

Approved Budget 2020/21 to 2022/23

Budget Summary and Council Tax Requirement 2020/21

| Revenue Budget Requirement | Updated MTFS Position | | | Growth | Savings | Approved Budget 2020/21 |
|--|-----------------------|---------------|-----------------|--------|----------|----------------------------|
| | Gross Expenditure | Gross Income | Net Expenditure | | | |
| | 2020/21 £' | 2020/21 £' | 2020/21 £' | | | |
| Directorate Service Controlled Expenditure - Cost of CMBC Services to the Public | | | | | | |
| Chief Executive's Office | 28,479,181 | -14,791,382 | 13,687,799 | 0 | 0 | 13,687,799 |
| Adult Services and Wellbeing | 92,958,307 | -38,233,304 | 54,725,003 | 0 | 0 | 54,725,003 |
| Children and Young People's Services | 37,114,060 | -12,990,794 | 24,123,266 | 0 | 0 | 24,123,266 |
| Public Services | 41,082,967 | -16,315,694 | 24,767,273 | 0 | 0 | 24,767,273 |
| Regeneration and Strategy | 16,720,784 | -6,570,164 | 10,150,620 | 0 | 0 | 10,150,620 |
| Services budgets Monitored by: | | | | | | |
| Corporate Assets and Facilities Management | 5,951,380 | | 5,951,380 | 0 | 0 | 5,951,380 |
| Transport Services | 209,040 | | 209,040 | 0 | 0 | 209,040 |
| Total of Directorate Budgets | 222,515,719 | -88,901,338 | 133,614,381 | 0 | 0 | 133,614,381 |
| Centrally Controlled and Other Corporate Budgets | 26,488,494 | | 26,488,494 | 0 | -745,000 | 25,743,494 |
| Total Revenue Budget Requirement | 249,004,213 | -88,901,338 | 160,102,875 | 0 | -745,000 | 159,357,875 |
| Contributions to/from Earmarked Reserves | | | | | | |
| Other Service Controlled earmarked reserves | | -179,500 | -179,500 | | 0 | -179,500 |
| Total Funding Requirement | 249,004,213 | -89,080,838 | 159,923,375 | | | 159,178,375 |
| General Funding | | | | | | |
| Revenue Support Grant | | | -7,302,033 | | | -7,302,033 |
| New Homes Bonus | | | -767,520 | | | -767,520 |
| Top-up/Tariff | | | -13,582,070 | | | -13,582,070 |
| Small Business Rate Relief, Business Rate Cap | | | -5,989,406 | | | -5,989,406 |
| PFI Grant | | | -2,564,770 | | | -2,564,770 |
| Housing &CT Admin subsidy | | | -859,793 | | | -859,793 |
| Social Care Funding | | | -3,822,594 | | | -3,822,594 |
| Local Taxation | | | | | | |
| Retained Rates | | | -27,246,493 | | | -27,246,493 |
| Adult Social Care Precept | | | -8,402,849 | | | -8,402,849 |
| Council Tax | | | -88,705,939 | | | -88,705,939 |
| Total General Grant Funding and Local Taxation | | | -159,243,467 | | | -159,243,467 |
| Required Contribution from (-) / (+) to Balances | | | | | | |
| Proposed contribution to Balances | | | | | | 65,092 |
| Budaet Deficit | | | -679,908 | | | |

Calderdale MBC Council Tax for 2020/21 using the agreed Council Tax Base of 62,717.19

| | | 2019/20 | 2020/21 | | |
|--|---------------------------|-----------------------------------|--------------------|--------------------|------------|
| | Council Tax Band D £ p | % Change to Basic Relevant Amount | Council Tax Band D | Council Tax Income | |
| | | % | £ p | £ | |
| | | | | | |
| Calderdale Council Relevant Amount Previous Year (calculation of % increase) | | 1,488.96 | | | |
| Calderdale Council Tax | | 1,384.75 | 1.99% | 1,414.38 | 88,705,939 |
| Adult Social Care Precept | | 104.21 | 2.00% | 133.98 | 8,402,849 |
| Total Estimated Calderdale Council Tax - Basic Relevant Amount | | 1,488.96 | 3.99% | 1,548.36 | 97,108,788 |

Major Precepting Authorities

| | | | | |
|---|-----------------|--------------|-----------------|--------------------|
| WY Fire and Rescue Authority | 64.59 | 1.98% | 65.87 | 4,130,966 |
| Police and Crime Commissioner for West Yorkshire | 186.95 | 4.99% | 196.28 | 12,310,009 |
| Impact on Council Tax Payers Excluding Parish Precepts | 1,740.50 | 4.02% | 1,810.51 | 113,549,763 |

In addition Parish Precepts will be levied in some areas

| | | | | |
|---|-----------------|--------------|-----------------|--------------------|
| Total Parish Precepts | 9.65 | 24.66% | 12.03 | 754,503 |
| Impact on Council Tax Payers Including Parish Precepts | 1,750.15 | 4.14% | 1,822.54 | 114,304,266 |

Budget Summary and Council Tax Requirement 2021/22

| Revenue Budget Requirement | Updated MTFS Position | | | Growth | Savings | Indicative Budget 2021/22 |
|---|-----------------------|--------------------|---------------------|---------------|-------------------|------------------------------|
| | Gross Expenditure | Gross Income | Net Expenditure | | | |
| | 2021/22 | 2021/22 | 2021/22 | | | |
| | £' | £' | £' | £' | £' | £' |
| Directorate Service Controlled Expenditure - Cost of CMBC Services to the Public | | | | | | |
| Chief Executive's Office | 28,458,041 | -14,661,592 | 13,796,449 | 0 | 0 | 13,796,449 |
| Adult Services and Wellbeing | 95,933,287 | -38,273,304 | 57,659,983 | 0 | 0 | 57,659,983 |
| Children and Young People | 37,592,770 | -13,170,984 | 24,421,786 | 0 | 0 | 24,421,786 |
| Public Services | 41,779,307 | -16,572,384 | 25,206,923 | 0 | 0 | 25,206,923 |
| Regeneration and Strategy | 16,483,194 | -6,157,654 | 10,325,540 | 0 | 0 | 10,325,540 |
| Services budgets Monitored by: | | | | | | |
| Corporate Assets and Facilities Management | 5,951,380 | | 5,951,380 | 0 | 0 | 5,951,380 |
| Transport Services | 209,040 | | 209,040 | 0 | 0 | 209,040 |
| Total of Directorate Budgets | 226,407,019 | -88,835,918 | 137,571,101 | 0 | 0 | 137,571,101 |
| Savings to be identified | | | | | -2,028,808 | -2,028,808 |
| Centrally Controlled and Other Corporate Budgets | 28,071,435 | | 28,071,435 | 35,000 | -810,000 | 27,296,435 |
| Total Revenue Budget Requirement | 254,478,454 | -88,835,918 | 165,642,536 | 35,000 | -2,838,808 | 162,838,728 |
| Contributions to/from Earmarked Reserves | | | | | | |
| Other Service Controlled earmarked reserves | -147,500 | | -147,500 | | 0 | -147,500 |
| Total Funding Requirement | 254,330,954 | -88,835,918 | 165,495,036 | | | 162,691,228 |
| General Funding | | | | | | |
| Revenue Support Grant | | | 0 | | | 0 |
| New Homes Bonus | | | -385,854 | | | -385,854 |
| Top-up/Tariff | | | -4,222,785 | | | -4,222,785 |
| Small Business Rate Relief, Business Rate Cap | | | -8,998,387 | | | -8,998,387 |
| PFI Grant | | | -2,384,660 | | | -2,384,660 |
| Housing &CT Admin subsidy | | | -859,793 | | | -859,793 |
| Social Care Funding | | | -3,822,594 | | | -3,822,594 |
| Local Taxation | | | | | | |
| Retained Rates | | | -42,095,173 | | | -42,095,173 |
| Adult Social Care Precept | | | -8,477,585 | | | -8,477,585 |
| Council Tax | | | -91,444,397 | | | -91,444,397 |
| Total General Grant Funding and Local Taxation | | | -162,691,228 | | | -162,691,228 |
| Required Contribution from (-) / (+) to Balances | | | | | | |
| Budget Deficit | | | -2,803,808 | | | |

Calderdale MBC Council Tax for 2021/22 using the estimated Council Tax Base of 63,275

| | 2020/21 | | 2021/22 | | |
|--|--------------------|---|-----------------------------------|--------------------|---|
| | Council Tax Band D | | % Change to Basic Relevant Amount | Council Tax Band D | |
| | £ | p | | £ | p |
| Calderdale Council Relevant Amount Previous Year (calculation of % increase) | | | 1,548.36 | | |
| Calderdale Council Tax | 1,414.38 | | 1.99% | 1,445.19 | |
| Adult Social Care Precept | 133.98 | | 0.00% | 133.98 | |
| Total Estimated Calderdale Council Tax - Basic Relevant Amount | 1,548.36 | | 1.99% | 1,579.17 | |

Budget Summary and Council Tax Requirement 2022/23

| Revenue Budget Requirement | Updated MTFS Position | | | Growth | Savings | Indicative Budget 2022/23 |
|--|-----------------------|--------------|-----------------|--------|------------|------------------------------|
| | Gross Expenditure | Gross Income | Net Expenditure | | | |
| | 2022/23 | 2022/23 | 2022/23 | | | |
| | £' | £' | £' | £' | £' | £' |
| Directorate Service Controlled Expenditure - Cost of CMBC Services to the Public | | | | | | |
| Chief Executive's Office | 28,925,161 | -14,684,972 | 14,240,189 | 0 | 0 | 14,240,189 |
| Adult Services and Wellbeing | 99,844,557 | -38,555,524 | 61,289,033 | 0 | 0 | 61,289,033 |
| Children and Young People | 38,048,010 | -13,367,084 | 24,680,926 | 0 | 0 | 24,680,926 |
| Public Services | 42,542,367 | -16,834,284 | 25,708,083 | 0 | 0 | 25,708,083 |
| Regeneration and Strategy | 16,535,364 | -6,091,154 | 10,444,210 | 0 | 0 | 10,444,210 |
| Services budgets Monitored by: | | | | | | |
| Corporate Assets and Facilities Management | 5,999,700 | | 5,999,700 | 0 | 0 | 5,999,700 |
| Transport Services | 209,670 | | 209,670 | 0 | 0 | 209,670 |
| Total of Directorate Budgets | 232,104,829 | -89,533,018 | 142,571,811 | 0 | 0 | 142,571,811 |
| Savings to be identified | | | | | -2,749,576 | -2,749,576 |
| Centrally Controlled and Other Corporate Budgets | 28,124,715 | | 28,124,715 | 70,000 | -887,000 | 27,307,715 |
| Total Revenue Budget Requirement | 260,229,544 | -89,533,018 | 170,696,526 | 70,000 | -3,636,576 | 167,129,950 |
| Contributions to/from Earmarked Reserves | | | | | | |
| Other Service Controlled earmarked reserves | -147,500 | | -147,500 | | 0 | -147,500 |
| Total Funding Requirement | 260,082,044 | -89,533,018 | 170,549,026 | | | 166,982,450 |
| General Funding | | | | | | |
| Revenue Support Grant | | | 0 | | | 0 |
| New Homes Bonus | | | -362,405 | | | -362,405 |
| Top-up | | | -4,222,785 | | | -4,222,785 |
| Small Business Rate Relief, Business Rate Cap | | | -9,298,387 | | | -9,298,387 |
| PFI Grant | | | -2,188,650 | | | -2,188,650 |
| Housing &CT Admin subsidy | | | -759,793 | | | -759,793 |
| Social Care Funding | | | -3,822,594 | | | -3,822,594 |
| Local Taxation | | | | | | |
| Retained Rates | | | -43,295,173 | | | -43,295,173 |
| Adult Social Care Precept | | | -8,570,968 | | | -8,570,968 |
| Council Tax | | | -94,461,695 | | | -94,461,695 |
| Total General Grant Funding and Local Taxation | | | -166,982,450 | | | -166,982,450 |
| Required Contribution from (-) / (+) to Balances | | | | | | |
| Budget Deficit | | | -3,566,576 | | | |

Calderdale MBC Council Tax for 2022/23 using the estimated Council Tax Base of 63,972

| | | 2022/23 | | |
|--|--------------------|-----------------------------------|--------------------|--------------------|
| | 2021/22 | | | |
| | Council Tax Band D | % Change to Basic Relevant Amount | Council Tax Band D | Council Tax Income |
| | | £ p | % | £ p |
| Calderdale Council Relevant Amount Previous Year (calculation of % increase) | | 1,579.17 | | |
| | | | | |
| Calderdale Council Tax | 1,445.19 | 1.99% | 1,476.61 | 94,461,695 |
| Adult Social Care Precept | 133.98 | 0.00% | 133.98 | 8,570,968 |
| Total Estimated Calderdale Council Tax - Basic Relevant Amount | 1,579.17 | 1.99% | 1,610.59 | 103,032,663 |

Growth and Saving Proposals Approved at Council

Agreed Growth

| Growth Item | 2020/21 £000s | 2021/22 £000s | 2022/23 £000s |
|--|------------------|------------------|------------------|
| Cross Council | | | |
| Borrowing cost of Capital Investment Directed towards Climate Emergency Priorities | 0 | 35 | 70 |
| Total Approved Growth | 0 | 35 | 70 |

Agreed Savings

| Saving Items | 2020/21 £000s | 2021/22 £000s | 2022/23 £000s |
|---|------------------|------------------|------------------|
| Cross Council | | | |
| Reduce Market Towns Investment Borrowing Costs | -500 | -500 | -500 |
| Reduction in Council's Pension Fund Contributions from 17.5% to 17.3%, 17.1% then 17.0% | -155 | -310 | -387 |
| Additional Rebate from WYCA Levy (one year only) | -90 | 0 | 0 |
| Total Approved Savings | -745 | -810 | -887 |

Estimated Available Revenue Balances - 31st March 2020 to 31st March 2023

| | £'000 |
|--|--------------|
| Available General Fund Revenue Balances as at 31st March 2019 | 5,828 |
| Proposed Contribution to (+) / (-) from Balances 2019/20 | -317 |
| Estimated Available General Fund Revenue Balances as at 31st March 2020 | 5,511 |
| Proposed Contribution to (+) / (-) from Balances 2020/21 | 65 |
| Estimated Available General Fund Revenue Balances as at 31st March 2021 | 5,576 |
| Proposed Contribution to (+) / (-) from Balances 2021/22 | 0 |
| Estimated Available General Fund Revenue Balances as at 31st March 2022 | 5,576 |
| Proposed Contribution to (+) / (-) from Balances 2022/23 | 0 |
| Estimated Available General Fund Revenue Balances as at 31st March 2023 | 5,576 |

Head of Finance's Statement

The Local Government Act 2003 requires that in making decisions in relation to setting its Council Tax that the Authority's Chief Finance Officer must report on:

- the robustness of the estimates made for the purpose of the calculations, and the adequacy of proposed financial reserves.

These, in conjunction with the balanced budget requirement of The Local Government Finance Act (1992), mean that Members are required to have regard to the Head of Finance's report when making their budget setting decisions.

The budget builds upon the existing savings targets and plans which are in place following previous decisions made at Budget Council and which are summarised in the table below:-

| | Agreed Savings | | | | | |
|---------------------|----------------|---------------|----------------|----------------|----------------|----------------|
| | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
| | £'m | £'m | £'m | £'m | £'m | £'m |
| Budget Council 2010 | 13,858 | 13,858 | 13,858 | 13,858 | 13,858 | 13,858 |
| Budget Council 2011 | 28,983 | 28,983 | 28,983 | 28,983 | 28,983 | 28,983 |
| Budget Council 2012 | 13,737 | 13,737 | 13,737 | 13,737 | 13,737 | 13,737 |
| Budget Council 2013 | 15,440 | 15,440 | 15,440 | 15,440 | 15,440 | 15,440 |
| Budget Council 2014 | 14,230 | 14,230 | 14,230 | 14,230 | 14,230 | 14,230 |
| Budget Council 2015 | 100 | 100 | 100 | 100 | 100 | 100 |
| Budget Council 2016 | 480 | 7,340 | 8,750 | 8,750 | 8,750 | 8,750 |
| Budget Council 2017 | | 1,721 | 6,775 | 9,625 | 9,625 | 9,625 |
| Budget Council 2018 | | | 2,794 | 6,322 | 7,287 | 7,287 |
| Budget Council 2019 | | | | 980 | 2,115 | 2,490 |
| | 86,828 | 95,409 | 104,667 | 112,025 | 114,125 | 114,500 |

A detailed review of underlying budgets was undertaken in updating the standstill budget position in light of the forecast overspend in the current financial year. This included a complete review of identifiable pay and prices changes. All centrally controlled budgets have been updated and a detailed assessment made of debt and borrowing costs over the plan period. The standstill position provides, within centrally controlled budgets, an assumed provision for demographic growth and social care demand and cost pressures. In particular the standstill budget assumes actions, as set out in the third quarter revenue monitoring report, to address existing budget pressures across all directorates. These actions will need to be implemented from April 2020 to be able to deliver a sustainable standstill position moving forwards. Cabinet's budget proposals for 2020/21 depend upon these actions in order to be sustainable.

Cabinet's budget provides clear proposals to deliver the level of savings required to meet the Medium Term Financial Strategy in 2020/21. The details behind each savings proposal are set out in this paper. These concentrate on the additional savings which are required in 2020/21 over and above existing plans. Delivery of existing savings plans also presents its risks and a reminder of the level of savings already agreed by each directorate was provided previously within the consultation budget document. The full year effect of these savings is shown in the budget and budget challenge sessions are held with Cabinet members to ensure good progress is being made and alternative measures put in place if necessary.

The budget currently shows further savings in each year after 2020/21 may be required but to be confirmed once the outcome of the Chancellor's Spending Review is announced this year. It is intended that savings proposals will be brought forward to meet the anticipated shortfall in each year after the Chancellor has announced public sector funding levels over the next three years. These savings will also need to take into account the outcome of the initial Calderdale Conversations consultation and more detailed conversations which are due to take place on the budget.

The draft budget maintains unallocated balances (financial reserves) above £5m over the three year plan. The minimum level is in line with my overall assessment of major financial risks, as set out in the Council's Medium Term Financial Plan. It also reflects the recommendation of the Council's appointed external auditors. This level of balances relates to non-school spending, as schools retain balances of their own.

There is an opportunity to use any excess balances over and above the minimum level in support of short-term non-recurring budget initiatives. The budget proposals assume that some additional flexibility will be allowed for to deal with unexpected costs or to provide short term one-off investment by retaining general balances at around £5.5m over the period of the financial plan.

In addition to the unallocated balances referred to above, the Council holds earmarked reserves to cover potential future costs to the Council of issues such as workforce planning and insurance. The earmarked reserves are mainly for specific purposes and do not carry a recommended level or limit. As such it is of vital importance that these reserves are reviewed periodically in order to ascertain their continued validity and level. Regular consideration should be given to whether they could be put to better use elsewhere in subsequent years.

The earmarked reserves are formally reviewed three times a year. Firstly, this is done as part of the development of the Medium Term Financial Strategy, secondly as part of the formal budget setting process and finally as part of the closedown procedures at the end of the financial year. Monitoring and further reviews are also undertaken throughout the year as part of the quarterly Revenue Monitoring processes.

The adequacy of all major reserves and balances has been examined to ensure that they are sufficient to support the key financial assumptions held within the Medium Term Financial Strategy which also underpins the budget that Cabinet is recommending to Budget Council on the 24 February 2020.

CIPFA has recently released information on financial resilience using a range of indicators involving:

- levels and trends in reserves,
- interest payments and levels of external debt
- the proportion of the budget spent on social care
- access to and reliance on other sources of funding, e.g. fees and charges, council tax and business rates
- external assessments of VFM and service provision, e.g. from the external auditors and Ofsted.

Calderdale's reserves (including general balances but excluding public health and schools) have fallen over recent years as demonstrated below:

| Financial year | Level of reserves | Proportion of net revenue expenditure |
|----------------|-------------------|---------------------------------------|
| 2015/16 | £73.2m | 52% |
| 2016/17 | £51.5m | 31% |
| 2017/18 | £41.1m | 27% |
| 2018/19 | £35.2m | 23% |

Although the reduction was planned to a large extent due to the use of reserves held for major capital programme schemes (including flood works) undertaken by the Council over this period, the current level of reserves is significantly below the average for a metropolitan district and in terms of reserves sustainability is the lowest of all metropolitan districts. This reinforces my advice that the Council should not assume any further use of balances or reserves to support the revenue budget over the next three years and take steps to ensure that in-year overspends can be mitigated without the use of reserves. The robustness of savings proposals and management of the existing demand pressures is critical to this and is the basis on which the budget proposals are considered to be robust.

Calderdale's financial resilience as measured by the other indicators is not of concern but the information provides an important focus on action required by the Council to maintain or increase reserves.

Given the uncertainties of the economic environment and the scale of the expenditure reductions required, there will inevitably be significant risks involved in delivering a balanced budget. The Head of Finance has therefore taken a risk management approach to the budget process and has set out below the key risks associated with the proposed budget and how they can be managed.

Each agreed saving identifies the risk associated with each proposal. These have been considered by the Head of Finance who is confident that Directors are aware of the risks involved and their potential impact. More importantly there are clear plans behind each of the actions being taken to address existing budget pressures.

Although the Council continues to manage its finances in a prudent manner some assumptions and forecasts have necessarily had to be made where information is not yet available. The key assumptions within the budget are considered to be:-

- Government financial support will remain stable from 2020/21. This will depend upon the national Spending Review which is due to be announced later this year.
- The new business rates retention and fair funding reviews due to be implemented from 2021/22 will be financially neutral to the Council, i.e. we will be no better or worse off from them.
- Council Tax increases of 2% in 2020/21 and subsequent years in line with the current referendum limit.
- A social care precept of 2% in 2020/21 but no further increases in the precept thereafter. If further social care precepts are allowable in 2021/22 and 2022/23 then it may be possible to meet the estimated required savings in those years. Again, this would need to be re-examined following the Chancellor's Spending Review next year.

- All agreed savings targets and budget pressures will be contained within the planned budgets after taking into account the actions agreed to address these pressures in the revenue monitoring report.

The Council has an embedded savings monitoring process already in place to help ensure that savings targets are achieved and regular budget challenge sessions with Cabinet members.

Finally, due to the medium term planning process in place, there is sufficient lead-in time for more detailed plans to be developed for 2021/22 and 2022/23 following the outcome of a major budget consultation exercise and guided by the Chancellor's Spending Review. The financial plans leading up to 2024 will also be developed in line with the Council's Vision for that year.

APPROVED GROWTH OPTION 2020/21 - 2022/23 BUDGET PROCESS

Cross Council

1) Title of Proposal

Borrowing cost of Capital Investment Directed Towards Climate Emergency Priorities

2) What actions are required to implement this growth and what are the key timescales?

This growth proposal involves investing £1m to help combat the impact that climate change is having on our area. The revenue costs of £35k in 2021/22 and £70k from 2022/23 onwards assume that approximately half of the fund will be spent next year and the rest the following year. A detailed scheme will need to be drawn up and agreed with Members to maximise the full benefit of the resources that will be employed. It is anticipated however that this will form a Carbon Neutral Fund dedicated to accelerating the pace of the Council's and the community's environmental projects.

3) Why is this additional funding being requested and what is the rationale behind it?

The Council has already declared a climate emergency and set itself specific targets to respond to this threat including an ambitious goal of being carbon neutral by 2038 or earlier. Recent events show that this will need to be supplemented if targets are to be reached.

The need to tackle climate change has also been brought sharply into focus through the recent floods. The additional investment would allow some relatively small scale flood alleviation works to be undertaken in advance of the existing Government and Council flood infrastructure programme, more of the Council's own activities becoming Carbon Neutral and a strengthening of community responses to climate change. Further works and investment will inevitably be required to help reduce the impact of future floods and these will be identified over the next few months.

4) a) What is the proposed growth?

| Year | £000s |
|---------|-------|
| 2020/21 | 0 |
| 2021/22 | 35 |
| 2022/23 | 70 |

b) Please estimate how many new posts (in FTEs terms) might be involved?

TBC

5) Set out any major impacts on service users/ partners and the Council's agreed priorities (Growing the Economy, Reducing Inequalities and Building a Sustainable Future) which have been identified. Include here any improvement this proposal may have on relevant performance measures

Tackling the climate emergency is a key priority for the Council and during the course of the year the Council will be further developing its action plan to tackle this. Elements of this are already in place through the street-lighting LED replacement programme, the re-fit scheme for energy efficiency improvements to council buildings, flood alleviation works etc.

6) How will the effects of any impact identified in 5) be maximised and monitored?

The investment included within the budget at this stage will only have a modest impact upon climate change but tackling the climate emergency will also require cultural and behavioural change. Further plans will be brought forward which will identify the change required, the level of investment needed and sources of potential funding.

Equality Considerations - EIA

| | | |
|--|------------------------|---|
| | Title of option | Borrowing cost of Capital Investment Directed Towards Climate Emergency Priorities |
| Aims/outcomes of Service/Function | | The aim of the investment is to provide some initial investment to accelerate the pace of tackling the climate emergency. |
| Option being proposed | | Growth to fund the borrowing costs of capital investment directed towards climate emergency priorities <u>Growth</u> 2021/22 £35,000 2022/23 £70,000 |
| EIA findings | | <u>Service delivery impact</u> The proposal will have a positive impact on all communities as there will be additional monies made available to support this activity across the borough <u>Employment impact</u> There will be a positive employment impact as the proposal will support further provision of services. |
| Justification (where no impact) and action(s) to manage/mitigate Impact | | N/A |

APPROVED SAVING OPTION 2020/21 – 2022/23 BUDGET PROCESS

Cross Council

1) Title of the Proposal

Reduce Markets Town Investment Borrowing Costs

2) What actions are required to deliver the saving and what are the key timescales?

This growth is not due to come into effect until 2020/21 and as such no action is required to remove this scheme

3) Why is this savings proposal being put forward/what is the rationale behind it?

This was a new initiative to fund relatively small individual capital schemes within small towns in the district. In light of the potential for alternative funding of up to £75million from Central Government for Halifax, Elland, Sowerby Bridge, Brighouse and Todmorden through the Future High Street, Historic High Streets and Stronger Towns fund there is the opportunity to free up the revenue resources which would otherwise be required to service the capital for this initiative

4) a) What are the expected savings?

| Year | £000s |
|---------|-------|
| 2020/21 | 500 |
| 2021/22 | 500 |
| 2022/23 | 500 |

b) Number of staff posts likely to be at risk (in terms of Full Time Equivalents)

0

5) Major risks, impact on service users/partners and the Council's agreed priorities (Growing the Economy, Reducing Inequalities and Building a Sustainable Future) that have been identified. Included here is any effect this proposal may have on relevant performance measures.

This may impact on small businesses in the small towns of the area if the alternative funding is not secured but it is likely that the Government funding secured will significantly exceed the amount provided for by the Council.

6) How can the effects of any impact identified in 5) be reduced?

Work with the ward forums and parish councils to determine ways to maintain the economic development of their areas.

Equality Considerations - EIA

| | | | | | | | | |
|---|-----------------|--|----------|----------|---------|----------|---------|----------|
| 1. | Title of option | Reduce Markets Town Investment Borrowing Costs | | | | | | |
| Aims/outcomes of Service/Function | | Market towns have a unique role to play, offering all elements of life, both economic and social. While some towns are thriving, many others have experienced decline in recent years. Markets Town Funding brings a new lease of life to towns so that they provide convenient access to the services that people depend upon. | | | | | | |
| Option being proposed | | <p>In light of the potential for up to £75m of Government funding for Halifax, Elland, Sowerby Bridge, Brighouse and Todmorden through the Future High Street, Historic High Streets and Stronger Towns Funds the proposal is to remove £500k per annum borrowing costs from markets town investment which otherwise would have been required.</p> <p><u>Savings</u></p> <table><tr><td>20/20/21</td><td>£500,000</td></tr><tr><td>2021/22</td><td>£500,000</td></tr><tr><td>2022/23</td><td>£500,000</td></tr></table> | 20/20/21 | £500,000 | 2021/22 | £500,000 | 2022/23 | £500,000 |
| 20/20/21 | £500,000 | | | | | | | |
| 2021/22 | £500,000 | | | | | | | |
| 2022/23 | £500,000 | | | | | | | |
| EIA findings | | <p><u>Service delivery impact</u></p> <p>Potential neutral or positive impact on service delivery as funding will still be available to move forward with local investments.</p> <p><u>Employment impact</u></p> <p>No employment impact identified at this time.</p> | | | | | | |
| Justification (where no impact) and action(s) to manage/mitigate Impact | | A full service EIA will be conducted should any impact be identified and action taken to manage/mitigate the impact identified. | | | | | | |

APPROVED SAVING OPTION 2020/21 – 2022/23 BUDGET PROCESS

Cross Council

1) Title of the Proposal

Additional rebate from the West Yorkshire Combined Authority (WYCA) Levy

2) What actions are required to deliver the saving and what are the key timescales?

To deliver this saving the West Yorkshire leaders would need to formally approve the transfer of £1m from the West Yorkshire Transport Fund Reserve in 2020/21.

3) Why is this savings proposal being put forward/what is the rationale behind it?

West Yorkshire constituent councils pay roughly £100m over to WYCA each year as a levy. Part of this levy relates to the financing costs of borrowing taken out for the Regions' Transport Fund. To date, less borrowing has been taken out than anticipated so a substantial reserve made up of these contributions has built up and it is felt that there is sufficient scope within it to provide a rebate to each of the contributing councils in 2020/21.

4) a) What are the expected savings?

| Year | £000s |
|---------|-------|
| 2020/21 | 90 |
| 2021/22 | 0 |
| 2022/23 | 0 |

b) Number of staff posts likely to be at risk (in terms of Full Time Equivalents)

N/A

5) Major risks, impact on service users/partners and the Council's agreed priorities (Growing the Economy, Reducing Inequalities and Building a Sustainable Future) that have been identified. Included here is any effect this proposal may have on relevant performance measures.

It is not anticipated that the reserve will be fully utilised until much later in the future and therefore there are no significant risks within the current financial planning period.

6) How can the effects of any impact identified in 5) be reduced?

N/A

Equality Considerations - EIA

| | | |
|--|---|---|
| 2. | Title of option | West Yorkshire Combined Authority (WYCA) Levy Rebate |
| Aims/outcomes of Service/Function | WYCA is a type of local government body set up by legislation that allows a group of councils to voluntarily work together across council boundaries over a wider area such as in economic regeneration and transport services. WYCA constituent councils are: Bradford, Calderdale, Kirklees, Leeds, and Wakefield. York is also a non-constituent member. The WYCA contribution is raised as a levy, based on population size in each area. | |
| Option being proposed | An increase in the level of WYCA reserves has enabled the release of a rebate across the sub – region for 2020/21. Calderdale's share from the WYCA levy for 2020/21 is £90,000. <u>Savings</u> 20/20/21 £90,000 | |
| EIA findings | <u>Service delivery impact</u> No service delivery impact identified as this saving is released from identified reserve monies and does not require a service change or reduction in those services provided by WYCA. <u>Employment impact</u> No staffing impact identified. | |
| Justification (where no impact) and action(s) to manage/mitigate Impact | N/A | |

APPROVED SAVING OPTION 2020/21 – 2022/23 BUDGET PROCESS

Cross Council

1) Title of the Proposal

A Reduction in the Council's Employer's pension fund contributions

2) What actions are required to deliver the saving and what are the key timescales?

Discussions have been entered into with the West Yorkshire Pension Fund to agree the revised level of the employer's pension fund contributions.

3) Why is this savings proposal being put forward/what is the rationale behind it?

The latest actuarial review of the West Yorkshire Pension Fund shows the fund to have reached a position where it is estimated to be over 100% funded. This should allow the employers contribution rates for the next six years to be reduced and the revised contributions to be agreed subject to annual valuation reviews. This saving will not impact on the level or the delivery of any services provided by the council or on council employees.

4) a) What are the expected savings?

| Year | £000s |
|---------|-------|
| 2020/21 | 155 |
| 2021/22 | 310 |
| 2022/23 | 387 |

b) Number of staff posts likely to be at risk (in terms of Full Time Equivalents)

N/A

5) Major risks, impact on service users/partners and the Council's agreed priorities (Growing the Economy, Reducing Inequalities and Building a Sustainable Future) that have been identified. Included here is any effect this proposal may have on relevant performance measures.

Although there will be annual reviews of the valuation of the Fund and subsequent increases cannot be ruled out, there is sufficient planning time to deal with any changes to the current estimates.

6) How can the effects of any impact identified in 5) be reduced?

N/A

Equality Considerations - EIA

| | | |
|----|--|--|
| 3. | Title of option | Reduce West Yorkshire Pension Fund (WYPF) Contributions |
| | Aims/outcomes of Service/Function | WYPF is a local government pension scheme, founded in 1974. The largest employers taking part in the scheme are the five West Yorkshire councils: Bradford, Calderdale, Kirklees, Leeds and Wakefield. |
| | Option being proposed | Agreement with WYPF on a reduction in the Council's pension fund contributions following the latest actuarial review and the healthy state of the pension fund <u>Savings</u> 20/20/21 £155,000 2021/22 £310,000 2022/23 £387,000 |
| | EIA findings | <u>Service delivery impact</u> Potential neutral impact on service delivery as the proposal is based on the valuation of assets and liabilities in the Fund and does not require a reduction in service delivery. <u>Employment impact</u> No staffing impact identified. |
| | Justification (where no impact) and action(s) to manage/mitigate Impact | The annual valuation will determine whether any further changes are required to the Council's contributions but with sufficient time to build this into the financial plans. |