transport and digital connectivity.	200	50	
10	Economy	Rochdale Station Gateway	To undertake physical improvements within and around Rochdale railway station to encourage further public and private sector investment in the wider station area. Proposals will enhance the appearance of this gateway entrance to the Borough to include residential led masterplanning, land assembly, new station entrance and passenger facilities, park and ride, public realm, pedestrian and cycling facilities and traffic management.	250	2,250	
11	Economy	Smithybridge Railway Station - Park and Ride	This land was acquired in Summer 2019 with funding to be used for site preparation (including demolition) and preliminary design of a 100+ space car park, planning fees and subject to overall costs, on site construction.	400		

12	Economy	Drake Street - Phases II & III	This project aims to work with businesses and property owners to restructure the mix of uses, improve infrastructure and connectivity, increase footfall and promote independent retail and increased town centre living in the area.	250	150	100
13	Economy	Heywood / Middleton / Littleborough - Town Centre Masterplans	Heywood, Middleton and Littleborough Town Centres play a key role for the township and the overall success of the borough. Following investigation from high level masterplanning projects, opportunities to strengthen the town centres have been identified. This bid will support investment and development proposals involving new development and the reuse and refurbishment of existing buildings and sites.	160		
14	Economy	Metrolink Feasibility	To support ongoing work with TfGM to improve public transport in Middleton, including accessibility into the Northern Gateway employment area	50	-	-
15	Economy	Rochdale Riverside Phase 2	The project will fund a package of enabling works needed to plug the viability gap for the development of Rochdale Riverside Phase 2 site	500	2,000	-
16	Economy	Rochdale Town Centre (3 year strategy)	Funding will support the delivery of interventions identified in the strategy including physical projects (property improvements & public realm works), economic initiatives to complement the current business rates reduction scheme, the development of strategies and interventions for upper Yorkshire Street and Water Street, and promoting development opportunities.	300	-	-
17	Economy	Rochdale Town Hall decant	The decant of the Town Hall is essential in order to let the construction contract for phase 1 to start in 2021. It is essential therefore that the building is vacant by 31/12/2020. There are 3 elements: - Services - Equipment and artefacts - Events and civic functions	750		
18	Economy	Rochdale Town Hall restoration	Restoration of Rochdale Town Hall	3,024		
19	Economy	Rochdale Town Hall restoration (phase 2)	Town Hall (phase 2) is the part National Lottery Heritage Fund (NLHF) - an £8.95m funded project to restore the building. There is now an additional requirement needed to support the following: - top up budget due to previous expenditure used for essential maintenance and improvements - NLHF round 1 approval was predicated upon RBC underwriting £3m of external funding yet to be secured. - cover for potential inflationary costs - additional RDA Project Management, due diligence costs, and fees for specialist advice			4,331
20	Economy	Rochdale Town Hall restoration (phase 3)	Town Hall (phase 3) covers the parts of the building not funded from the NLHF grant and existing RBC capital programme budget. This covers internal work to the areas in the West wing and basement, including the current council chamber, registrars space and vacant offices and basement. This scheme would make the space ready for occupation. The council's strategy is to try to identify other funding sources for this area.			
21	Economy	Rochdale Town Hall Square - phase 2	Further works within Rochdale Town Hall Square		3,500	
22	Economy	Rochdale Town Hall Square (extension to existing scheme)	The council has a long held ambition to rejuvenate the area around the Town Hall. The Town Hall Square project is currently at RIBA Stage 2 and costs are still being determined due to scope changes. As such this project will be developed over the coming months.			
23	Economy	Town Centre Residential Strategy	Following nomination of Rochdale Town Centre in GM Mayor's Town Centres Challenge, the Council, supported by GMCA will adopt a Residential Strategy for Rochdale town centre. The strategy seeks to create the market conditions to deliver around 2,000 residential units within the Town Centre. The programme budget would be used to bring forward a viable Phase 1 package of sites through a mixture of land assembly, site remediation, pre planning work, up front infrastructure cost and used to lever match fund investment by the GMCA or private sector.	1,000	1,000	-
ECONOMY				19,559	11,550	4,431

NO.	DIRECTORATE	SCHEME NAME	SUMMARY AND KEY OBJECTIVES	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000
1	Neighbourhoods	Boroughwide Allotments	The Borough of Rochdale currently has 524 allotment plots. The Government's Thorpe Report recommended that Councils provide 15 allotment plots per 1,000 households. At 94,263 households Rochdale BC should have 1,414 plots. Environmental Management (EM) propose to meet demand by creating new allotment sites, which would increase provision by 100 new plots every year for the next five years. This would increase the number of plots to over 1,000.	58	65	-
2	Neighbourhoods	Replacement Parks/Street Machinery	The programme is a rolling replacement scheme for replacement of the Council's 550 plus pieces of machinery. The programme aims to replace assets when they have exceeded the most cost-effective period of operation.	120	120	120
3	Neighbourhoods	Rights Of Way	The programme is a rolling scheme for carrying out the statutory function of maintaining the Council's Rights of Way network.	80	80	80
4	Neighbourhoods	Upgrade Play Equipment	To maintain within legislative requirements and guidelines the current level of Fixed Play provision across the borough.	75	75	75
5	Neighbourhoods	Vehicle Replacement Programme	To replace existing vehicles at the end of their optimum asset life. Remove vehicles from the programme due to changes in requirements and add new requirements into acquisition and replacement schedule. Partially Invest to Save scheme relating to decision to purchase fleet vehicles rather than hire.	1,345	655	1,839
6	Neighbourhoods	Waste Bin Replacement Programme	Scheme is to replace wheelie bins which are no longer fit for purpose, and increased demand for new bins as they were first introduced in 1991 and have an estimated life of 10 years. The scheme may also increase recycling rates which in turn would reduce the cost of waste disposal.	360	360	360
7	Neighbourhoods	Bowlee Free School	Funding of the proposed Free School is provided via a fixed budget based on pupil numbers, 12% of the budget is allocated to external works; this does not include highway accessibility. It is the responsibility of the Local Authority to provide a site with sufficient accessibility. In addition to direct vehicular access from Heywood Old Road, cycle / pedestrian routes from the adjacent Langley estate directly to the Free School site are required to support this development at the planning application stage.	522	-	-
8	Neighbourhoods	Highways Investment	Continuing investment in Rochdale's Highways Infrastructure, across roads and footpaths.	4,000	3,000	-
9	Neighbourhoods	Junction 19	The South Heywood Junction 19 scheme comprises two main elements. These are; a) the construction of a 2.2km Link Road from J19 of the M62 to Pilsworth Road to improve access to the existing South Heywood Employment Area, and b) the associated development of up to 1,000 new homes, approximately 1.45 million sq ft of employment space, a new primary school and village centre retail. Planning and Licensing Committee were minded to approve the planning application in March 2018, subject to the completion of necessary legal documents.	*	*	
10	Neighbourhoods	Local Transport Plan	To continue the aspirations of the Rochdale Highways Capital Programme and be more effective in identifying and responding to the Local Transport Plan shared priorities of Safety, Air Quality, Congestion and Accessibility.	1,967	1,967	1,967
11	Neighbourhoods	Town Centre Signage	Due to the on-going redevelopment in Rochdale Town Centre some of the existing directional signage is outdated and incorrect. This scheme would review the existing signage around the Town Centre and replace or remove any signage that is inaccurate.	50	-	36-

12	Neighbourhoods	Compulsory Purchase Orders	Acquisition of private land and buildings where current owner fails to bring asset into use either blighting the area or preventing further economic/physical development. Compulsory Purchase Order powers will be used but an offer must first be made to purchase the asset through negotiation. Budget is required to fund the purchase price or compensation, staffing costs, legal and valuation fees (external and internal). Subsequent disposal of some assets will offset some of the costs.	1,200	1,000	1,000
13	Neighbourhoods	Delivering High Value Housing	The programme aims to deliver over 1,000 new higher value homes in the borough over a ten year period, through proactive site assembly and promotion of development opportunities, using council and privately owned land. The aim is to facilitate the development of more higher value housing in order to attract and retain economically active households. This will generate Council Tax, section 106 and New Homes Bonus revenue to support local services, as well as attracting more disposal income to the borough, retaining local spend and boosting place-based regeneration.	1,000	1,000	-
14	Neighbourhoods	Housing Standards Fund	Scheme proposes to improve private sector dwellings & environments. Interventions include -emergency repairs to owner-occupied properties -works in default to private rented properties -corrective works to houses in multiple occupation -tenancy/rent bonds for residents desperate to access decent accommodation unable to access social housing	800	800	800
15	Neighbourhoods	Customer Transformation Programme	It has been agreed to progress the Council's "Customer Transformation Programme" as a delivery mechanism bringing together all customer related transformation including redesign of systems under one programme of work, realising financial and non financial benefits. A phased approach is being proposed. Phase1 - detail analysis over 6 months, identify options & develop a detail business case with precise costs and benefits. Phase 2 - implementation phase funded via capital	468	150	-
16	Neighbourhoods	GM Full Fibre Programme	GMCA has successfully secured £23.8m capital Local Full Fibre Network Challenge funding. The funding will connect full fibre to over 1,500 GM Public sector sites, including Local Authority sites, GM Fire and Rescue, Health and Social Care partnerships (CCGs) sites across the region. This represents the Council's capital contribution.	926	-	-
17	Neighbourhoods	ICT Infrastructure Refresh Programme	To refresh, on a rolling programme the ICT estate. To remove the need for individual Services & Directorates to hold funds related to ICT equipment. Preventing purchasing of non-strategic & inappropriate ICT. To control and make the spend on ICT equipment the most efficient and cost effective by maintaining a relatively small annual amount as opposed to large investments every 7/8 years	444	444	444
18	Neighbourhoods	ICT Programmes (Staff)	To deliver the Council's ICT projects utilising existing ICT staff, to reduce the Capital required each year. The programmes deliver a variety of objectives for each business area and are assessed against business cases to check that they are in line with corporate objectives	500	500	500
19	Neighbourhoods	Service Desk System Replacement	ICT Services use Microsoft Service Manager to log and manage ICT issues and service requests. This system will soon become unsupported by Microsoft and requires replacement. The current system is ineffective and there is the opportunity to improve performance through a new system which would provide features such as an online customer portal and automation of internal processes. The Members Enquiries system is also managed from this system and also encounters similar problems.	60	50	50
20	Neighbourhoods	Extending libraries opening hours	The library service wishes to extend the opening hours, on a trial basis, of some of its branches by means of using technology which allows access to and use of libraries without increasing staffing. Open+ technology controls access to a library building, its stock and computers via a coded entrance and self service equipment. The library service would like to install such equipment in a number of its libraries (potentially 5) to increase the amount of hours customers can use libraries.	150		
21	Neighbourhoods	RFID - library self serve equipment - replacement project	The equipment that allows customers to self serve when borrowing or returning books and other items has come to its end of life. They have been in service since 2012 and both the hardware and software are now obsolete.	70		37

22	Neighbourhoods	Asset Management Group	To adequately maintain the property portfolio and ensure that the Council comply to any statutory, and Health & Safety regulations. The scheme also aims to reduce the maintenance backlog and improve the reduced property holding to accommodation standards.	2,000	1,750	1,750
23	Neighbourhoods	Number One Riverside - revolving doors replacement	Replace existing revolving doors at Number One Riverside to increase access and reduce breakdowns. Create single point of entry for all users of the building reducing inequality and enhancing inclusivity.		120	
24	Neighbourhoods	Burglary Reduction Scheme	Implement alley gating schemes and gating orders on alleys to reduce the number of burglaries and improve neighbourhood safety.	100	100	100
25	Neighbourhoods	Climate Emergency - Carbon Neutral	The Council has declared a climate emergency and will work towards becoming carbon neutral by 2038. This investment of £5M over the next five years is a clear statement of intent that the Council takes this matter seriously and is prepared to invest in driving initiatives across the areas of energy, travel and transport, homes, workplaces and public buildings, consumption and production of resources and our natural environment.	1,000	1,000	1,000
26	Neighbourhoods	Townships Capital Programme	An annual allocation of Capital Funds allocated on a pro rata basis and agreed by each of the 5 Township Committees	400	400	400
27	Neighbourhoods	Affordable Housing Fund	The AHF is ring fenced for the delivery of affordable housing, as defined in the National Planning Policy Framework (NPPF). The AHF will be utilised in housing schemes to meet the housing needs in the Borough.	2,752		
NEIGHBOURHOODS				33,497	26,686	10,485
<i>* This information is exempt by virtue of paragraph(s) 4 of Part 1 of Schedule 12A of the Local Government Act 1972</i>						

NO.	DIRECTORATE	SCHEME NAME	SUMMARY AND KEY OBJECTIVES	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000
1	Public Health	Hollingworth Lake improvements	Installation of a high ropes course within the trees of the Promontory area of Hollingworth Lake.	300		
2	Public Health	Leisure Centre Improvements	A number of large scale capital bids are being put forward to enhance and extend facilities at the RBC owned Leisure Facilities. The suggested improvements have been recommended by the operator Link4Life. To ensure the projects and their outcome are achievable, there is a requirement for more technical work to survey the buildings suitability for the projects proposed, to check costing are within the amount bid and to seek technical advice as to whether further improvement to the proposals can be made.	20		
3	Public Health	Link4Life building alterations / additional equipment Heywood	Conversion of large community room on the ground floor which is divided into 2 by a moveable partition. This project would involve the conversion of one side of the room to a dedicated fitness studio for the provision of an upbeat boutique-style area which will provide a dynamic workout combining mixed martial arts, intense cardio and strength training. Usage of the new facility is estimated at c.10,000 and will enhance the membership offer to current and new fitness members.	220		
4	Public Health	Link4Life building alterations / additional equipment Rochdale	Creation of a mezzanine floor at Rochdale Leisure Centre in the foyer area to allow an extension to the gym and an improved offer.	400		
5	Public Health	Link4Life equipment	On-going update and replacement of leisure centre equipment across the borough. Funding to cover the prudential borrowing is paid from Link4Life to RBC via the contract fee. This saving is built into contract / efficiencies with Link4Life.	388	288	360
6	Public Health	Replacement of Lake Bank Buildings at Hollingworth Lake	Development of new Lake Bank Activity Hub to replace existing Lake Bank Buildings at Hollingworth Lake.	3,000		
PUBLIC HEALTH				4,328	288	360
NO.	DIRECTORATE	SCHEME NAME	SUMMARY AND KEY OBJECTIVES	Budget 2020/21 £'000	Budget 2021/22 £'000	Budget 2022/23 £'000
1	Resources	HR & Payroll system	Capital costs associated with purchase of a new HR & Payroll system.	151		
2	Resources	Manchester Airport Investment	Rochdale Council investment in Manchester Airport initiatives in conjunction with the other nine GM authorities.	1,860	-	-
RESOURCES				2,011	-	-

Budget Carry Forward Policy

The Budget Carry Forward policy is a framework which services can use to apply to carry forward unspent revenue budget from one financial year to another. The current policy has been in use for a number of years, but given the Council's on-going financial pressures, which have been partly funded from the use of reserves, it is recommended to amend the policy. This would allow unutilised budget to be either held in a reserve for future use, or be used to fund priority issues.

Budget carry forwards may be automatic or based on specific requests.

Automatic carry forwards:

The categories for automatic carry forwards include:

- Funds held on behalf of partners
- Grants that are ring fenced for specific purposes
- Transformation Fund allocations

All automatic requests need to be evidenced that the budget meets the criteria. Those not meeting the criteria for automatic carry forward may be submitted for consideration as non-automatic carry forward requests.

Non-automatic carry forwards:

Only directorates that have an overall underspend in the relevant financial year may request specific budget carry forwards, and the de minimis level per request is £100k. It is felt that directorates should be able to accommodate lower levels of funding.

It is expected that requests will be minimal and should primarily relate to where the service has not been able to complete a specific piece of work in-year.

All budget carry forward applications must have the support of the relevant Portfolio Holder and Service Director before being submitted. Requests will be subject to scrutiny by Leadership Team and then reviewed and approved as appropriate by the Leader/Portfolio Holder for Finance, with support from the Section 151 Officer.

ROCHDALE BOROUGH COUNCIL PAY POLICY STATEMENT 2020/21

1. INTRODUCTION

- 1.1 The purpose of the Pay Policy Statement is to ensure transparency and accountability with regard to the Council's approach to setting pay.
- 1.2 The Pay Policy Statement has been approved by Council and is publicised on the Council's website in accordance with the requirements of the Localism Act 2011.
- 1.3 The Pay Policy Statement identifies:
- The method by which salaries and severance payments are determined.
 - The remuneration of the Council's most senior managers i.e. posts of Chief Executive, Directors and Assistant Directors, in accordance with the requirements of the Localism Act 2011.
 - The committee responsible for ensuring that the Pay Policy Statement is applied consistently, including that which has delegated powers in relation to senior manager employment;
 - The detail and level of remuneration for the lowest level of post/employee.
 - The ratio of pay of the top earner and that of the median earner
- 1.4 It should be noted that the Pay Policy Statement does not include information relating to the pay of Teachers or Support Staff in schools who are outside the scope of the Localism Act. It should also be noted that staff transferred to the Council under TUPE retain their previous terms, conditions and policies.

2. OPERATION

2.1 Method by which payments are determined

- 2.1.1 The Council uses the new National Joint Council (NJC) pay spinal column points (SCP1 -SCP43) which came in from 1st April 2019 for grading and basic salary level determination for the majority of staff. This is supplemented by the nationally agreed Soulbury and Youth & Community grading and salary levels.
- 2.1.2 The Council applies the provision of the Joint Negotiating Council (JNC) Chief Executives and the JNC Chief Officers to posts within the scope of the provisions of the Localism Act. All other paid allowances are also subject to negotiation/consultation with either National or Local trade union/representative bodies or are provided for in the Council's Scheme of Delegation.
- 2.1.3 It should be noted that the National Joint Council (NJC) pay spinal column points will be revised with effect from the date of any updated Agreement following a National Pay Bargaining process. Should there be any implications for the Council's existing grading structure as a consequence of the Agreement any necessary revisions will be made and any significant issues will be reported as appropriate.
- 2.1.4 In determining grades and remuneration for senior management posts which fall outside of the scope of the National Pay Bargaining Machinery i.e. on locally agreed grades i.e. above SCP 43 and below Chief Officers the Council through

powers provided for under the Scheme of Delegation takes into account the need to ensure value for money and competitiveness. The Council has a robust arrangement for undertaking the ongoing evaluations for the grades of posts at this level.

- 2.1.5 New appointments will normally be made at the minimum point of the relevant grade, although appointment panels have discretion to vary where necessary to secure the best candidate. All promotion, re-grading, transfers and secondments are in accordance with Council policy.
- 2.1.6 To aid recruitment and retention of employees in the public sector across Greater Manchester a protocol is being drawn up to enable recognition of service between Local Authorities and other public sector organisations, including Health partners. The Council is supportive of this approach.
- 2.1.7 The Council has a Market Supplements Policy which covers all posts, and where evidence exists of recruitment and retention issues, allows the Council to make any additional payments to reflect the market rate. This is reviewed regularly to ensure compliance with relevant legislation.
- 2.1.8 Members of Cabinet on 30th January 2018 approved a delegation to officers to increase the Rochdale Local Living Wage (RLLW) annually in line with the Rowntree Foundation rate until such time as this was matched by the Council's lowest spinal column points on the NJC pay spine. The Rowntree rate for 2020 is £9.30 per hour which is higher than our SCP1 £9.00 per hour, therefore an additional supplement is required from 1st April 2020. However depending on the outcome of the Annual Pay Award the supplement may not be required. If the Annual Pay Award increases the hourly rate for SCP 1 to at least £9.30 then the supplement will be removed.
- 2.1.9 All temporary appointments, acting up arrangements, secondments and substitution/honorarium payments are approved in accordance with the Council's policies and procedures.
- 2.1.10 Incremental progression is biennial. Incremental progression for eligible employees will be applied on 1st April 2021, with the next progression following this will be in 2023, then 2025 and so on. However the biennial increments for Directors are not automatic they are subject to a performance assessment. In addition to the above and by exception incremental progression is not applied in instances where formal conduct/capability procedures are applied.
- 2.1.11 Graduated mandatory unpaid leave applies to all employees.

This leave is taken either on a fixed (between Christmas & New Year) basis or flexible basis dependent on operational requirements. The amount of unpaid leave is dependent on grade or equivalent salary as follows:

Grade	Equivalent Salary	Number of Days Unpaid Leave
Grade 1 / 2	£17,364 - £18,794	2 days
Grade 3 - 6	£18,795 - £28,784	3 days
Grade 7 - 9	£28,785 - £41,674	4 days
Grade 10 and above	£41,675 +	5 days

2.2 Pensions and Voluntary Early Retirement and Redundancy

- 2.2.1 Pension contributions for all employees who have exercised their statutory right to become members of the Local Government Pension Scheme are applied in accordance with the Local Government Pension Scheme Regulations. Certain employees have access to other pension schemes, for example the Teachers' pension scheme and the NHS pension scheme.
- 2.2.2 The policy of the Council is to provide a consistent approach to all of its employees who leave the Council's employment under the terms of its applicable schemes. The Council is able to consider early retirement in the interests of efficiency or redundancy and the Council's Special Scheme for Early Retirement/Voluntary Redundancy provides for access to accrued pension benefits for members aged 55 years and over and a redundancy payment, but does not provide any enhancements to pension (or other additional payments) on the basis of seniority.
- 2.2.3 The policy of the Council regarding the calculation of redundancy payments for all of its employees is to use the statutory redundancy calculator based on completed years of service (up to a maximum of 20 years) and to apply the current contractual weekly pay of the employee in order to calculate the payment to which he/she is entitled.
- 2.2.4 The Council will review the proposed changes to legislation regarding pensions and public sector exit payments once the regulations have been issued.

2.3 Senior Management Pay

- 2.3.1 The Localism Act refers to posts of Chief Executive, Chief Officer and Deputy Chief Officer (i.e. those which report to a "Chief Officer").
- 2.3.2 Whilst the Council does not employ any post within the designation of Chief Officer or Deputy Chief Officer it is considered for the purpose of this legislation that the definition relates to posts of Chief Executive, Directors and Assistant Directors. The structure and the annual salary levels for the above mentioned posts along with a description of the roles and responsibilities; is detailed on the Council's website.

<u>Designation</u>	<u>Grade/Salary</u>	<u>Number of Posts</u>
Chief Executive (see note below)	£133,990 to £139,350	1

Note:

The Chief Executive is appointed as the Electoral Registration Officer and Returning Officer and the appropriate payments are made. The Chief Executive receives fee payments pursuant to his/her appointment as Returning Officer at elections. The fees paid in respect of elections vary according to the size of the electorate and number of postal voters and are calculated in accordance with the allowance set by the Authority. Fee payments for National and European elections are set by Central Government and are, in effect, not paid by the Authority, as the fees are reclaimed.

Fees paid for 2019/20 were:- £3,000

<u>Designation</u>		<u>Grade/Salary</u>	<u>Number of Posts</u>
Directors	Point 1	£100,004	5
	Point 2	£106,259	
	Point 3	£110,297	
	Point 4	£116,430	
	Point 5	£122,553	
	Point 6	£128,686	

The current position regarding Assistant Directors substantive pay grade is as follows:

<u>Designation</u>	<u>Grade/Salary</u>	<u>Number of Posts</u>
Assistant Director Level 2	£82,168 to £92,926	2
Assistant Director Level 1	£67,280 to £78,040	10
Consultant in Public Health	£73,936 to £86,687	1

Note:

In addition, the Director of Public Health is also part of the Greater Manchester Director of Public Health on call rota arrangements for which the payment is 2% of salary.

2.3.3 The Council applies Market Supplements to Senior Management Posts, in accordance with the Policy, where evidence exists of recruitment and retention issues.

2.3.4 Under delegated authority (approved by the Employment and Equalities Committee meeting of 18th August 2015) the Chief Executive, in consultation with the Portfolio Holder for Corporate and Resources, agrees the arrangements for the payment of Responsibility Allowances for officers undertaking specific Statutory Officer duties.

2.3.5 The pay scales, detailed above, for Directors and Assistant Directors include nationally agreed pay awards and are adjusted in line with any future pay awards. The above pay scales includes the Nationally agreed pay award from April 2019 which includes all posts and will be adjusted for any pay ward agreed for 2020/21.

2.4 Responsibility for the application of employment procedures for Senior Management posts

2.4.1 Responsibility for governance in relation to these issues lies with the Chief Officer Employment Committee which is a non-executive committee of the Council. The Council is acting in accordance with Guidance issued by the Secretary of State in relation to employment decisions for Senior Management posts with salaries in excess of £100,000 per annum.

2.5 Pay Ratio

2.5.1 The following information is provided to assist with understanding the ratio calculation;

- The Chief Executive Salary level used for comparative purposes is £139,350 i.e. the maximum of the grade.
- The lowest paid Council job i.e. Cleaner has a maximum salary level of £18,065 (The Council employs Apprentices who are not considered within the definition of 'lowest paid employees')
- The Mean (average) pay is £27,395
- The Mode (most frequently occurring) level of salary is £19,171
- The Median (middle) of the salary range is £23,836

2.5.2 The ratio of pay of the top earner i.e. Chief Executive and that of the median earner is 1 to 5.85 and is within the 1:20 ratio recommended by the Hutton Review. In other words for every £1 earned by the median earner the Chief Executive earns £5.85. The calculation indicates that the Authority's median level of earnings as a proportion of the Chief Executive earnings is 17%, just higher than a sixth.

3 PAY RELATED PROCEDURES

3.1 A number of procedures are in operation that impact upon and determine the remuneration of Council employees and should be referred to in conjunction with this policy. These are:-

- Market Factor Supplements (MFS) Procedure
- Incremental Progression Procedure
- Mandatory Non-Payment of Increments in Conduct/Capability cases
- Graduated Mandatory Unpaid Leave
- Honorariums & Substitution Pay
- Car Mileage Allowances
- Premium Payments
- Expenses, Travel & Subsistence Allowances
- First Aid Allowance
- Grading Procedure (including Job Evaluation)
- Pay Protection

4 MONITORING

4.1 The Workforce & OD Service will be responsible for monitoring and administering the Pay Policy.

5 EQUALITY & DIVERSITY CONSIDERATIONS

5.1 Directors, Assistant Directors and managers are responsible for ensuring that they operate the policy and its associated procedures in line with the Council's Equality & Diversity Policy to provide equality of opportunity for all employees.

5.2 The Council is committed to ensuring that no-one is discriminated against, disadvantaged or given preference, through membership of any particular group, particularly based on age; disability; gender reassignment; race, religion or belief; sex; sexual orientation; marriage and civil partnership and pregnancy and maternity. This policy will be applied equally to all employees irrespective of their background or membership of a particular group.

5.3 In addition, in line with the Trade Union and Labour Relations (Consolidation) Act 1992 (TULCRA) Part 3, the Council is committed to ensure that employees are

not disadvantaged or discriminated against by virtue of their trade union membership in the application of this policy.

- 5.4 The Council will regularly review this policy's impact on any equality and diversity issues, and will identify any inequalities by monitoring and will take appropriate action where necessary.

6 GENDER PAY GAP

- 6.1 The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 were effective from 31st March 2017. As part of the existing Public Sector Equality Duty these imposed a specific duty of Gender Pay Gap reporting requirements on Public Authorities.

- 6.2 As a public authority Rochdale Borough Council is required to publish gender pay gap information relating to our employees who are employed by us on the relevant snapshot date.

- 6.3 Each local authority must publish information to demonstrate compliance with the period 12 months beginning with the snapshot date of 31st March repeated at yearly intervals thereafter on the same snapshot date within that relevant year.

- 6.4 We are required to publish:-

- (a) The difference in the mean pay of full-pay male and female employees expressed as a percentage.
- (b) The difference in the median pay of full-pay male and female employees expressed as a percentage.
- (c) The proportions number of male and female full-pay relevant employees employed in the lower, lower middle, upper middle and upper quartile pay bands.
- (d) Differences in bonus pay*
- (e) The information on our website to be accessible to all employees and the public for at least 3 years from the date of publication and to upload on the dedicated government website.

*this is not applicable to us as bonus was removed as part of the Pay & Grading Review process in 2010.

- 6.5 This information can be found on the Council's website.

Publication Date	1st April 2020
Related Legislation / Applicable Section Legislation	Localism Act 2011
Replaces	Pay Policy Statement 2020/21
Policy Owner (Name/Position)	Director of Resources Cabinet Member for Corporate & Resources
Policy Author (Name/Position)	Rosemary Barker, Head of Workforce & OD
Applies to	All employees with the exception of teachers and support staff in schools employed by the School Governing Body