



Joanne Roney OBE
Chief Executive
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PO Box 532, Town Hall
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M60 2LA

Monday 1 March 2021

Dear Councillor / Honorary Alderman,

Meeting of the Council – Friday, 5th March, 2021

A summons was issued on 25 February 2021 for a meeting of Council which will be held at 10.00 am on Friday, 5th March, 2021, in Virtual meeting - livestream link to watch the meeting - <https://vimeo.com/514222764>.

The following items marked as 'to follow' on the summons are now enclosed.

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020

Under the provisions of these regulations the location where a meeting is held can include reference to more than one place including electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers. To attend this meeting it can be watched live as a webcast. The recording of the webcast will also be available for viewing after the meeting has ended.

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Yours faithfully,

A handwritten signature in black ink, appearing to be 'Joanne Roney'.

Joanne Roney OBE
Chief Executive

Councillors:-

Abdullatif, Akbar, Azra Ali, Ahmed Ali, Nasrin Ali, Sameem Ali, Shaukat Ali, Alijah, Andrews, Appleby, Battle, Bridges, Butt, Chambers, Chohan, Clay, Collins, Cooley, Craig, Curley, M Dar, Y Dar, Davies, Doswell, Douglas, Evans, Farrell, Flanagan, Green, Grimshaw, Hacking, Hassan, Hewitson, Hitchen, Holt, Hughes, Igbon, Ilyas, Jeavons, Johns, S Judge, T Judge (Chair), Kamal, Karney, Kilpatrick, Kirkpatrick, Lanchbury, Leech, Leese, J Lovecy, Ludford, Lynch, Lyons, McHale, Midgley, Madeleine Monaghan, Mary Monaghan, Moore, N Murphy, Newman, Noor, O'Neil, Ollerhead, B Priest, H Priest, Rahman, Raikes, Rawlins, Rawson, Razaq, Reeves, Reid, Riasat, Richards, Rowles, Russell, Sadler, M Sharif Mahamed, Sheikh, Shilton Godwin, A Simcock, K Simcock, Stanton, Stogia, Stone, Strong, Taylor, Watson, Wheeler, Whiston, White, Wills, Wilson and Wright

Further Information

For help, advice and information about this meeting please contact the meeting Clerk:

Andrew Woods

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This agenda was issued on **1 March 2021** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Lloyd Street Elevation), Manchester M60 2LA

Manchester City Council Report for Resolution

Report to:	Council – 5 March 2021
Subject:	Council Tax Resolution for 2021/22
Report of:	Deputy Chief Executive and City Treasurer, Chief Executive and City Solicitor

Summary

To advise the Council of the recommended Council Tax resolution and Collection Fund budget for 2021/22.

Recommendations

The Council is recommended to:

1. Adopt the part proceedings of the Executive on 17 February 2021 which contain details of the following:
 - Medium Term Financial Strategy
 - Revenue Budget 2020/21
 - Capital Strategy and Budget 2020/21 to 2024/25
 - Children and Education Services Budget 2021/22
 - Adult Social Care and Population Health Budget 2021/22
 - Homelessness Budget 2021/22
 - Neighbourhoods Budget 2021/22
 - Growth and Development Budget 2021/22
 - Corporate Core Budget 2021/22
 - Dedicated Schools Grant – Schools Budget 2021/22
 - Housing Revenue Account – 2021/22 to 2023/24.
2. Note the position on reserves as detailed in Appendix 2 to this report
3. Note that the Council tax resolution included at Appendix 3 reflects the budget position
4. Note the information on the referenda as detailed in Section 3 of this report.
5. Approve the Council Tax determination attached as Appendix 3. The Council Tax determination:
 - Calculates the Council tax requirement in accordance with Section 31A of the Local Government Finance Act 1992 as amended by the Localism Act 2011.
 - Calculates a basic amount of Council Tax and an amount of tax for each valuation band (the Council element) in accordance with Sections 31B and 36 of the Local Government Finance Act, 1992, as amended.

- Sets an amount of Council Tax for each category of dwellings in each valuation band in accordance with Section 30 of the Local Government Finance Act, 1992.
6. Determine affordable borrowing limits, prudential indicators, proposals in respect of treasury management, annual investment strategy and minimum revenue provision strategy. The prudential indicators are listed in Appendix 4 to this report, and
 7. Approve the Collection Fund Budget for 2021/22 as set out in Appendix 5 to this report.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
The proposed 2021/22 budget will reflect the fact that the Council has declared a climate emergency by making carbon reduction a key consideration in the Council's planning and budget proposals.

Our Manchester Strategy Outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities.	This report presents to council the proposed Revenue Budget and consequent Council Tax for the City. Whilst this has no direct implications for the Our Manchester Strategy outcomes a balanced budget is a pre-requisite to the provision of the council services that support the outcomes and includes some transfer of resources to support key council objectives.
A highly skilled city: world class and home grown talent sustaining the city's economic success.	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities.	
A liveable and low carbon city: a destination of choice to live, visit and work.	
A connected city: world class infrastructure and connectivity to drive growth.	

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy

- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The approval sought above is a pre-requisite to setting a revenue budget for 2021/22. The revenue budget incorporates provision for financing of borrowing undertaken to fund capital expenditure.

Financial Consequences – Capital

Details of the proposed Capital Programme for the next five years were approved at Executive on 17 February 2021 and any financial implications are contained within the body of the report and attached schedules.

Contact Officers:

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and City Treasurer

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Name: Helen Seechurn
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Name: Fiona Ledden
Position: City Solicitor

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E-mail: fiona.ledden@manchester.gov.uk

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

1. Provisional and final Local Government Finance Settlement papers,
2. Final Levy and Precept notifications from the Greater Manchester Mayoral Police and Crime Commissioner Precept and Greater Manchester Mayoral General Precept (including Fire Services),
3. Reports to the Executive on 17 February 2021 entitled:
 - Medium Term Financial Strategy
 - Revenue Budget 2021/22
 - Capital Strategy and Budget 2020/21 to 2024/25
 - Children and Education Services Budget 2021/22

- Adult Social Care and Population Health Budget 2021/22
- Homelessness Budget 2021/22
- Neighbourhoods Budget 2021/22
- Growth and Development Budget 2021/22
- Corporate Core Budget 2021/22
- Dedicated Schools Grant – Schools Budget 2021/22
- Housing Revenue Account – 2021/22 to 2023/24

1. Introduction

1.1 At its meeting on 17 February 2021 the Executive received a series of reports which outlined the position for 2021/22 setting a year budget in line with the Government's one year funding announcement. This also reflected the budget position of the Council after the announcement of the final Local Government Finance Settlement on 4 February 2021. These reports included:

- (i) A Medium Term Financial Strategy which set out the framework for the budget strategy, the implications for the Council from the Finance Settlement. The report also set out the issues and legal requirements members need to consider prior to Council finalising the budget and setting the Council Tax for 2021/22.
- (ii) The budget report for 2021/22 and a detailed report from each Directorate on proposals for service change to ensure they continue to meet the Council's objectives whilst managing within the available resource envelope.

1.2 Resources and Governance Scrutiny Committee met on 1 March 2021 to consider the full suite of budget reports. The Committee also considered the issues arising from individual budget reports that the chairs of the scrutiny committees wished to draw their attention to. The proceedings of the meeting and the recommendations made are set out in the minutes elsewhere on this agenda. The full suite of budget reports are listed as background documents. Members should take the contents of these into account when considering the recommendations in this report.

2. The Revenue Budget

2.1 The financial considerations contained within this report are based on the final Local Government Finance Settlement issued on 4 February 2021 which provided a one-year finance settlement.

2.2 Prior to the Spending Review the Council was facing a budget gap of almost £100m. The Finance Settlement has improved the position, although it assumes that local authorities will increase council tax by 4.99% being the 2% referendum limit and the 3% Adult Social Care precept.

2.3 The majority of the additional social care grant and the social care precept have been applied to fund care budget pressures and thereby reduce the original £20m budget cuts target for Adult Social Care by £8.4m with the Council now proposing a total of £40.7m budget cuts in 2021/22, rising to £47.7m by 2024/25.

2.4 The final budget cuts proposals are detailed in the directorate budget reports elsewhere on this agenda and listed in Appendix 1. The summary position by directorate is shown below.

Table 1: Savings Proposals

	Amount of savings proposals					Indicative FTE reduction
	2021/22	2022/23	2023/24	2024/25	Total	
	£'000	£'000	£'000	£'000	£'000	
Adults Services	11,597	3,326	3,477	0	18,400	0.0
Children Services	12,359	(152)	(1,309)	100	10,998	14.0
Homelessness	2,335	0	0	0	2,335	7.0
Neighbourhoods (Incl. Highways)	6,683	493	100	100	7,376	2.0
Growth and Development	2,024	591	604	(905)	2,314	22.4
Corporate Core	5,719	562	0	0	6,281	115.6
Total Savings Options	40,717	4,820	2,872	(705)	47,704	161.0

- 2.5 The Executive meeting of 17 February 2021 recommended a further budget adjustment to allocate a budget of £50k in 2021/22 to Neighbourhood Services. This is to enable the continuation of the operating subsidy to Wythenshawe Indoor Market for a further six months. This will provide time for the local councillors and officers to work with the traders and the Wythenshawe Town Centre managers to develop a plan to ensure the future financial sustainability of the market.
- 2.6 The Government recently announced that the Council was to receive further New Burdens funding that had not been anticipated, the application of this money will release the funds from elsewhere to allow the market subsidy to continue for six months. The £50k will be carried forwards in reserve to be applied in 2021/22, this is reflected in the updated reserves schedule at Appendix 2.
- 2.7 At the Executive meeting it was also announced that a further saving would be sought through reductions in the allowances and expenses paid to some councillors. To achieve this the following post will be left vacant - two Executive Members, two Assistant Executive members, and the Deputy Chair of the Planning and Highways Committee. It is recommended that the expenses payment to the Deputy Lord Mayor is suspended for a period of three years.
- 2.8 It was also desired that the Special Responsibility Allowances (SRA) payments that applied to roles within the Opposition Group on the Council should be reduced from three to one. Consideration by the independent remuneration panel is required before this is progressed. It should be noted the Opposition Finance Spokesperson position is vacant, therefore already being saved.
- 2.9 If these changes are made, there would be further savings to be applied in 2021/22. The full year estimate is £76k with a part year saving of £68k. Any associated budget changes will be reported to Executive as part of the regular global monitoring in 2021/22.
- 2.10 The updated position is set out in Table 2 below.

Table 2: Summary of Budget Position 2020/21(Latest) and 2021/22 (Proposed)

	Original Budget 2020 / 21	Revised Budget 2020 / 21	Proposed 2021 / 22
	£'000	£'000	£'000
Resources Available			
Business Rates Related Funding	339,547	514,696	155,537
Council Tax	174,465	174,465	176,857
Grants and other External Funding	66,642	131,823	120,243
Dividends	15,810	900	0
Use of Reserves	69,661	37,405	184,667
Total Resources Available	666,125	859,289	637,304
Resources Required			
<i>Corporate Costs:</i>			
Levies / Statutory Charge*	71,327	67,851	66,580
Contingency	860	300	4,719
Capital Financing	44,507	44,507	39,507
Transfer to Reserves	18,263	199,474	1,557
<i>Sub Total Corporate Costs</i>	<i>134,957</i>	<i>312,132</i>	<i>112,363</i>
<i>Directorate Costs:</i>			
Additional Allowances and other pension costs	9,580	9,066	9,066
Insurance Costs	2,004	2,004	2,004
Inflationary Pressures and budgets to be allocated	10,271	970	3,230
Directorate Budgets	509,313	535,117	510,641
<i>Subtotal Directorate Costs</i>	<i>531,168</i>	<i>547,157</i>	<i>524,941</i>
Total Resources Required	666,125	859,289	637,304
Shortfall / (surplus)	0	0	0

**Although included within the table of levies / charges above, the Waste Levy is administered by the Neighbourhoods Directorate and will be included within their published budget. This is to recognise that the actions within the directorate to reduce the levels of waste delivered impact on future levies which are tonnage based. It has been included above to give a complete view of the levies / charges paid.*

- 2.11 The budget report for 2021/22 also provided details of proposed movements to and from reserves including those being used to support the revenue budget. The detailed updated schedule of reserves is attached at Appendix 2.

3 Setting the Council Tax for 2021/22

- 3.1 The Localism Act abolished council tax capping powers and replaced them with a requirement for an authority to hold a council tax referendum if it

increases its council tax by an amount exceeding the limit set out in principles determined by the Secretary of State and approved by the House of Commons.

- 3.2 The final Local Government Finance Settlement on 4 February 2021 confirmed that for 2021/22, local authorities will be able to increase their relevant basic amount of council tax (average Band D council tax, excluding local precepts) by up to 2% without having to hold a referendum.
- 3.3 A number of additional flexibilities also apply to different categories of authority. Local authorities with responsibility for Adult Social Care can increase their council tax by up to 3% on top of the 2% core principle.
- 3.4 The Council Tax bill and the information that accompanies it, must highlight the part of the increase that is being used to fund adult social care. Further Information about spending on adult social care must be provided with the demand notice.
- 3.5 This report is prepared on the basis that Manchester's Council Tax will increase by 4.99% in 2021/22; 1.99% attributable to the Council element and 3% for the Adult Social care precept. This equates to a Band D charge of £1,496.59.
- 3.6 The Greater Manchester Mayoral General Precept has been confirmed at £90.95 for a Band D property, comprising of £66.20 for functions previously covered by the Fire and Rescue Authority (no increase from 2020/21) and £24.75 for other Mayoral General functions including bus reform (no increase from 2020/21).
- 3.7 The Greater Manchester Mayoral Police and Crime Commissioner Precept will increase by £10.00 to £208.30 for a Band D property which is in line with the flexibility provided by the Government to all Police and Crime Commissioners.
- 3.8 The Council Tax resolution is attached as Appendix 3.

4 **Prudential indicators**

- 4.1 The proposed Prudential Indicators for 2020/21 to 2022/23 are shown in Appendix 4.

5 **Collection Fund Budget**

- 5.1 Attached for approval at Appendix 5 is the proposed collection fund budget for 2021/22. The collection fund budget includes income and expenditure relating to both council tax and business rates.

6 **Robustness of the Budget**

- 6.1 The budget report to Executive set out the Council's legal duties to which members must have regard in formulating the budget and setting Council Tax. The report referred not only to the need for the Council to continue to meet its

statutory duties but also to any remaining requirements for consultation, legal processes and equality impact assessments before a final decision can be taken.

- 6.2 The Deputy Chief Executive and City Treasurer has a duty to report on the robustness of the estimates made for the purposes of the calculation of Council Tax and the adequacy of the financial reserves. As reported to the Executive the Deputy Chief Executive and City Treasurer remains satisfied that the assumptions on which the budget has been proposed are manageable within the flexibility allowed by the General Fund balance. This and the fact that the Council holds other reserves that can be called on if necessary means that the Deputy Chief Executive and City Treasurer is confident that overall the budget position of the Council can be sustained within the overall level of resources available. However, to the degree that the budget savings are not achieved in a timely manner and reserves are called on to achieve a balanced position, the future year's savings will be prejudiced and further savings will need to be identified and implemented, including to replace reserve drawn downs, in order to ensure these are sufficient for future years.

Appendix 1 - Savings and Efficiency Proposals 2021/22

Adults Services

Service Area	Description of Saving	Rag Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total	FTE's
Adults Services	Better Outcomes Better Lives	Amber	6,097	7,003	5,300	0	18,400	0
Adults Services	Health and Social Care System Support	Green	5,500	(5,500)	0	0	0	0
Adults Services	To be identified		0	1,823	(1,823)	0	0	0
Total			11,597	3,326	3,477	0	18,400	0

Children Services

Area	Description of Saving	Rag Impact	20/21 £000	21/22 £000	23/24 £000	24/24 £000	Total	FTE's
Children's Services	Placement Stability	Amber	627	415	0	0	1,042	0
Children's Services	Re-commission – Lyndene	Amber	462	0	0	0	462	0
Children's Services	Multi-Agency Arrangements	Red	1,000	0	0	0	1,000	0
Children's Services	Leaving Care	Green	1,767	0	0	0	1,767	0
Children's Services	Market Development	Red	400	376	0	0	776	0
Children's Services	Unaccompanied Asylum Seeking Children	Green	515	0	0	0	515	0
Children's Services	Commissioning Review	Amber	300	0	0	0	300	0
Children's Services	Pace Beds	Green	28	0	0	0	228	0
Children's Services	Improving Permanence	Green	160	159	0	0	319	0
Children's Services	Stability Team and Wrap Around Support	Green	300	0	0	0	300	0
Education	Premises	Green	129	0	0	0	129	0
Education	Attendance	Green	70	0	0	0	70	0
Core	Business Support	Amber	130	0	0	0	130	0
Children's Services	Adoption Services	Green	357	0	0	0	357	0
Education	SLA Schools	Amber	30	0	0	0	30	0
Children's Services	Families First	Green	445	0	0	0	445	0

Area	Description of Saving	Rag Impact	20/21 £000	21/22 £000	23/24 £000	24/24 £000	Total	FTE's
Children's Services	Section 17	Green	50	0	0	0	50	0
Children's Services	No Recourse to Public Funds	Amber	600	0	0	0	600	0
Children's Services	Workforce Development	Green	140	0	0	0	140	0
Children's Services	Legal - Fees reduction	Amber	260	0	0	0	260	0
Education	Schools Quality Assurance	Red	300	(150)	0	0	150	0
Education	Free Travel	Green	400	0	0	0	400	0
Core	Strategic Business Support	Amber	80	0	0	0	80	1.5
Children's Services	CAMHS	Amber	148	0	0	0	148	0
Children's Services	Early Years – Core offer, Speech & Language	Amber	200	100	100	100	300	12.5
Children's Services	Managing Demand	Red	1,000	0	0	0	1,000	0
Children's Services	Troubled Families	Amber	1,150	(1,150)	0	0	0	0
Education	DSG reserve	Green	1,000	(1,000)	0	0	0	0
Children's Services	Children's Services Reserve	Green	311	(311)	0	0	0	0
Children's Services	Children's Services Reserve	Green	0	1,409	(1,409)	0	0	0
Total			12,359	(152)	(1,309)	100	10,998	14

Homelessness Services

Area	Description of Saving	Rag Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total £000	FTE's
Singles Accommodation	New Provision Rough Sleepers, utilising established schemes and ensuring there is move on available through the system	Amber	1,400	0	0	0	1,400	0.0
Homelessness Commissioning	Realign service provision to support move on from single rough sleeper provision funded via investment	Amber	621	0	0	0	621	0.0

Area	Description of Saving	Rag Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total £000	FTE's
Homelessness Commissioning	Budget reductions in Homelessness Commissioned services with minimal impact on service delivery	Red	66	0	0	0	66	0.0
Homelessness Management	As part of 2020/21 funding was assigned for 3 FTE grade 10 posts to lead on the service redesign, this work will now be undertaken within existing resources	Amber	89	0	0	0	89	3.0
Homelessness Management	Management reductions for G10 and above	Amber	108	0	0	0	108	2.0
Families Specialist Accommodation	Full service redesign linked to VS/VR offer	Amber	51	0	0	0	51	2.0
Total			2,335	0	0	0	2,335	7.0

Neighbourhoods

Service Area	Description of Saving	Rag Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total £000	FTE's
Compliance	Outsource the Animal Welfare Service	Amber	64				64	2
Compliance	Increase income from fines & advice	Amber	80				80	0
Compliance	Use EU exit funding to fund 3 posts for 1 year	Amber	137	-137			0	0
Compliance	Source volunteers to work a 4 day week	Amber	20				20	0
Parks, Leisure, Youth and Events	Prioritise £12m capital investment to generate income streams	Red	127	100	100	100	427	0
Parks, Leisure, Youth and Events	Develop a strategy for Leisure collaborations	Red		155			155	0
Operations and Commissioning	Bereavement Services above inflation increase in fees & charges	Green	85				85	0

Service Area	Description of Saving	Rag Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total £000	FTE's
Operations and Commissioning	Renewal of small format advertising contract	Green	1,300				1300	0
Operations and Commissioning	Piccadilly Gardens community scheme	Red	225	225			450	0
Operations and Commissioning	Dawson Street large format advertising screen	Amber	50				50	0
Highways	Off street parking	Green	4,100				4100	0
Highways	Reduction in claims for accidents & trips	Green	100	150			250	0
Highways	Charge 50% of Development Specialist to capital	Green	40				40	0
Highways	Bring in a new service to recover costs for damaged highway items	Amber	25				25	0
Highways	Increase charges for permits	Green	25				25	0
Highways	Recharge developers for oversail of the highway	Green	50				50	0
Highways	Additional winter gritting service to 3rd parties	Amber	25				25	0
Highways	Charge remaining 50% of Gully/Drainage staff to capital	Green	66				66	0
Highways	Increase fees to cover costs on external schemes	Green	164				164	0
Total			6,683	493	100	100	7,376	2

Growth and Development

Service	Description of Saving	RAG Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total £000	FTEs
Operational Property	Reduce office costs through reduced estate	Green	610	591	304	-905	600	0.0
Operational Property	Reduce staff resources – 1.4fte's (Vacant)	Green	36	0	0	0	36	1.4

Service	Description of Saving	RAG Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total £000	FTEs
Facilities Management	Reduce staff resources – 10fte's (Vacant)	Green	270	0	0	0	270	10.0
Investment Estate	Revise Surveyors Fee Scales	Green	75	0	0	0	75	0.0
Investment Estate	Maximise income generation from assets	Green	300	0	0	0	300	0.0
Investment Estate	Increased ground rent -long leasehold	Amber	0	0	300	0	300	0.0
Planning, Licensing & Building Control	Hold/delete 11 vacant posts	Amber	393	0	0	0	393	11.0
Housing & Residential Growth	Additional income from housing redevelopment	Green	190	0	0	0	190	0.0
Work & Skills	Reduction in commissioning activity	Green	150	0	0	0	150	0.0
Total			2,024	591	604	-905	2,314	22.4

Corporate Core

Service	Description of Saving	RAG Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total	FTE's
Legal Services	Staff Reduction	Green	96	0	0	0	96	3.0
Legal Services	Increased income and other budget reductions	Green	49	25	0	0	74	0.0
Coroners & Registrars	Staff Reduction	Green	198	0	0	0	198	7.0
Executive	Travel/subsistence expenses reductions	Green	15	0	0	0	15	0.0
Comms	Staff Reduction	Amber	137	0	0	0	137	4.0
Comms	Reduce printing costs, increase recharges and postage	Green	163	0	0	0	163	0.0

Service	Description of Saving	RAG Impact	20/21 £000	22/23 £000	23/24 £000	24/25 £000	Total	FTE's
Procurement, Commissioning and Commercial Governance	Staff Reduction	Red	122	0	0	0	122	2.0
Procurement, Commissioning and Commercial Governance	Increase income and reduce supplies and services	Amber	36	0	0	0	36	0.0
Revenues and Benefits	Staff Reduction	Red	160	0	0	0	160	5.5
Revenues and Benefits	Reduce Discretionary Housing Payments	Red	1,000	0	0	0	1,000	0.0
Financial Management	Staff Reduction	Amber	843	0	0	0	843	20.0
ICT	Staff Reduction	Amber	400	0	0	0	400	10.0
ICT	Savings on system running costs and telephony	Amber	300	300	0	0	600	0.0
HR/OD	Staff Reduction	Amber	306	237	0	0	543	13.0
Audit	Staff Reduction	Amber	118	0	0	0	118	3.0
Shared Service Centre	Staff Reduction	Green	252	0	0	0	252	8.8
Customer Services	Staff Reduction	Amber	614	0	0	0	614	19.3
City Policy	Staff Reduction and special projects budget	Amber	270	0	0	0	270	4.0
PRI	Staff Reduction	Red	500	0	0	0	500	13.0
Reform & Innovation	Staff Reduction	Red	140	0	0	0	140	3.0
Corporate Core Totals			5,719	562	0	0	6,281	115.6

APPENDIX 2

Proposed Use of Reserves

Reserve	Closing Balance 31/03/20 21	Withdra wals	Additio ns	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/2 025	Purpose
	£000	£000	£000	£000	£000	£000	£000	
Schools Reserve	15,734	0	0	15,734	15,734	15,734	15,734	
General Fund Reserves								
Statutory Reserves	16,471	(10,094)	10,174	16,551	17,762	19,197	20,632	
Earmarked Reserves	498,918	(249,110)	11,241	261,050	139,361	105,742	77,095	
General Fund Reserve	25,000	0	0	25,000	25,000	25,000	25,000	
Total General Fund	540,389	(259,204)	21,415	302,600	182,123	149,939	122,727	
Housing Revenue Account Reserves:								
Housing Revenue Account General Reserve	78,355	(16,957)	0	61,398	47,210	49,405	48,135	
Major Repairs Reserve	2,434	(2,434)	0	0	0	0	0	
HRA PFI reserve	10,000	0	0	10,000	10,000	10,000	10,000	
HRA Residual liabilities fund	24,000	0	0	24,000	24,000	24,000	24,000	
Housing Insurance reserve	2,059	0	200	2,259	2,459	2,659	2,859	
Total HRA	116,848	(19,391)	200	97,657	83,669	86,064	84,994	
TOTAL RESERVES	672,971	(278,595)	21,615	415,991	281,526	251,737	223,455	
SCHOOLS RESERVE								

Reserve	Closing Balance 31/03/20 21	Withdra wals	Additio ns	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/2 025	Purpose
	£000	£000	£000	£000	£000	£000	£000	
LMS Reserve	15,734	0	0	15,734	15,734	15,734	15,734	School balances assumed year-end position. These are not MCC resource and so cannot be used by MCC. There are no further known schools planning to transfer to academy status.
Sub Total Schools	15,734	0	0	15,734	15,734	15,734	15,734	
<u>STATUTORY RESERVES</u>								
Bus Lane Enforcement Reserve	10,341	(5,992)	4,695	9,044	8,697	8,350	8,003	Ring-fenced reserve which can only be applied to specific transport and highways related activity.
On Street Parking	1,232	(3,794)	5,479	2,917	4,810	6,789	8,768	Ring-fenced reserve which can only be applied to specific transport and highways related activity.
Ancoats Square Reserve	2,709	(118)	0	2,591	2,473	2,355	2,237	Received from the Homes and Communities Agency to cover the revenue costs of maintaining Ancoats Square for a period of at least 25 years.
Spinningfields Commuted Sum	618	(9)	0	609	600	591	582	Funds received as part of an agreement to cover maintenance costs.
New Smithfield Market	0	0	0	0	0	0	0	To contribute towards funding the development plans for the market
Great Northern Square Maintenance Fund	249	(20)	0	229	209	189	169	Set up in accordance with the agreement with the developers of the site. It will be used for upgrading of the square.
Education Endowments	17	0	0	17	17	17	17	For future payments for school prizes
Landlord Licensing Reserve	159	(111)	0	48	0	0	0	Smoothing reserve
Art Fund Reserve	21	0	0	21	0	0	0	For art purchases
Manchester Safeguarding	69	0	0	69	(0)	(0)	(0)	Children's Safeguarding Board activity. The Board is a joint responsibility with MCC & CCG

Reserve	Closing Balance 31/03/20 21	Withdra wals	Additio ns	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/2 025	Purpose
	£000	£000	£000	£000	£000	£000	£000	
Hulme High Street	283	0	0	283	283	283	283	
St Johns Gardens Contingency	773	(50)	0	723	673	623	573	Contribution from St Johns Gardens tenants for maintenance works
Sub Total Statutory	16,471	(10,094)	10,174	16,551	17,762	19,197	20,632	
<u>EARMARKED RESERVES</u>								
<u>BALANCES HELD FOR PFI'S</u>								
Street Lighting PFI	223	(223)	0	0	0	0	0	Established to fund the requirements over 25 years re: the PFI contract for Street Lighting service via external contractors
Temple PFI	612	(84)	11	539	456	363	233	Established to fund the requirements of the PFI scheme over 25 years
Wright Robinson PFI Reserve	1,369	(42)	40	1,367	1,344	1,298	1,230	PFI Scheme 25 year contract drawdown will be in future years as expenditure exceeds grant.
Total held for PFI's	2,204	(349)	51	1,906	1,800	1,661	1,463	
<u>Reserves directly supporting the revenue budget</u>								
Adult Social Care	13,431	(9,252)	0	4,179	0	0	0	To support Adult and Social Care Improvement Plan
Social Care Reserve	7,395	(7,446)	1,557	1,506	0	0	0	To address pressures in social care, in particular the need to invest in early help and prevention in Children's Services and continued pressures on LAC budgets
Crime and Disorder	540	(540)	0	0	0	0	0	To fund the Anti Social Behaviour Team
Budget smoothing reserve	14,747	(11,266)	0	3,481	3,481	3,481	0	Planned use to smooth the impact of previous funding reductions on the revenue budget
Total held to support the revenue budget	36,113	(28,504)	1,557	9,166	3,481	3,481	0	

Reserve	Closing Balance 31/03/20 21	Withdra wals	Additio ns	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/2 025	Purpose
	£000	£000	£000	£000	£000	£000	£000	
<u>RESERVES HELD TO SMOOTH RISK / ASSURANCE</u>								
<u>Risks</u>								
Planning Reserve	2,704	(353)	0	2,351	1,875	1,395	911	Used to smooth the volatility of planning fee income to avoid budget pressures if fee income drops
Transformation Reserve	7,775	(333)	0	7,442	(1,041)	(1,376)	(1,376)	To support costs of future service change.
Airport Dividend reserve	43,953	(4,913)	0	39,040	0	0	0	The income in the reserve is from the Manchester airport dividend which is then used a year in arrears to support the Medium Term Financial Plan
Land Charges Fees Reserve	252	(50)	0	202	152	102	52	To smooth the budget impact, planned to utilise in 2020/21
Pension Risk Fund	518	(518)	0	0	0	0	0	To fund external pension liabilities
Inspirit Pension Reserve	15	0	5	20	25	30	35	Relates to potential pension liabilities
Insurance Fund	18,089	(500)	0	17,589	14,089	13,589	13,089	The insurance fund has been established to fund risks that are self insured.
Fleet Maintenance Reserve	21	0	25	46	71	1	1	Reserve created for smoothing the impact of vehicle repair and maintenance costs.
Children's Services Reserve	903	(88)	0	815	102	0	0	The reserve is being held for any unexpected issues arising from Academy transfers given the level of uncertainty around any costs falling to the LA within a short timescale.
Taxi Licensing Reserve	396	(274)	0	122	122	122	122	This is a smoothing reserve to equalise the income and expenditure of running the function over financial years. Income ring-fenced by statute.

Reserve	Closing Balance 31/03/20 21	Withdra wals	Additio ns	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/2 025	Purpose
	£000	£000	£000	£000	£000	£000	£000	
Newton Heath Market Reserve	22	0	0	22	22	22	22	To fund the future market provision
Rogue Landlord reserve	10	0	0	10	10	10	10	This reserve holds the funding for investigation into poor property conditions in the private rented sector in Manchester with the purpose of improving housing conditions for tenants by enforcing compliance with statutory regulations and standards.
Selective Licensing reserve	194	(181)	0	13	13	13	13	Costs for administering the reputable landlord initiative and ensure compliance
Investment Estate smoothing reserve	533	0	0	533	(0)	(0)	(0)	To manage budget pressures due to the volatility in investment income.
Homelessness Reserve	1,500	(1,500)	0	0	0	0	0	To offset potential increases in need / demand
Emergency Planning	214	(100)	0	114	14	14	14	To support emergency planning
Business Rates Reserve	196,818	(158,123)	0	38,695	14,196	3,418	2,928	To mitigate Business Rates income risk due to the volatility of assumptions
Cleopatra Reserve	663	(663)	0	0	0	0	0	
TOTAL Risk/Smooth	274,580	(167,596)	30	107,014	29,650	17,340	15,821	
RESERVES HELD TO FUND CAPITAL SCHEMES AND OTHER SPECIFIC PROJECT RELATED COSTS								
Investment Reserve	10,396	(1,819)	0	8,577	6,730	4,854	3,350	To deliver priority regeneration projects.
Enterprise zone reserve	2,062	(1,061)	1,500	2,501	2,940	3,379	4,211	To underwrite the borrowing costs for development in the Oxford Road Corridor

Reserve	Closing Balance 31/03/20 21	Withdrawals	Additions	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/20 25	Purpose
	£000	£000	£000	£000	£000	£000	£000	
Capital Fund Reserve	81,459	(20,900)	2,890	63,449	33,330	19,216	2,477	Contribution to schemes which are supporting employment and growth, future carbon reduction investments and high priority strategic development opportunities in the city .
Capital Financing Reserve	34,730	0	0	34,730	34,730	34,730	29,170	To reflect increase in borrowing costs due to the Council's capital investment
Manchester International Festival	12,160	(1,060)	0	11,100	9,993	8,839	7,635	To fund agreed future Manchester International Festivals / Factory grant from the reserve. Grant agreement will be aligned to the Arts Council England funding cycle.
Eastlands Reserve	4,092	(5,248)	5,118	3,963	4,163	4,892	7,460	This reserve reflects the contribution from Manchester City Football Club and will be used for various projects including English Institute of Sport.
Total to fund capital scheme and other specific relates costs	144,899	(30,088)	9,508	124,319	91,886	75,910	54,303	
RESERVES TO SUPPORT GROWTH AND REFORM								
Integration Reserve	5,037	(3,375)	0	1,662	1,556	1,171	1,171	The reserve is a joint resource between Manchester City Council and Manchester Clinical Commissioning Group to support the infrastructure requirements that underpin the mobilisation of the Locality Plan.
Town Hall Reserve	11,457	(3,075)	0	8,382	5,834	1,711	0	To fund commitments for the Town Hall Complex Programme
Troubled Families Reserve	2,255	(1,150)	0	1,105	0	0	0	This was set up to support the scaling up on the community budgets work and to manage risk of Troubled Families grant ending.

Reserve	Closing Balance 31/03/20 21	Withdra wals	Additio ns	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/2 025	Purpose
	£000	£000	£000	£000	£000	£000	£000	
Our Manchester reserve	3,017	(2,802)	0	215	215	215	215	Additional investment made available as part of the 2017-2020 budget process to drive forward the delivery of Our Manchester initiatives
TOTAL	21,766	(10,402)	0	11,364	7,605	3,097	1,386	
GRANTS USED OVER ONE YEAR								
English Partnership (Homes and Communities Agency)	139	0	0	139	139	139	139	HCA approval required to Fund Development appraisal and Eastland's Project team
Contain Outbreak Management Fund (COVID-19)	8,852	(8,852)	0	0	0	0	0	The government made payments to Local Authorities from the Contain Outbreak Management Fund to support proactive containment and intervention measures
Clinically extremely vulnerable individuals (COVID-19)	502	(502)	0	0	0	0	0	Government grant being used to provide support, such as access to food deliveries and signposting to local support services, to those most at risk from COVID-19
Other Grants and Contributions - Neighbourhood Services	13	(13)	0	0	0	0	0	Various local Environment scheme and initiatives i.e. 'clean up campaigns'
Other Grants and Contributions- Growth and Development	90	0	0	90	90	90	90	Unspent grants received in previous year
Fraud Fund	136	(136)	0	0	0	0	0	Unspent grant received in previous year
Deprivation of Liberty Grant	149	0	0	149	149	149	149	Unspent grant received in previous year
Asylum Seekers	288	(96)	0	192	92	0	0	This will fund the Local Authority Asylum Support Officer (LAASLO) project.
Collection Initiatives Reserve	2,474	(1,400)	0	1,074	(55)	(55)	(55)	Small reserves on Corporate Core

Reserve	Closing Balance 31/03/20 21	Withdra wals	Additio ns	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/2 025	Purpose
	£000	£000	£000	£000	£000	£000	£000	
MAES Reserve	1,197	(500)	0	697	197	(303)	(340)	To fund Manchester Adult Education Services (MAES)
Brexit Reserve	446	0	0	446	446	446	446	To fund BREXIT related costs that fall across more than one year
TOTAL	14,286	(11,499)	0	2,787	1,058	466	429	
<u>SMALL SPECIFIC RESERVES</u>								
Nuclear Free Zone	38	(5)	0	33	28	23	18	General reserve/ GM contributions. At the end of the year any surplus/deficit is adjusted in the reserve
Carbon Reduction Reserve	225	(225)	0	0	0	0	0	To fund revenue initiatives which support the target for Manchester to become a zero carbon city by 2038 at the latest and specifically, to support the delivery of the Council's 2020-25 Action Plan
Highways Commuted Sum	2,634	(89)	0	2,545	2,456	2,367	2,278	
New Smithfield Market - Car Boot	20	(45)	55	30	40	50	60	Used to fund repairs and maintenance of facilities for traders.
Cemeteries Replacement	441	0	0	441	0	0	0	To purchase land for burials
Councils with ALMOs Group (CWAG) Reserve	71	(10)	0	61	51	41	31	Held in relation to the running costs of the Council With ALMOs Group which is administered by MCC
Graves and Memorials	97	0	0	97	97	97	97	Money held in trust for repair and development costs for gravestones
Trading Standards Reserve	133	0		133	133	133	133	Specific grants such as Tobacco control, control of migration etc.
Housing Compliance Reserve (Fixed Penalty Notices)	484	(75)	0	409	331	331	331	Revenue collected from enforcement activity is ring-fenced to functions related to Housing Compliance.

Reserve	Closing Balance 31/03/20 21	Withdra wals	Additio ns	Closing Balance 31/03/20 22	Closing Balance 31/03/20 23	Closing Balance 31/03/20 24	Closing Balance 31/03/2 025	Purpose
	£000	£000	£000	£000	£000	£000	£000	
Community Safety Reserve	315	0	0	315	315	315	315	A collection of grants the majority of which require spending plans to be agreed with key partner organisations such as GM Police.
Litter Reserve (Fixed Penalty Notices)	76	0	0	76	76	76	76	Revenue collected from enforcement activity is ring-fenced to functions related to litter.
Great Ancoats Management Improvement Reserve	286	0	0	286	286	286	286	Specific reserve for use within defined areas within Great Ancoats. Spending plans still under discussion.
Social Value Fund	222	(222)	40	40	40	40	40	New Reserves for Social Funding income from successful tenders
Other Small Specific reserves	28	0	0	28	28	28	28	Small specific reserves
Total Small Specific Reserves	5,070	(671)	95	4,494	3,881	3,787	3,693	
TOTAL EARMARKED RESERVES	498,918	(249,110)	11,241	261,050	139,361	105,742	77,095	
Total General Fund Reserves	556,123	(259,204)	21,415	318,334	197,857	165,673	138,461	

APPENDIX 3

COUNCIL TAXSETTING THE AMOUNT OF COUNCIL TAX FOR THE COUNCIL'S AREARESOLVED

1. That the estimates prepared by the Executive at its meeting on 17 February 2021 be approved.
2. That it be noted that the Deputy Chief Executive and City Treasurer acting under delegated powers has determined the amount of 119,649.3 as the Council Tax base for Manchester for the year 2021/22 in accordance with Section 31A (3) of the Local Government Finance Act 1992 and regulations 3 to 5 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
3. That the following amounts be now calculated by the Council for the year 2021/22 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992:-
 - (a) £1,628,253,279 being the aggregate of the amounts which the Council estimates for the items set out in the Section 31A (2) (a) to (f) of the Act.
 - (b) £1,449,187,333 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act.
 - (c) £179,065,946 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Sections 31A(4) of the Act, as its council tax requirement for the year.
 - (d) £1,496.59 being the amount at 3(c) above divided by the amount at 2 above, calculated by the Council in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year.

(e) Valuation Bands

A	B	C	D	E	F	G	H
£997.73	£1,164.01	£1,330.30	£1,496.59	£1,829.17	£2,161.74	£2,494.32	£2,993.18

being the amount given multiplying the amount at 3(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

4. That it be noted that for the year 2020/21 the major precepting authorities have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

Precepting Valuation bands

Greater Manchester Mayoral Police and Crime Commissioner Precept

A	B	C	D	E	F	G	H
£145.53	£169.78	£194.04	£218.30	£266.81	£315.32	£363.83	£436.60

Greater Manchester Mayoral General Precept (including Fire Services)

A	B	C	D	E	F	G	H
£60.63	£70.73	£80.84	£90.95	£111.16	£131.37	£151.58	£181.90

5. That, having calculated the aggregate in each case of the amounts at 3(e) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2021/22 for each of the categories of dwellings shown below.

Valuation bands

A	B	C	D	E	F	G	H
£1,203.89	£1,404.52	£1,605.18	£1,805.84	£2,207.14	£2,608.43	£3,009.73	£3,611.68

1. CALCULATING THE COUNCIL TAX REQUIREMENT**Section 31A Calculations**

- 1.1 Section 31A of the Local Government Finance 1992 requires the Council to make three calculations:-

- (i) an estimate of the Council's required gross revenue expenditure - Section 31A(2)
- (ii) an estimate of its anticipated income (excluding that from council tax) and of reserves to be used to aid the revenue account - Section 31A(3)
- (iii) a calculation of the difference between (i) and (ii) above, (i.e. the Council Tax requirement) - Section 31A(4)

1.2 In its Section 31A(2) calculation the Council is required to allow for the following:

Section 31A(2)(a) - the estimated revenue account expenditure it will incur during the year in performing its functions

Section 31A(2)(b) - an appropriate allowance for contingencies for the year, e.g. for unforeseen occurrences such as disasters, storm damage, higher than expected inflation etc.

Section 31A(2)(c) - any raising of financial reserves for future expenditure - examples of this include payments into a redemption fund, internal insurance etc,

Section 31A(2)(d) - any revenue account deficit for a previous financial year which has not yet been provided for;

Section 31A(2)(da) – any amount estimated to be transferred from the general fund to the collection fund in accordance with regulations by reference to sums received by the authority in respect of business rates.

Section 31A(2)(e) - any amount estimated to be transferred from the General Fund to the Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund deficit;

Section 31A(2)(f) - any amounts estimated to be transferred from the General Fund to the Collection Fund by direction of the Secretary of State under Section 98(5) of the Local Government Finance Act 1988 - including an estimate of the shortfall in the collection of Non-domestic Rates in excess of the allowance

1.3. In its Section 31A(3) calculation the Council must calculate the aggregate of sums to be put against gross expenditure, namely:

Section 31A(3)(a) - estimated income from fees, charges, and government grants (including RSG) plus other sums payable into the general fund (but excluding council tax)

Section 31A(3)(aa) – Any amount estimated to be transferred from the collection fund to the general fund in accordance with regulations by reference to sums received by the authority in respect of business rates.

Section 31A(3)(b) - any amount estimated to be transferred from the Collection Fund to the General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 - i.e. the Council's share of any collection fund

surplus;

Section 31A(3)(c) - sums to be transferred from the Collection Fund to the General Fund pursuant to a direction of the Secretary of State under Section 98(4) of the Local Government Finance Act 1988 - including allowances for costs of collection of business rates;

Section 31A(3)(d) - the amount of financial reserves/balances which the authority intends to use towards meeting its revenue expenditure

1.4 On the basis of current estimates, the calculations would be as follows: -

	HRA £	Other £	Total £
Expenditure			
Section 31A (2)(a)	£103,150,000	£1,341,492,946	£1,444,642,946
Section 31A (2)(b)	£0	£4,719,000	£4,719,000
Section 31A (2)(c)	£200,000	£21,415,000	£21,615,000
Section 31A (2)(d)	£0	£2,072,000	£2,072,000
Section 31A (2)(da)	£0	£0	£0
Section 31A (2)(e)			
Section 31A (2)(f)	£0	£154,964,333	£154,964,333
	£0	£0	£0
	£103,350,000	£1,524,662,279	£1,628,012,279
Income			
Section 31A (3)(a)	(£83,959,000)	(£763,626,034)	(£847,585,034)
Section 31A (3)(aa)		(£320,831,000)	(£320,831,000)
Section 31A (3)(b)	£0	(£818,000)	(£818,000)
Section 31A (3)(c)	£0	(£1,117,299)	(£1,117,299)
Section 31A (3)(d)	(£19,391,000)	(£259,204,000)	(£278,595,000)
	(£103,350,000)	(£1,345,596,333)	(£1,448,946,333)

1.5 **Council Tax Requirement under Section 31A(4)** being the amount by which the aggregate under Section 31A(2) exceeds the aggregate under Section 31A(3) is £179,065,946.

2. **CALCULATING THE BASIC AMOUNT OF COUNCIL TAX**

2.1. Section 31B of the Local Government Finance Act 1992 requires the Council to

calculate the basic amount of its Council Tax - this is in effect the Council element of the Band D Council tax.

2.2 This calculated by applying the following formula -

Where:

R is the Council Tax requirement, and

T is the approved Council Tax base

2.3 Calculating the Basic Amount of Council Tax

Council Tax Requirement	£179,065,946.
Divided by:	
Council Tax Base	119,649.3

Band D Basic Amount of Council Tax is: £1,496.59

APPENDIX 4

Prudential and Treasury Indicators 2021/22 to 2023/24

Please note last years approved figures are shown in brackets.

Treasury Management Indicators	2021/22		2022/23		2023/24
Estimated Financing Costs	6.2%		6.4%		6.2%
	£m		£m		£m
Authorised Limit - external debt					
Borrowing	1,711.6	(1,384.5)	1,737.3	(1,396.2)	1,737.3
Other long term liabilities	190.0	(190.0)	190.0	(190.0)	190.0
TOTAL	1,901.6	(1,574.5)	1,927.3	(1,586.2)	1,927.3
Operational Boundary - external debt					
Borrowing	1,350.3	(1,006.2)	1,591.5	(1,176.9)	1,626.3
Other long term liabilities	190.0	(190.0)	190.0	(190.0)	190.0
TOTAL	1,540.3	(1,196.2)	1,781.5	(1,366.9)	1,816.3
Estimated external debt	1,142.4	(792.8)	1,454.3	(1,016.4)	1,501.8
Upper limit for total principal sums invested for over 364 days	0	(0)	0	(0)	0
Estimated Capital Expenditure					
Non - HRA	439.4	(339.6)	286.3	(260.2)	131.9
HRA	40.2	(38.8)	45.5	(28.6)	3.2
TOTAL	479.6	(378.4)	331.8	(288.8)	135.1
Capital Financing Requirement (as at 31 March)					
Non – HRA	1,626.3	(1,543.1)	1,792.1	(1,706.5)	1,849.6
HRA	300.0	(299.2)	301.0	(300.0)	301.8
TOTAL	1,926.3	(1,842.3)	2,093.1	(2,006.5)	2,151.4

Maturity structure of borrowing during 2020/21	Upper Limit		Lower Limit	
Under 12 months	80%	(80%)	0%	(0%)
12 months and within 24 months	80%	(70%)	0%	(0%)
24 months and within 5 years	70%	(60%)	0%	(0%)
5 years and within 10 years	70%	(50%)	0%	(0%)
10 years and above	90%	(80%)	20%	(40%)
Has the Authority adopted the CIPFA Treasury Management Code?				Yes

APPENDIX 5

COLLECTION FUND BUDGET 2021/22	Budget Estimate £'000
<u>EXPENDITURE</u>	
<u>COUNCIL TAX</u> (Surplus) / Deficit B/fwd	(5,998)
Precepts:	
- Mayoral General (including Fire Services)	10,811
- Mayoral Police & Crime Commissioner	24,759
- City of Manchester	169,437
Total Precepts	205,007
Council Tax Total Expenditure	199,009
<u>BUSINESS RATES</u> (Surplus) / Deficit B/fwd	(12,202)
Payments/Transfers:	
- Mayoral General (including Fire Services)	3,438
- City of Manchester	340,353
Total Payments/transfers	343,791
Business Rates Total Expenditure	331,589
Collection Fund Total Expenditure	530,598
<u>INCOME</u>	
<u>COUNCIL TAX</u>	
Council Tax Income	212,443
Write Off of uncollectable amounts	(838)
Allowance for Impairment	(6,598)
<u>Council tax receivable</u>	205,007
<u>Contribution of Council Tax (surplus) / deficit:</u>	
- Mayoral General (including Fire Services)	(271)
- Mayoral Police & Crime Commissioner	(699)
- City of Manchester	(5,028)
Total Contribution to Council Tax (surplus) / deficit	(5,998)
Council Tax Total Income	199,009

COLLECTION FUND BUDGET 2021/22	Budget Estimate £'000
<u>BUSINESS RATES</u>	
Non Domestic Business Rates Income	383,883
Enterprise Zone Growth	(576)
Cost of Collection Allowance	(1,124)
Losses in Collection	(11,529)
Increase in Provision for Appeals	(26,863)
<u>Business rates receivable</u>	343,791
<u>Contribution of Business Rates (surplus) / deficit:</u>	
- Mayoral General (including Fire Services)	(122)
- City of Manchester	(12,080)
Total Contribution to Business Rates (surplus)/deficit	(12,202)
Business Rates Total Income	331,589
Collection Fund Total Income	530,598
<u>MOVEMENT ON FUND BALANCE</u>	
Council Tax (Surplus) / Deficit C/fwd	0
Business Rates (Surplus) / Deficit Cfwd	0
Collection Fund (Surplus) / Deficit	0

Manchester City Council Report for Information

Report to: Resources and Governance Scrutiny Committee - 1 March 2021
Budget Council – 5 March 2021

Subject: Budget consultation results 2021/22

Report of: The City Treasurer and Head of Strategic Communications

Summary

This report provides a summary of the results of phase two of the budget consultation on the savings options for the financial year 2021/22, as well as a summary of the responses received.

Recommendations

Members are asked to note the results of the consultation provided in the report.

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city
The budget support all 8 corporate priorities including the zero-carbon target for the city.

Our Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The Council's budget, including the monies generated by council tax, supports the delivery of the Our Manchester Strategy outcomes and all of Our Corporate Priorities.
A highly skilled city: world class and home grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy, please contact one of the contact officers above.

Online budget consultation (consultation now closed)

<https://www.manchester.gov.uk/budget>

1.0 Introduction

- 1.1 The Council consulted with residents on the proposed savings options for the 2021/2022 financial year for a four-week period from 20 January 2021 to 21 February 2021.
- 1.2 This report provides the full results of the consultation and a summary of coded free text responses and comments.

2.0 Background

- 2.1 In previous years, the annual budget consultation has sought to allow residents to feedback on the following areas at the same time:

- Proposed council tax increases
- Proposed Adult Social Care (ASC) precept
- Budget/savings options

- 2.2 Due to the timing of the 2021/22 Spending Review and Finance Settlement the budget consultation for 2021/22 was conducted in two phases:

Phase 1 - Council tax and ASC precept consultation (8 December 2020 – 24 December 2020)

Phase 2 - Budget consultation (20 January 2021 – 21 February 2021)

3.0 Phase 1- Council Tax and ASC Precept

- 3.1 The Government's Spending Review allowed councils to increase council tax by up to 1.99 per cent plus an additional 3 per cent precept to help meet ASC costs.
- 3.2 Phase 1 of the consultation asked residents for their comments on the potential increases – which together would be a 4.99 per cent increase and raise around £8.5m – to help protect services from further cuts and especially to support adult social care for those in need.
- 3.3 The results of phase 1 of the budget consultation have been analysed. The results were shared in early January 2021.

4.0 Phase 2 - Budget consultation (20 January 2021 – 21 February 2021)

- 4.1 Phase 2 of the budget consultation asked residents for their views on Council priorities and the proposed budget saving options via three questions and supplementary open text boxes for comment.
- 4.2 The full results of phase 2 of the budget consultation are detailed in this report.

5.0 Channels and engagement

- 5.1 Communications channels comprised an online questionnaire supported by web content and a social media campaign across a range of platforms using a mix of organic, boosted and paid-for targeted posts, supported by engaging digital content.
- 5.2 Paper copies of the questionnaire would usually have been made available in libraries, however, this was not possible for phase 2 of the budget consultation due to the COVID-19 national lockdown restrictions and subsequent library closures.
- 5.3 Activity was supported by proactive media releases and reactive media statements and inclusion in the Council's various e-bulletins and via internal staff channels.
- 5.4 Three standalone budget e-bulletins were issued during the consultation period. These performed highly reaching an average of 24,700 recipients each time and resulting in 58,339 combined opens and 3,468 click throughs to the budget consultation web pages.
- 5.5 A toolkit was also shared with Councillors, partners, community and voluntary sector groups to ensure reach within our local communities.
- 5.6 Responses have been gathered via an online questionnaire on the Council's website. 4,819 unique visitors were driven to the budget homepage. The budget content pages that outline the saving options in more detail were visited by 6,695 unique visitors. The majority of visitors were signposted to the consultation as a result of receiving a standalone Council budget e-bulletin and messages posted on the Council's Facebook page.
- 5.7 The consultation was promoted widely on Council social media channels including Facebook, Twitter and LinkedIn signposting people to the online survey.
- 5.8 Across social media channels 11 budget messages were posted organically resulting in 63,060 impressions. Activity resulted in 674 click throughs to the consultation pages, 173 retweets/shares and 262 likes.
- 5.9 Paid digital posts were used to target specific target audiences. Three different campaign posts were set up and boosted resulting in 194,544 impressions, 575 reactions, 129 shares and 548 click throughs to the consultation.
- 5.10 A total of 878 people completed the consultation survey. In addition, two organisations submitted detailed letters, Stagecoach Manchester and The

Parochial Church Council of Christ Church West Didsbury and St. Christopher Withington. The letters are summarised in section 8.0.

- 5.11 A further 347 people partially completed the survey, with some completing question one, but not continuing to answer the questions which required people to give us their views and comments in a free text box and not submitting their response. Participation is generally higher when consultation surveys comprise multiple choice/tick box questions. Those that comprise free text boxes require more thought and consideration and generally see higher levels of drop off and partial completion but do result in a greater quality of result.

6.0 Consultation questionnaire

- 6.1 The consultation questionnaire comprised two closed questions to understand levels of agreement/disagreement each with supplementary open text boxes for comment and a third open text question to gather general views on the proposed budget saving options.
- 6.2 **Q1.** When we asked Manchester people what matters most to them, we listened and used their priorities to help set our budget. Do you agree or disagree that we should continue to protect and invest in these priority services which residents told us matter most?

*Please tick those priorities that are important to you (please tick all that apply)
Please give any comments on our priorities, or alternatives you think we should consider.*

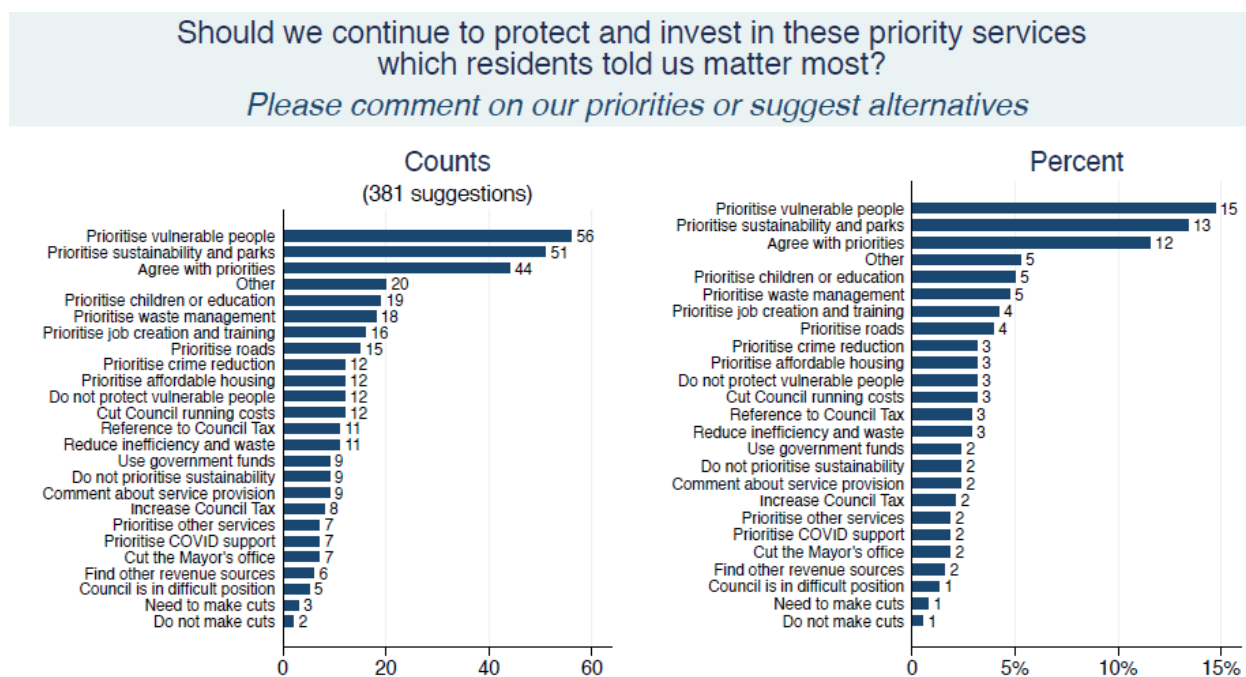
- 6.3 **Q2.** Do you agree or disagree with the proposed options to save around £50m in 2021/22 to balance our budget?
Please give any comments on any of the specific savings options, or alternatives you think we should consider.
- 6.4 **Q3.** Please give any general views and comments on the proposed budget.

7.0 Consultation questionnaire analysis

- 7.1 **Question 1. When we asked Manchester people what matters most to them, we listened and used their priorities to help set our budget. Do you agree or disagree that we should continue to protect and invest in these priority services which residents told us matter most?**
- 7.2 72% of respondents agreed (31% strongly agreed and 41% agreed). 13% of respondents disagreed (7% disagreed and 6% strongly disagreed).
- 7.3 Members of the public were also asked to share any comments on the priorities or alternatives they thought we should consider. Of the 878

responses, 287 respondents provided an answer to the open-ended question pertaining to priority services.

Graph 1 - Coded responses expressing views pertaining to priority services



* Respondents who provided a written answer that was irrelevant or incomprehensible are not displayed in the graph (40 responses).

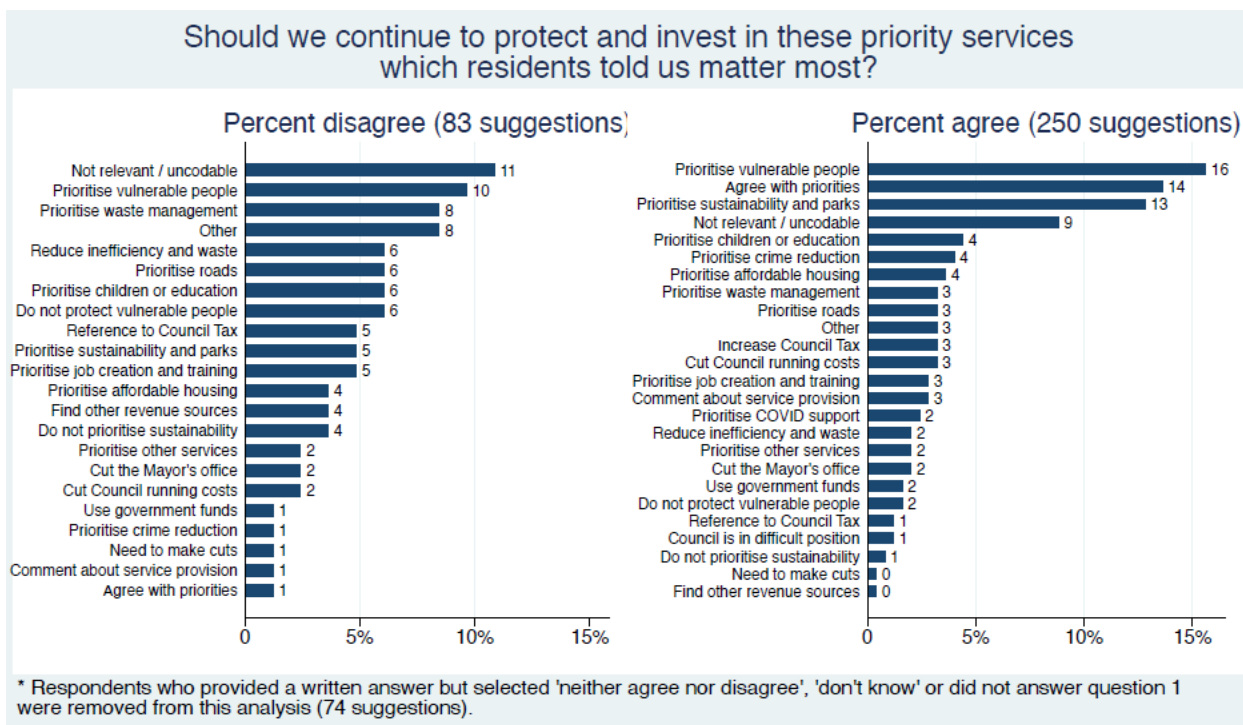
7.4 Graph 1 shows that the most prominent theme across all open-ended responses was that vulnerable people should be protected (15% respondents, 56 suggestions), with respondents voicing the importance of services relating to homelessness support, adult and social care services, among others. This is closely followed by:

- 13% of respondents (51 suggestions) suggested that the Council should prioritise sustainability initiatives focusing on the environment as well as parks and green spaces
- 5% of respondents (19 suggestions) emphasised the importance of children or educational services
- 5% of respondents (18 suggestions) wanted waste management services
- 4% roads (15 suggestions) and job creation and training (16 suggestions) to be prioritised
- 12% of respondents (44 suggestions) expressed their agreement with all the listed priority areas and were not able to indicate a particular priority
- Other suggestions were also provided, but with lower frequency.

7.5 Graph 2 displays the suggestions by whether respondents agreed or disagreed that we should continue to protect and invest in the priority services which residents told us matter most (Question 1).

7.6 Overall, 75% (250 suggestions) were given by individuals who were in favour of the proposals.

Graph 2 - Responses split by whether they agreed or disagreed with the listed priority services



7.7 Of those respondents who **agreed** with the proposal, the following suggestions were made:

- 16% (39 suggestions) specifically felt that vulnerable groups should be protected
- 13% of respondents (32 suggestions) who stated that sustainable development and parks was important
- 4% of respondents (11 suggestions) wanted children or educational services, crime reduction (10 suggestions), and affordable or social housing (9 suggestions) to be prioritised
- 14% of respondents (34 suggestions) expressed their agreement with all the listed priority areas and were not able to indicate a specific priority
- Other suggestions were also provided, but with lower frequency. 22 responses were not codable or not relevant (responses that were out of context, unintelligible or presented particular situations without actually addressing the issue under consultation).

7.8 Of those respondents who **disagreed** with the proposal, the following main

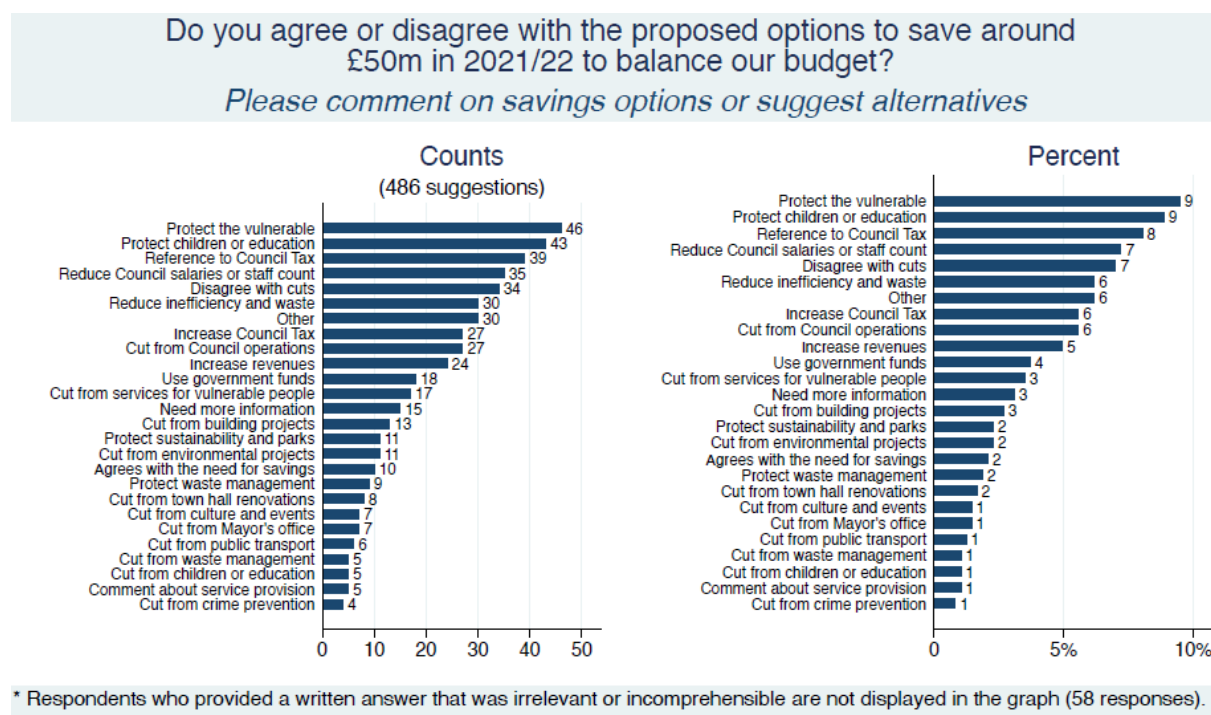
suggestions (83) were made:

- 10% of respondents (8 suggestions) felt that the Council should prioritise the protection of vulnerable people
- In contrast, 6% of respondents (5 suggestions) stated that vulnerable people should not be protected
- 8% of respondents (7 suggestions) stated that waste management was important
- 6% (5 suggestions) argued for children or educational services and roads (5 suggestions) to be prioritised
- 5% of respondents (4 suggestions) wanted sustainability and parks, and job creation and training (4 suggestions) to be prioritised
- 4% (3 suggestions) of respondents stated that the Council should not prioritise sustainability / environmental investments (e.g. greener city)
- 4% of respondents (3 suggestions) felt that the affordable housing should be prioritised
- 6% (5 suggestions) emphasised the need for the Council to reduce inefficiency and waste without specifying how, or to find alternative sources of revenue (4% respondents; 3 suggestions)
- 5% (4 suggestions) made reference to the proposed Council Tax increases and their impact, which was outside the scope of the consultation.
- Other suggestions were also provided, but with lower frequency
- 11 responses were not codable or not relevant (responses that were out of context, unintelligible or presented particular situations without actually addressing the issue under consultation).

7.9 Question 2 - Do you agree or disagree with the proposed options to save around £50m in 2021/22 to balance our budget?

- 7.10 In question 2, members of the public were asked in a closed question whether or not they agreed or disagreed with the proposed budget savings options. 27% of respondents agreed (4% strongly agreed and 23% agreed). 43% of respondents disagreed (24% disagreed and 19% strongly disagreed).
- 7.11 370 respondents provided an answer to the open-ended question pertaining to saving options designed to balance the budget by making savings of £50m in 2021. The suggestions are illustrated in Graph 3.

Graph 3 - Coded responses expressing views pertaining to saving options



7.12 Prominent themes across all open-ended responses were that vulnerable people (9% respondents; 46 suggestions) and children or educational services (9%; 43 suggestions) should be protected.

7.13 The most frequently cited area of saving, by 7% of respondents (35 suggestions) was to Council staff (including Councillors) salaries or posts.

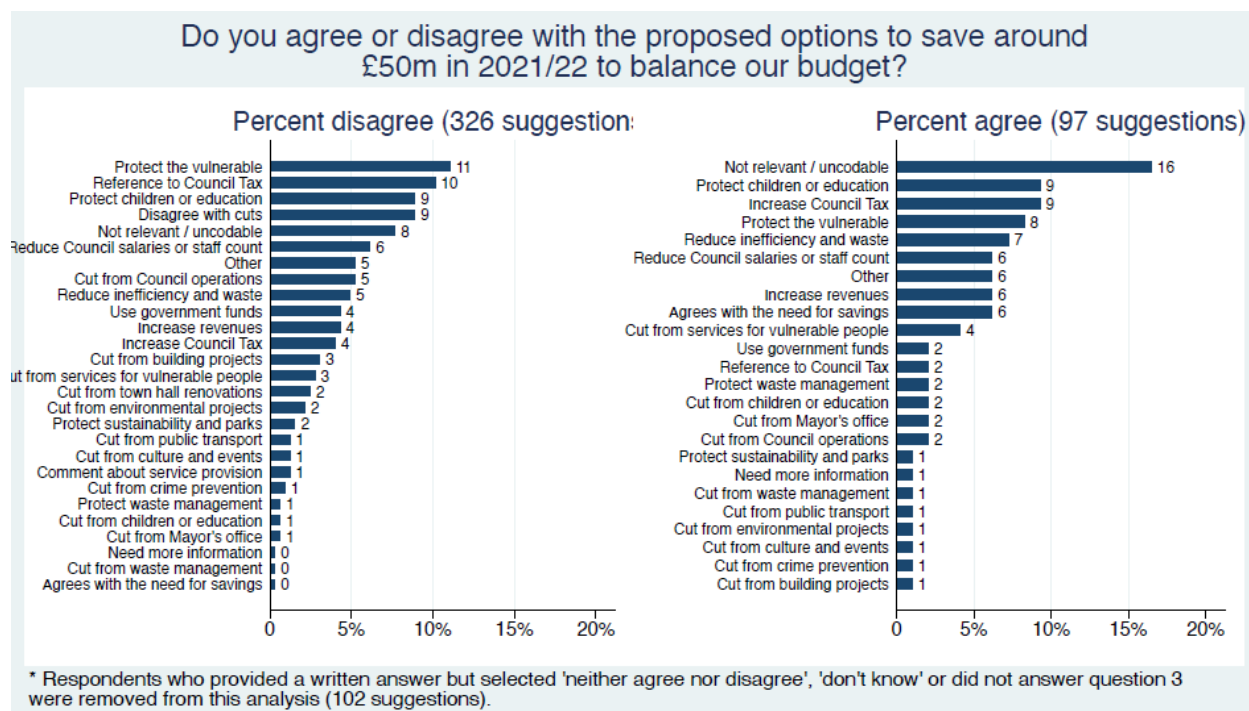
7.14 More broadly, Graph 3 shows that:

- 7% (34 suggestions) disagreed with the proposals for cuts
- 6% (27 suggestions) commenting that the Council should make savings from Council operations (corporate core)
- 5% (24 suggestions) stated that the Council should find ways to increase their revenues
- 6% (30 suggestions) commented that the Council needed to reduce inefficiency and waste without specifying details
- 6% (27 suggestions) suggested increasing Council Tax as a solution to increase revenues
- 8% of respondents (39 suggestions) made references about the impact of the proposed increases to Council Tax
- Other suggestions were also provided, but with lower frequency
- Of the overall number of responses, 58 responses were not codable or not relevant: responses that were out of context, unintelligible or presented

particular situations without actually addressing the issue under consultation (not displayed in the graph).

7.15 Graph 4, below, displays the suggestions by whether respondents agreed or disagreed with the proposed savings options (Question 2).

Graph 4 - Responses split by whether they agreed or disagreed with the suggested saving options



7.16 Overall, 23% (97) of suggestions were given by individuals who were **in favour** of the proposal. Of those respondents, the following suggestions were made:

- Reductions to Council (including Councillor) salaries or posts was the most frequently cited saving area (6%; 6 suggestions)
- Although, a slightly higher proportion (7%; 7 suggestions) commented that the Council needed to reduce inefficiency and waste but without specifying details
- 4% (4 suggestions) argued that there should be cuts to services for vulnerable people
- 6% (6 suggestions) reiterated their agreement with the need for savings
- While in agreement with the proposals, 8% (8 suggestions) emphasised that services for the vulnerable, as well as children or educational services (9%; 9 suggestions), should be protected
- 9% (9 suggestions) suggested of an increase in Council Tax to offset savings
- 6% (6 suggestions) stated that the Council should find ways to increase their revenues

- Other suggestions were also provided, but with lower frequency
- 16 responses were not codable or not relevant (responses that were out of context, unintelligible or presented particular situations without actually addressing the issue under consultation).

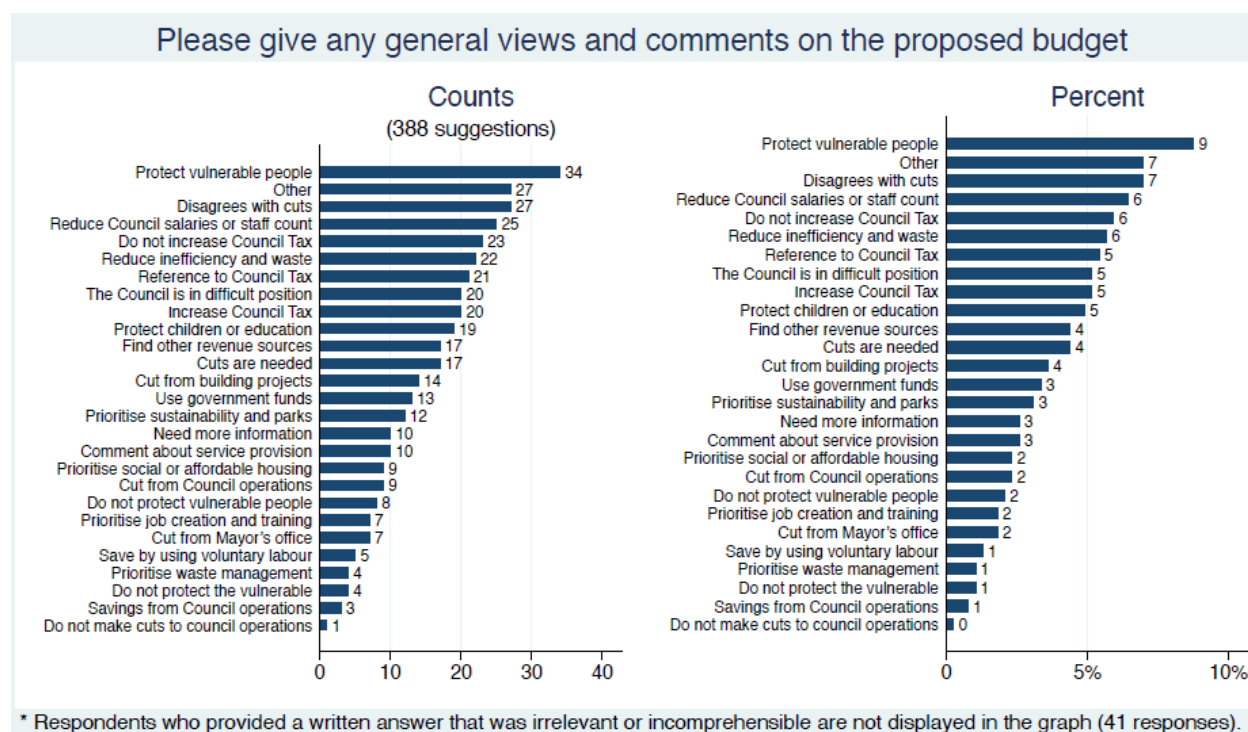
7.17 Of those respondents who **disagreed** with the proposal, the following suggestions (326) were made (see Graph 4):

- 11% (36 suggestions) stated that vulnerable people, as well as children or educational services (9%; 29 suggestions) should be protected
- 9% (29 suggestions) reiterated their disagreement with the savings
- While in disagreement with the proposals, 6% (20 suggestions) commented that the Council should make cuts to Council staff salaries or posts
- A further 5% (17 suggestions) stated that there could be cuts to Council operations
- While in disagreement with the proposals, 4% (14 suggestions) advised that the Council should use government funds to offset the need for savings
- A further 4% (14 suggestions) stated that the Council should find ways to increase their revenues
- 5% (16 suggestions) commented that the Council needed to reduce inefficiency and waste without specifying how
- 4% (13 suggestions) also suggested increasing Council Tax as a possible solution
- 10% (33 suggestions) made references to the impact of the proposed increases Council Tax which was not within the scope of the consultation
- Other suggestions were also provided, but with lower frequency
- 25 responses were not codable or not relevant (responses that were out of context, unintelligible or presented particular situations without actually addressing the issue under consultation).

7.18 Questions 3 - Please give any general views and comments on the proposed budget.

7.19 In addition to the comments specifically elicited for each of the two main questions, the consultation also provided the respondent with the opportunity to provide any other thoughts or comments they had on the proposed budget savings options. Of the 878 respondents, 303 provided such comments, totalling 4295 suggestions. These are shown in Graph 5.

Graph 5 - Coded responses expressing general views on the budget



7.20 Graph 5 shows that:

- 9% (34 suggestions) felt that the Council should protect vulnerable groups as well as children or educational services (5%; 19 suggestions)
- 7% (27 suggestions) reiterated their disagreement with the cuts
- 4% (17 suggestions) stated that the Council should find ways to increase their revenues
- A further 5% (20 suggestions) expressed their view that Council Tax should be increased to offset the need for cuts
- In contrast, 6% (25 suggestions) emphasised that the Council needed to
- reduce their staffing salaries or post count
- 6% (22 suggestions) commented that the Council needed to reduce inefficiency and waste without specifying details
- More broadly, 4% (17 suggestions) stated that cuts are needed
- 6% (23 suggestions) specifically mentioned that Council Tax should not be increased, while an additional 5% (21 suggestion) mentioned the impact of the suggested increases to Council Tax
- 5% (20 suggestions) acknowledged that the Council is in a difficult position
- 41 responses were not codable or not relevant (responses that were out of context, unintelligible or presented particular situations without actually addressing the issue under consultation).

8.0 Letters received

8.1 In addition to responding to the consultation survey, two organisations submitted detailed letters, the contents of which are summarised below.

8.2 Letter from Stagecoach Manchester:

The bus reform exercise is costly, with significant sums spent on creating and enacting the proposal; instead would advocate for cancellation of bus franchising proposals and focus on post-COVID recovery partnerships. The Council can also realise savings from its contribution to Transport for Greater Manchester: a large sum of money is spent on operational costs which includes staffing costs. Overall staffing levels have increased during the past decade and therefore should be reviewed. Furthermore, capital projects could be reviewed or deferred e.g. Stockport bus station re-building and Metrolink extension consultation plans. They acknowledge that the Council is facing difficult financial decisions.

8.3 Letter from The Parochial Church Council of Christ Church West Didsbury and St. Christopher Withington:

The proposed cuts to neighborhood services could have an adverse impact on community image and the wellbeing of the local population. Outdoor advertising will also have an adverse impact on the visual image of the city. Proposed cuts to already-stretched building and planning staff will present risks to the built environment. Review of homelessness operations may lead to efficiencies but concerned that this will not resolve the issue of homelessness. Positive that the Council wants to increase home visits for the vulnerable, but this would require careful management. Past reliance on private sector has resulted in poor care to vulnerable residents; instead, the Council should increase the use of volunteers.

9.0 Demographic and equality data

9.1 The demographic characteristics of the respondents to the survey were compared to those of the resident population in Manchester.

9.2 The consultation received a spread of respondents from across the city. However, analysis shows that the consultation was underrepresented in the North areas of the city. 25% of respondents were from wards in North Manchester, which make up 37% of the city's population.

Locality	Budget Responses	MCR comparator %
North	25%	37%
Central	19%	21%
South	46%	42%
No response	0%	-

Outside of Mcr/Posctode not recognised	10%	-
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- 9.3 Respondents aged 50-64 and 40-49 were overrepresented, as has been typical in previous budget consultations. Those aged 16-25 were underrepresented. There were no responses from children under 16, as would be expected.

Age Group	Budget Responses	MCR Comparator
Under 16	0%	20%
16 - 25 years	1%	20%
26 - 39 years	21%	26%
40 - 49 years	19%	11%
50 - 64 years	33%	13%
65 - 74 years	14%	5%
75 + years	5%	4%
Prefer not to say	6%	-

- 9.4 As regards ethnicity, White British respondents were overrepresented at 73% compared to 59% of the city's population. A full demographic analysis is provided in Appendix 1.

10.0 Recommendations

- 10.1 Members are asked to note the results of the consultation provided in the report.

Appendices

Appendix 1 Demographic analysis

Ethnicity		Budget Responses	MCR Comparator
Asian / Asian British	Bangladeshi	0%	1%
	Chinese	0%	3%
	Indian	1%	2%
	Kashmiri	0%	0%
	Pakistani	2%	9%
	Other Asian	1%	2%
Black / African / Caribbean / Black British	African	1%	5%
	Caribbean	1%	2%
	Somali	0%	0%
	Other Black	0%	1%
Mixed / Multiple Ethnic Groups	White and Black Caribbean	1%	2%
	White and Black African	0%	1%
	White and Asian	0%	1%
	Other Mixed	1%	1%
White	English/Welsh/Scottish/Northern Irish/British	73%	59%
	Irish	3%	2%
	Gypsy or Irish Traveller	0%	0%
	Other White	7%	5%
Other Ethnic Group	Any other Ethnic Group	1%	3%
No response		2%	-
Prefer not to say		7%	-

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