

# **BRAUNSTONE TOWN COUNCIL**

**18<sup>th</sup> NOVEMBER 2021**

## **Item 5 – Medium Term Priorities and Financial Planning**

### Purpose

To set out the context for the Council's medium-term priorities and financial planning, alongside the Treasury Management, Investment and Reserves Strategy.

### Background

Braunstone Town Council first published an assessment of long term financial considerations in January 2014, this was subsequently updated in November 2014, when it was agreed that the Medium to Long Term Priorities and Financial Planning be revised at least on an annual basis in order that changed circumstances and revised predictions can be incorporated into the Council's Medium to Long Term planning process.

By 2018, the economic and political climate made it difficult to predict the medium term and therefore the exercise in predicting the long term was merely projecting over ten years the impact of existing and known pressures and this has limited value. Therefore, on 25th January 2018, the Council agreed *“that the Priorities and Financial Planning process be revised to medium term, updated at least on an annual basis, and covering a rolling 5 year period”*.

By identifying medium term priorities and financial planning, the Council aims to safeguard the delivery of important local services whilst ensuring appropriate future investment in the Town's services and infrastructure.

### Economic Impact of Covid-19

While a recovery is underway following the Covid-19 pandemic and restrictions on activity, there is uncertainty over how fast economic activity will regain lost ground. Gross domestic product (GDP) is estimated to have grown by 0.4% in August 2021, following a 0.1% fall during July; GDP remains 0.8% below that of February 2020.

Consumer-facing services are 4.7% below those of February 2020, while all other services are now 0.4% above their pre-pandemic levels.

Production output increased by 0.8% in August 2021, mainly because of the continued increase in the extraction of crude petroleum and natural gas. While Construction contracted, with output down by 0.2% in August 2021; leaving the sector 1.5% below its pre-pandemic level.

According to the IMF's World Economic Outlook Report (June 2021), Global growth is projected at 6.0% in 2021 (compared to 5.4% predicted in June 2020) and 4.9% in 2022.

Vaccine access has emerged as the principal fault line along which the global recovery splits into two blocs: those that can look forward to further normalisation of activity later in 2021 and early 2022 (the UK and almost all advanced economies) and those that will still face resurgent infections and rising Covid-19 death tolls. The recovery, however, is not assured even in countries where infections are currently very low so long as the virus circulates elsewhere.

### UK Economic and Political Context

In the UK, the Office for Budget Responsibility (OBR) latest *Economic and fiscal outlook* was published in March 2021. Growth, unemployment and borrowing figures were significantly revised compared to the previous report in November 2020. The OBR's next *Economic and fiscal outlook* is due to be published on 27th October 2021.

The Bank of England's Monetary Policy Committee on 22nd September 2021 judged that the existing stance of monetary policy remained appropriate and maintained the Bank Rate at 0.1%.

The Bank projects a period of excess demand in the near term, before demand and supply broadly balance as demand growth slows and constraints on supply ease. CPI inflation is projected to rise temporarily in the near term, to 4% owing largely to developments in energy and goods prices.

Since the Monetary Policy Committee meeting, the pace of recovery of global activity has showed signs of slowing. Against a backdrop of robust goods demand and continuing supply constraints, global inflationary pressures have remained strong and there are some signs that cost pressures may prove more persistent. Some financial market indicators of inflation expectations have risen somewhat, including in the United Kingdom.

The Labour Force Survey unemployment rate fell to 4.6% in the three months to July. HMRC payroll data suggest that employee numbers (which include furloughed jobs) surpassed their last quarter of 2019 level in August 2021. Nevertheless, there remains uncertainty around the labour market due to the closure of the furlough scheme as well as the degree and persistence of any difficulties in matching available jobs with workers.

Twelve-month CPI inflation rose from 2.0% in July 2021 to 3.2% in August 2021.

The conclusion of the UK-EU Trade and Cooperation Agreement on 24th December 2020 has partially resolved four and a half years of uncertainty concerning the future trading relationship with the EU. The OBR judges the terms of the agreement to be broadly in line with the typical free-trade agreement, which they forecast a long-run loss of productivity of around 4% compared with remaining in the EU. However, the implementation of the agreement and introduction of health checks at the border has involved more short-term disruption to UK-EU trade. The arrangements for trade in financial and other services remain subject to further discussion.

Even when the economic shock of Covid-19 dissipates, the impact it has had upon public finances and the structure and strength of the economy is likely to be felt beyond the timescales of this plan.

### Office for Budget Responsibility's October 2021: "Economic and fiscal outlook"

The Office for Budget Responsibility's October 2021 "Economic and fiscal outlook" was published on 27th October 2021, which includes a prediction that CPI inflation will reach 4.4% in 2022. The Office for Budget Responsibility has also reported that news since they had closed their forecast would be consistent with inflation peaking at close to 5%.

Based on the figures presented at Appendix 1, a 4.4% increase would result in a precept increase of 6.52% and 5% increase would result in a 7.05% increase.

The Office for Budget Responsibility's predication is a peak not an average for the year, therefore preceding based on 3% (as shown at Appendix 1) is a reasonable sum to protect the Council's finances given the use of reserves in recent years and planned use in the coming years.

### Rolling Five Year Budget Plan

Attached as Appendix 1 are the financial projections for the period until 2026/2027, which is based on the following assumptions:

- pension scheme costs, taking into account the 2020 valuation with a 2% pay increase each year;
- additional staffing costs as a result of the NJC scale point review;
- additional Library staffing costs to be met following use of the TUPE transfer grant monies;
- 3% inflation during 2022/23, predicted by the OECD;
- one year increase during 2022/23 in employer National Insurance Contributions from 13.8% to 15.05%;
- introduction of Health and Social Care Levy from April 2023, with an employer contribution of 1.25%;
- savings from existing loans which mature during the period; and
- that the base budget predicted when setting the Council Tax equates to the actual income and expenditure.

The projections make use of the contingency and annual Capitals Projects budget in the short term to offset larger percentage increases in the precept in the forthcoming financial years when the costs identified above need to be met.

These projections, using current tax base information, result in a 5.29% increase on the precept for 2022/23, £7.37 on a band D property and £5.74 on a typical band B property.

## Town Council Priorities and Objectives

The Council's Mission Statement sets out its vision to provide high quality services and support the needs of the community, while recognising that this is only sustained by ensuring that the resources to do it are available.

### **Mission Statement - We exist:**

- *to ensure that local services and the environment reach the highest possible standards within the resources available for citizens, visitors and those who work in Braunstone Town;*
- *to provide a focus for civic pride;*
- *to listen, identify and respond to agreed local needs; and*
- *to help develop a strong, secure, self-reliant, self-confident community, free from unlawful discrimination.*

*"Spectemur. Agendo" translates "Let us be Judged by Our Actions"*

In addition to the Mission Statement, the Council has key Priorities for 2021/2022 and key objectives relating to its Committees and Service Areas, which are attached as Appendix 2. This document forms the Council's Business Plan for the year and is reviewed on an annual basis.

## Capital Programme

The Council is responsible for a significant amount of physical assets and to assist with longer term financial planning, the Council approves, in consultation with the Citizens' Advisory Panel, a list of Capital Projects, which includes identified long term improvements to parks and open spaces. The Capital Plan approved with the 2021/2022 budget in January 2021 is attached as Appendix 3. The Plan identifies projects, which the Town Council will need to deliver to ensure the long term sustainability and efficiency of its services.

The Capital Plan is a rolling document, which is reviewed annually alongside the budget and identifies priority projects. Phase 1 of the major capital project to improve and redevelop the facilities at Shakespeare Park is almost complete with completion of the new Pavilion building. Phase 2 to improve the tennis courts and playground are due to commence autumn and winter 2021/2022. Also included is refurbishment of the toilet facilities at Braunstone Civic Centre, alongside consideration to adapting the bar facilities to expand business and income potential by enabling the bar to operate a café service during the daytime in the week.

Investment in the Council's infrastructure will continue to present pressures over the forthcoming years and the Council needs to make financial provision for replenishing its reserves and financing public works loans in order to deliver its Capital Programme. The current position with the reserves is attached at Appendix 4.

## Financial Strategy

Since 2014, the Town Council has adopted the following financial strategy:

- balancing of annual operational income with annual operational expenditure;

- continued monitoring of the level of reserves and assessment of future investment needs;
- regular monitoring of reserves and general fund expenditure with proposed actions to address any issues prior to it becoming structural;
- forecast future year's expenditure on previous actual income and expenditure; and
- yearly assessment of the financial constraints.

### Treasury Management and Investment Strategy

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks.

When Braunstone Town Council borrows money it does so only for projects identified in the Capital Plan and uses the UK Debt Management Office Public Works Loan Scheme, which provides funds for capital projects with fixed interest and capital repayments for the term of the loan. The Council provides for financing the capital and interest repayments on such loans through this annual Medium Term Priorities and Financial Planning process.

Braunstone Town Council deposits its funds in UK Bank Accounts only. While the sums held in some bank accounts significantly exceeds the limit of protection (£85,000) afforded by the Financial Services Compensation Scheme; the risk of losing large sums of money is considered low given during the financial crises of 2008 the UK Government took steps to prevent UK Banks at risk from collapsing.

The Town Council will consider this risk level when reviewing Corporate Risks as part of the Annual Governance Review and will identify any mitigating actions necessary.

### Reserves Strategy

Braunstone Town Council will only maintain reserves for the following reasons:

- a capital receipt from the sale of land or assets to be invested in capital projects identified in the Capital Plan;
- commuted sums for the transfer of Public Open Spaces to offset significant one-off increases in precept and/or to invest in capital projects identified in the Capital Plan;
- grants and/or loans received for delivering capital projects identified in the Capital Plan;
- earmarked funds to meet the Council's Medium Term Financial Forecasts or for unexpected capital expenditure or emergencies;
- earmarked funds received which are designated for a specific purpose, e.g. donations to the Town Mayor's Charity;
- a sum approximately equal to 3-6 months of Net Revenue Expenditure will be maintained as the General (non-earmarked) Reserve, in accordance with good practice; and
- other reserves which are earmarked for special purposes or future development, or to meet commitments, will be maintained as necessary.

## Income Pressures

### 1. Reduction in the Council Tax Base

Whilst the Covid-19 pandemic and adjustments in the economy haven't had any impact on current year Council Tax precept, there is a risk that it may have an impact over the next few years on the Council Tax Base and hence the Council's ability to raise the income it requires from the Precept to sustain existing services and replenish the reserves used to off-set the loss of the Council Tax Support Grant.

As the cost of meeting Council Tax Benefit payments is a charged against billing authorities Collection Fund, it means that any significant increase in the number of benefit claimants will result in a reduction in the Council Tax Base figures; which means the Council Tax charge would have to increase to set the same budget as the previous year.

As a broad-brush example, a 5% reduction in the Council Tax Base will result in a similar 5% increase in the Council Tax Charge, if the Precept figure remains unaltered from this year.

Coupled with the impact on the Council's finances resulting from the loss of the Council Tax Support Grant, a significant reduction in the Council Tax Base will have a severe impact upon the Council's ability to deliver Capital Projects, protect its services and recover its reserves, without a double figure percentage increase on the precept.

### 2. Parish Precept and Referendum principles

*The provisional local government finance settlement 2021-22*, published in December 2020 confirms that "in expectation that parish and town councils continue to show restraint when setting council tax precept levels, the Government proposes to continue with no referendum principles for town and parish councils in 2021-22. The Government will take careful account of the increases set by parishes in 2021-22 when reviewing the matter ahead of next year's settlement".

While the extension of the referendum principles to parish precepts remains theoretically possible, the pressures on Council finances and wider public finances as a result of the Covid-19 pandemic make the likelihood that the Government would introduce such a measure this year less likely.

### 3. Pressure on income from Facility Hires

The closure of the Town Council's Community Centres and Sports Facilities as a result of the Covid-19 pandemic resulted in a significant loss of income over a period of 17 months from March 2020 to July 2021, which covers the staffing costs of those employed in these services.

Since re-opening Braunstone Civic Centre has seen an uptake in one-off bookings (e.g. party/functions). It is difficult to assess at this stage whether this is a backlog of functions due to the pandemic or a potential increase in custom which can be sustained. Most of the regular hirers have returned, with some new hirers joining the regular hirer's scheme. Some regular hirers no longer exist; others are waiting until spring 2022 to restart their activities.

Two regular hirers have returned to Thorpe Astley Community Centre. Due to block bookings by the NHS for vaccinations/boosters until the end of the year, there is limited scope for ad-hoc hires at the Community Centre at the current time.

The 2021/2022 budget anticipates Civic Centre hire income of £67,384. Hire income received up to 30th September is £26,684.11 (this will include advance bookings and does not include Bar income). At Thorpe Astley Community Centre, the budget anticipates £9,632 in hire income; £1,035 has been received up to 30th September (this will include advance bookings and does not include the Nursery/Pre-School income).

The Community Centres Working Group is reviewing the pricing and discount schemes. Given the economic pressures many are facing, to increase hire charges in line with the projected increase in precept over the next 3 years is likely to have an additional negative impact on the net income from room hire and more widely on the offer and appeal the centres have in the community, significantly reducing the ability to recover hires and income to pre-Covid-19 levels. In fact it is likely that the Council will need to consider discounting hire prices and offering packages in order to encourage users to return to its facilities.

The projections at Appendix 1 don't take into account the loss of income from facilities hires; however, the figures do include the cost of a full staff establishment. Given that the Centres have not fully recovered to their pre-pandemic hire levels, the approach is to continue to manage vacancies, staff recruitment and contracted hours to balance budgets. This will mean that if hires/bookings and the associated income starts to climb, resources will be available to pay staff additional hours to avoid large accumulations of hours.

## Expenditure Pressures

### 1. Public Works Loans

Public Works Board lending is offered at a fixed margin above the Government's cost of borrowing, as measured by gilt yields.

With a low base rate at 1%, the annual repayment of the Shakespeare Park Pavilion Public Works Loan came in at £4,468 less than predicted in last year's Strategy.

In addition, two loans mature in May 2022, therefore, half of the annual repayment cost is saved in 2022/23 and the other half of the annual repayment

cost is saved in 2023/24. In addition, another loan matures in November 2023 and therefore, the full annual repayment cost is saved in 2024/25. These figures have been included in the projections at Appendix 1. The projections at Appendix 1 allow for the savings to be reinvested to replenish the Council's reserves and return the revenue budget headings for Capital Projects to their 2017/2018 levels.

As things stand, Public Works Loans are the most attractive way to deliver many of the objectives set out in the Council's Capital Plan and potentially actions resulting from the Carbon Audit under the Climate Change and Environmental Strategy.

However, given inflation pressures in the economy there is a risk that borrowing will become more expensive over the coming year and potentially restrict or reduce the Council's ability to deliver capital and infrastructure improvement projects.

## 2. Library

The Town Council took over the management of Braunstone Town Library service on 1st October 2019. Since the Town Council's model for running the Library includes paid staff, the existing Library staff, who have specific contracts to Braunstone Town Library, transferred to the Town Council's employment under TUPE. The establishment equates to 25¾ hours per week, 1,339 hours per annum, salaries including on-cost is £16,965 per annum. This figure has been built into the additional staffing cost from 2020/21 in the projections at Appendix 1.

Upon transfer of the Library service, the Town Council received a one-off transition grant of £25,000 to take account of staffing costs; which the Council has now fully committed. This grant money will be fully spent by September 2022. However, there remain pressures on the Library staffing budget, which will be separately considered by Policy & Resources Committee.

## 3. Health and Social Care Levy

The government announced in September 2021 that a new Health and Social Care Levy will be introduced on earnings to fund increases in health spending, alongside reforms to the provision and funding of social care. A 1.25% contribution is paid by both the employer and employee. The levy will be implemented in April 2023.

Before the levy is introduced all three rates of National Insurance Contributions will increase by 1.25% for both employer and employee in April 2022 for one year. This has the same effect as the levy, except that it will not apply to earnings over state pension age.

The new Health and Social Care Levy will be subject to the same reliefs, thresholds and requirements of the qualifying National Insurance contribution.

Both the temporary increase in National Insurance Contributions and the implementation of the new Levy will increase employment costs. The additional costs to fund the employer contribution are set out at Appendix 1.

#### 4. Review of NJC Scales and Job Evaluation

As part of the 2016-18 pay deal, the National Joint Council (NJC) agreed to conduct a review of the NJC pay spine. The primary reason for this review was the introduction of the Government's National Living Wage. The new spine points have now been agreed and implemented from 2020.

In order to meet both annual pay increases (estimated to average around 2%) and ensure that the Town Council continues to meet the Living Wage Foundation rates; a 10% increase in staffing costs is predicted over 5 years, which has been built into the income/expenditure projections at Appendix 1.

As part of the staffing reorganisation approved in April 2021, an annual saving of approximately £8,000 was achieved. However, the Job Evaluation of the Executive Officer & Town Clerk remained outstanding alongside a benchmark review of the posts that report to the Executive Officer & Town Clerk to ensure equity of pay grades across the organisation. Potentially this review could result in a scale point uplift for the four staff posts being reviewed. Any increase in establishment costs beyond the £8,000 saving has not been factored into this Strategy and therefore would need to be addressed either at budget setting in January 2022 or met within existing budgets for 2022/23 and considered as part of the review of this Strategy in November 2022.

#### 5. Pension Costs

All eligible staff have been auto-enrolled in the pension scheme and no eligible staff have opted out.

The actuarial valuation of the Leicestershire County Council Pension Fund is undertaken every three years, with that last valuation based on the position of each employing body at 31st March 2019.

Braunstone Town Council's employers' contribution rates for the three year period commencing 1st April 2020 has risen to 22.1%. The previous contribution 2016/17 – 2019/20 was 19.79%.

However, the most significant pressure placed on pensions will be the requirement to meet the extra entitlements resulting from any pay increases in excess of 2%.

#### 6. Potential rises in the Foundation Living Wage

In February 2015, the Town Council decided to pay the Living Wage, according to the criteria used by the Living Wage Foundation – which is based on the cost

of living linked to a basket of household goods and services. The current Living Wage is £9.50 compared to the National Living Wage of £8.91. The lowest NJC pay scale on Braunstone Town Council's establishment is new scale point 5, which is paid £10.01 per hour. The Government's National Living Wage is based on a target to reach 66% of median earnings by 2024. Under current forecasts this means a rise to £10.50 per hour by 2024. While the NJC review of the salary points takes account of this, predicted increases in the cost of living may result in a widening of the gap between the National Living Wage and the Living Wage Foundation rate, which could require the Town Council to review salary scales for some posts.

## 7. Investment in Asset and Infrastructure Improvements

Pressures on the revenue budget have squeezed the amounts the Town Council has to spend on improvements to its buildings, parks and playgrounds. The Council has an ambitious Capital Plan, which it aims to deliver through a combination of borrowing, direct payment from annual budgets and grants. The speed at which this happens has been reduced as a result of utilising reserves to reduce the impact of precept increases following the loss of Council Tax Support Grant. This has been compounded by the unforeseen reduction in income and potential increases in expenditure as a result of the Covid-19 pandemic and changes in the economy and supply chains.

### Current Financial Year (2021/2022)

The actual position in the revenue budget for the current financial year (2021/2022) for 1st April 2021 until 30th September 2021 is as follows:

	Budget (Half Year)	Actual (Half Year)
Income	£538,920	£417,877
Expenditure	£548,420	£426,011
Difference	-£9,500	-£8,134

Both income and expenditure to date is below anticipated levels due to the loss of facilities income and staff vacancies. Forthcoming expenditure includes insurance payments.

### Reserves

£18,000 was earmarked to be drawn down from reserves in 2019/20, however, it was not required since it was offset against the amount in the 2019/20 budget (£21,306) for Shakespeare borrowing repayments, which were not drawn down until the 2020/21 financial year. Therefore, the Council resolved in January 2020, half (£9,000) be earmarked to be drawn down from the reserve in 2020/21 and the other half in 2021/22 to reduce the impact of precept increases.

In the years the Council makes savings on loan repayments, £18,000 has been allocated in 2024/25 to replenish the reserve and £32,000 has been allocated in 2026/27 to replenish the actual reserve used in 2018/19.

## Committee Consideration

Policy & Resources Committee on 28th October 2021 considered the Council's medium term priorities and financial planning (Policy & Resources Committee minute 44) and approved the following:

1. that delegated authority be given to the Executive Officer & Town Clerk, in consultation with the Leader and Deputy Leader of the Council, to update the Report and the financial projections at Appendix 1, if necessary, following publication of the Office for Budget Responsibility's "Economic and fiscal outlook" report, published on 27th October 2021;
2. that a meeting be held between the Leader, Deputy Leader, Standing Committee Chairs and the Council's Management Team to plan and refocus the Council's priorities for the next 12 to 18 months;

the Policy & Resources Committee also recommended to Council for approval:

3. that the current projections attached at Appendix 1, based on known financial pressures identified in the report, along with the update provided following publication of the Office for Budget Responsibility's October 2021 "Economic and fiscal outlook", be noted;
4. that the Council's Priorities and Objectives, attached at Appendix 2, be used as the basis for calculating the annual budget and any external funding sought;
5. that the Council's General Reserves be used to invest in infrastructure and assets and in the development and remodelling of services, including the Town Council's operations; and
6. that the Financial, Treasury Management, Investment and Reserves Strategies, as set out in the report, be adopted.

Following publication of the Office for Budget Responsibility's (OBR) "Economic and fiscal outlook" report on 27th October 2021; the financial projections included at Appendix 1 remain unchanged, however, a summary of the OBR report and the reason for retaining the same financial projections has been included in a section of this report above.

## Recommendations

1. that the current projections attached at Appendix 1, based on known financial pressures identified in the report, be noted;
2. that the Council's Priorities and Objectives, attached at Appendix 2, be used as the basis for calculating the annual budget and any external funding sought;
3. that the Council's General Reserves be used to invest in infrastructure and assets and in the development and remodelling of services, including the Town Council's operations; and
4. that the Financial, Treasury Management, Investment and Reserves Strategies, as set out in the report, be adopted.

## Reasons

1. To provide a foundation for preparing budget estimates for 2022/2023 and beyond.
2. To ensure the Council focusses its activity and spending on its key priorities and objectives given the future financial uncertainties.
3. To ensure the highest possible standards within the resources available in the future.
4. To effectively manage the Council's cash flows, borrowing and investments, taking into account the associated risks.

**APPENDIX 1 – 5 YEAR INCOME / EXPENDITURE PROJECTIONS**

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
<b>Total Requirement</b>	£599,729	£600,726	£605,262	£609,934	£617,547	£623,312
<b>Plus Increase in costs</b>	£5,997	£18,022	£18,158	£12,199	£12,351	£6,233
<b>Reduced Income / Revised Budgets</b>	£0	£0	£0	£0	£0	£0
<b>Less Savings / Income Generation</b>	£5,000	£13,486	£13,486	£4,586	£6,586	£9,478
<b>Total including Savings</b>	£600,726	£605,262	£609,934	£617,547	£623,312	£620,067
<b>Additional Pension Provision</b>	£48,884	£50,616	£51,628	£52,661	£53,714	£54,788
<b>Additional Staffing Costs</b>	£46,351	£56,657	£62,557	£64,364	£70,057	£73,920
<b>Health / Social Care Levy</b>	£0	£2,440	£2,834	£3,007	£3,184	£3,365
<b>Additional Borrowing Repayments</b>	£40,000	£35,532	£35,532	£35,532	£35,532	£35,532
<b>Non-Earmarked Reserves</b>	-£19,000	-£2,500	£0	£18,000	£25,000	£32,000
<b>(Balance of Reserves)</b>	£84,452	£81,952	£81,952	£99,952	£124,952	£156,952
<b>Contingency</b>	-£20,000	-£20,000	-£10,000	-£5,000	£0	£5,000
<b>(Balance for Financial Year)</b>	£0	£0	£10,000	£15,000	£20,000	£25,000
<b>Capital Projects</b>	-£15,000	-£10,000	£0	£0	£7,000	£15,000
<b>(Balance for Financial Year)</b>	£10,700	£15,700	£25,700	£25,700	£32,700	£40,700
<b>TOTAL REQUIREMENT</b>	£681,961	£718,007	£752,485	£786,111	£817,799	£839,672
<b>Less Council Tax Support Grant</b>	£0	£0	£0	£0	£0	£0
<b>Net Precept</b>	£681,961	£718,007	£752,485	£786,111	£817,799	£839,672
<b>Band D (scaled Tax Base)</b>	4,888.95	£139.49	£146.86	£153.92	£160.79	£167.27
<b>% Increase</b>	5.51%	5.29%	4.80%	4.47%	4.03%	2.67%
<b>Average % Increase</b>	N/A	4.25%				
<b>£5 Increase on Band D (% increase)</b>	N/A	£144.49	£149.49	£154.49	£159.49	£164.49
<b>Receipt</b>		3.58%	3.46%	3.34%	3.24%	3.13%
		£706,406	£730,851	£755,296	£779,740	£804,185



# BRAUNSTONE TOWN COUNCIL

## ***BUSINESS PLAN 2021/2022***

### **Priorities & Objectives**

#### **APPENDIX 2**

#### **Town Council Mission**

The Council's Mission Statement sets out its vision to provide high quality services and support the needs of the community, while recognising that this is only sustained by ensuring that the resources to do it are available.

#### **Mission Statement - We exist:**

1. *to ensure that local services and the environment reach the highest possible standards within the resources available for citizens, visitors and those who work in Braunstone Town;*
2. *to provide a focus for civic pride;*
3. *to listen, identify and respond to agreed local needs; and*
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*"Spectemur. Agendo" translates "Let us be Judged by Our Actions"*

#### **Town Council Priorities (2021/2022)**

In addition, Key Priorities for the Town Council during 2021/2022 include:

##### 1. Shakespeare Park

The Town Council has commenced phase 1 of its ambitious plans to invest in the redevelopment and improvement of sporting, recreation and play facilities at Shakespeare Park. Works commenced on building a new pavilion and making improvements to the site in 2020, which is due for completion in Spring 2021. Tenders have been received for phase 2 of the project: improvements to the Tennis Courts and Playground; preferred contractors have been selected and once funding is in place works will commence. Once the new Pavilion is open the Town Council will work with the Bowls and Football Clubs to ensure the facilities can be accessed by the community, sport participation is increased and new sports and clubs are established, for example Tennis and Petanque.

##### 2. Community Centres

The Town Council is working on improvements to our community facilities at both Braunstone Civic Centre and Thorpe Astley Community Centre; this includes improvements to the Civic Centre toilet facilities, including the provision of a Changing Places Toilet, enabling the Civic Community Lounge to provide food and café services, and making improvements to community rooms and conferencing facilities.

### 3. Quality of Life Services

The Town Council continues to provide and support important quality of life initiatives, such as crime reduction and grants for community groups. The Town Council also seeks to play its part on tackling climate change and poor air quality, recognising the importance of air quality in the context of the new Lubbethorpe development, which could result in an increase in air pollution in Blaby District. Since 2014, the Town Council has supported the Local Area Co-ordination project connecting it with the community and by providing a base from which it can operate.

### 4. Enhancing a Socially Inclusive and Vibrant Community

Due to the Covid-19 Pandemic, many community groups and organisations have been unable to meet resulting in additional loneliness and isolation particularly among the most vulnerable. During 2021/22, the Town Council will work to ensure that community groups are supported and can be sustainable once the Covid-19 restrictions are lifted. In the long term the Town Council will seek to address any gaps in services that occur, for example where groups are no longer meeting due to the effects of the pandemic, to ensure support is provided. The Town Council will positively and proactively respond to the evolving and changing situation by developing and supporting the Covid-19 Community Response, as well as new and existing events and community/social inclusion initiatives in order to reduce isolation and build community cohesion.

### 5. Meet the needs of Thorpe Astley residents by facilitating the delivery of services and events at Thorpe Astley Community Centre

Consider whether there is a need to extend other Council services to Thorpe Astley Community Centre in order to reduce isolation and provide better access to services for Thorpe Astley residents. To provide a vibrant community centre, a place for community groups offering a range of activities and events for the community.

### 6. Braunstone Town Library

Responsibility for the management of Braunstone Town Library transferred to the Town Council in October 2019, ensuring the service is safe and will be retained. Unfortunately, plans to enhance the Library as a community facility have been delayed due to the Covid-19 pandemic. During 2021/22, as a community leader, the Town Council will seek the views and aspirations of the community in order to shape the future of the Library Service, while ensuring the sustainability of all services provided from the Civic Centre site.

### 7. Thorpe Astley Open Spaces

The Town Council has been responsible for the management and maintenance of Thorpe Astley open spaces since 2014, having received the developer commuted sums. The Town Council has completed the legal transfer of all open spaces at Thorpe Astley with the exception of Thorpe Astley Park. During 2021/22, the Town Council will work to ensure improvements are implemented to the Culvert and Thorpe Astley Park is transferred to the Town Council's ownership. The Council will then identify future investment and improvement to the parks and open space facilities in Thorpe Astley.

#### 8. Lubbesthorpe

The Town Council continues to represent the concerns of residents and monitor the impact upon their quality of life of the Lubbesthorpe construction, particularly the opening of the new link road to Thorpe Astley. Following a consultation, the Town Council is actively working with the developer and Blaby District Council to ensure that the land adjacent to the M1 bridge is suitably landscaped to provide protection for residents from the new road and to provide a leisure and recreation space.

#### 9. Efficient Services

Having made £35,700 in ongoing savings since 2015/2016 without impacting on the delivery of services, the Town Council continues to look to make efficiency savings while ensuring the existing services are safeguarded and where appropriate improved. Given the financial uncertainties identified in the Council's Medium Term Financial Planning analysis, the Town Council will seek to make £18,486 in ongoing savings over the next two financial years.

#### 10. Responding to Climate Change

In recent years the impact of climate change has become increasingly visible and public awareness more widespread. During 2021/22, the Town Council will develop a Strategy and an Action Plan in order to address the impact of its own activities on the climate. In addition, the Town Council will seek to provide leadership, including in partnership with the principal Councils and other organisations, to support the community to respond to the climate change agenda.

### **Town Council Objectives**

In addition to the Mission Statement and Priorities, the Council has key objectives relating to its Committees and Service Areas.

#### Planning and Environment Objectives

1. To ensure sustainable development, which meets the needs of the present generation without prejudicing the needs of future generations.

2. To improve the environment, in pursuit of which, objectives 3 to 7 below are contributors.
3. To seek high standards of design and construction within planning applications and to ensure all developments are consistent with environmental objectives.
4. To inform and consult local residents about major planning proposals, Development Plans and other planning initiatives by central and local government.
5. To work with others to minimise the impact from:
  - (a) traffic; and
  - (b) air and light pollution.
6. To promote responsible dog ownership and waste disposal.
7. To provide and maintain street seats and notice boards at key locations.
8. To monitor the New Lubbesthorpe development and to respond to any implications of that development for the environment of the Town.

### Community Development Objectives

Nurturing and enhancing community life, equal opportunities and social inclusion.

#### *Young people*

1. To create opportunities for young people to have a voice
2. To identify young people's needs and give support to new local initiatives including summer holiday activities

#### *Crime reduction services*

3. Reduce opportunities for crime, increase public safety and establish a community spirit

#### *Social inclusion, recreation & culture*

4. To work with our partners to attract increased funding and the provision of a wider range of sporting and other services at local level
5. To provide support for the Office of Town Mayor
6. To assist local clubs and societies to undertake their work for the benefit of the citizens of Braunstone Town
7. To direct grants to organisations where this will be of greatest benefit to the citizens of Braunstone Town
8. To organise arts events/ entertainment's/ Civic Occasions which bring people together
9. To encourage the formation of new community groups by promoting free/subsidised use of the Civic Centre
10. To promote social inclusion

### Corporate Management & Capital Project Objectives

1. To ensure effective management of the authority
2. To ensure effective implementation of the Council's policies and priorities
3. To ensure the Council's management arrangements, facilitate performance and efficient use of resources

4. To provide efficient and effective office services to support the Council's activities
5. To provide efficient and effective support to the democratically elected members to enable them to make policy decisions
6. To provide efficient and effective information to committees
7. To deal with telephone calls, and personal callers, promptly, courteously and efficiently
8. To ensure and arrange effective staff training
9. To develop a motivated workforce with the necessary knowledge, experience and skills to implement the Council's policies and services
10. To maintain adequate personal records, health and safety controls, and fire evacuation polices
11. To manage and control land and property belonging to the Council
12. To maintain an effective filing and retrieval system
13. To undertake capital projects for the benefit of the citizens of Braunstone Town
14. To ensure that major repairs and renewals are satisfactory and undertaken on Council owned buildings
15. To provide office accommodation for the Council's administrative staff
16. To ensure the Council engages with the Community concerning its activities, including with consultative bodies, such as the Citizens' Advisory Panel.

#### Community Centres Objectives

1. To provide and maintain high quality function rooms for use by hirers
2. To provide and maintain quality meeting rooms for Council and local community groups at low cost
3. To provide a Licensed Bar/Catering service for use by hirers and community groups at prices that are comparable with other similar establishments in the area
4. To maintain usage of the Centres for the benefit of the community

#### Open Spaces & Parks Objectives

1. To provide and maintain parks and open spaces to a high standard
2. To provide quality sports facilities to meet identified needs
3. To provide and maintain play equipment to a high and safe standard
4. To help fight pollution and climate change by planting trees on our parks

*Adopted by Council 28th January 2021 (Minute Reference 5895).*



# BRAUNSTONE TOWN COUNCIL

## CAPITAL PLAN 2021/2022

### APPENDIX 3

The Council's Capital Projects have been identified through identified emerging priorities, the Annual Survey, the Citizens' Advisory Panel and the Parish Plan. A review of the Council's Open Spaces and Parks identified priorities for Capital improvements should external funding arise, as a result Policy & Resources Committee on 11<sup>th</sup> April 2013 adopted "Proposals and Priorities for Improvements to Our Parks and Open Spaces", which form part of this programme.

Each year Policy & Resources Committee, when considering the budget estimates and precept for the forthcoming financial year, reviews progress with Capital Projects and updates the list according to funding and priorities. The Capital Plan forms the foundation of the strategic investment and improvement works undertaken by the Town Council in the year ahead. The Capital Plan proposals are considered and approved at Full Council in January when the budget and precept is set.

<b>Parks and Open Spaces Projects</b>		
<b>Park</b>	<b>Project</b>	<b>Notes</b>
Franklin park	Improvement items identified by the Franklin Park Working Group: completion of gravel path in orchard (to enable access to lower part when the ground is water logged)	Currently scheduled for 2021/22
Impey Close playground	Resurface playground with rubber mulch under play equipment and pathway (Rubber tiles damaged and in places missing. Surfaces having been damaged subject to continued vandalism).	Once open space registered with the Council
Mosssdale Meadows & Merrileys	Replace vehicle and pedestrian culvert bridges at Mosssdale Meadows. <i>Existing culverts are not suitable for flow of water which causes flooding on the park on a regular basis</i>	<b>Priority Project for 2021/22</b>
	Bridlepath resurfacing (from Kingsway entrance through to Jelson owned land)	On-hold pending review and availability of resources
	Possible resurfacing of footpaths	
	Toddler swings (estimated five year life span – medium risk) MM	
	Refurbishment of Changing Rooms and Sports facilities at Mosssdale Pavilion. <i>The Changing Facilities and Social Facilities could make more effective use of the space and are in need of improvement and modernisation.</i>	Once Shakespeare Park Improvements completed – scheduled 2021

<b>Parks and Open Spaces Projects (continued)</b>		
<b>Park</b>	<b>Project</b>	<b>Notes</b>
Mosssdale Meadows & Merrileys <i>Continued</i>	Roof Insulation at Mosssdale Depot and Sports Changing Rooms. <i>There is currently no central heating at the premises, with electric heaters for the staff room at the Depot. The building is not energy efficient and needs to be both in the short and long term to reduce energy use and costs.</i>	Once Shakespeare Park Improvements completed – scheduled 2021
	Flood Prevention at Parks Depot. <i>Depot has recently been the subject of flooding incidents following heavy and prolonged rain. The depot is lower than the adjacent concrete pathway. Engineer to design drainage/flood prevention scheme.</i>	Work in progress to undertake the work
	Installation of bio-fuel boiler at Mosssdale Pavilion for heating the Sports Facilities and Parks Depot. There is no heating at the premises. There are electric heaters for the staff room at the Depot, which are inefficient and a higher risk for fire. The Town Council has to pay at the Waste Disposal site to tip hedge and tree cuttings, which could be reused to fuel heating system.	Once Shakespeare Park Improvements completed – scheduled 2020
Shakespeare Park	Consider alternatives to respond to problems of burst water pipes from the water tank currently sited on top of the football changing rooms (possible options, heating of tank or removal and installation of electric showers in the changing rooms)	Part of Shakespeare Park Improvement and Development Project, currently scheduled for completion in Spring 2021.  <b><i>Priority Project underway and scheduled for completion in 2021/22</i></b>
	Replacement to Perimeter fencing of Tennis Courts	
	Bowling Club Pavilion – (has an expected 10 – 15 year life span remaining) Consider options for the long term future of the building and possible future wider community use, and replacement of building, and the existing club's involvement in sourcing funding opportunities for the replacement.	
	Provide additional basketball/netball nets/markings to existing tennis courts to provide an all-year use for the facility.	
	Additional balance in play area (2-5 or 5 – 12 age group)	
	Additional Spinning Equipment in play area (2-5 year or 5 – 12 year age group) including installation	

<b>Parks and Open Spaces Projects (continued)</b>		
<b>Park</b>	<b>Project</b>	<b>Notes</b>
Shakespeare Park <i>Continued</i>	Safety Surface installed at toddler area	<b>Priority Project underway and scheduled for completion in 2021/22</b> (see above)
	Additional seat in play area	
	Improvements to the entrance to the park area (access from the car park to the park)	
	Safety Surface in play area	
All Parks	Purchase of a wood chipper. <i>To enable the installation of a bio-fuel boiler at Mossdale Depot and Sports Changing Rooms. To reduce waste and waste tipping costs to tip hedge and tree cuttings, which could be reused to fuel heating system in pavilion. Chippings can also be used to make natural pathways.</i>	To be scheduled.

<b>Community Centres Projects</b>		
<b>Building</b>	<b>Project</b>	<b>Notes</b>
Civic Centre	Refurbishment of both sets of Toilets including exploring the provision of a Changing Places Toilet. <i>The current toilets are approximately 20 years old. The refurbishment of the toilets provided an opportunity to ensure that the Civic Centre toilet facilities are fully accessible.</i>	<b>Priority Project for 2021/22</b>
	Refurbishment of the Civic Centre Bar, Kitchen and Store Facilities (To enable the expansion of the facility to provide a café service during the day and additional lunches and meals, utilising the space more effectively and providing a wider community social space).	<b>Priority Project for 2021/22</b>
	Council Chamber internal refurbishment: <ul style="list-style-type: none"> <li>• Heating/Air Conditioning</li> <li>• Mood Lighting</li> </ul> Audio / Visual Equipment, including sound and loop system and fixed projector. <i>The facilities are in need of modernisation for users and hirers: the room is used for meetings, consultations, seminars, training and social events.</i>	On-hold pending review and availability of resources
	Sound proofing of Partition Doors between Ravenhurst / Winstanley Rooms. <i>Complaints from hirers about noise from adjoining room, potential impact on ability to hire both rooms separately.</i>	Not required if current proposals to refurbish toilets and provide a new kitchen facility go ahead.

Community Centres Projects		
Building	Project	Notes
Civic Centre Continued	Refurbishment/Replacement of Fire Doors in Council Chamber. <i>Some doors and frames are rotten and doors stick when the frames swell in the damp. Potential to hinder exit in an emergency.</i>	Currently scheduled for 2021/22
	Fosse Room – Audio / Visual Equipment, including sound and loop system and fixed projector (The facilities are in need of modernisation for users and hirers: the room is used for meetings, consultations, seminars and training).	Currently scheduled for 2021/22
	Civic Centre Roof Refurbishment; Council Chamber side. <i>The roof on the Council Chamber and Fosse Room is leaking and has received several patches. Advice is that the roof has passed its life expectancy and will need refurbishing in the short term.</i>	To be scheduled.
	Replacement of Civic Centre Windows. <i>The windows are over 20 years old and do not meet modern insulation standards. Some are unsafe to open.</i>	To be scheduled.
Both Centres	Repainting of Rooms in both Civic Centre and Thorpe Astley Community Centre where there is dirt or damage (to ensure rooms are attractive to hirers).	<b>Priority Project for 2021/22</b>
	Installation of hearing loop systems in main rooms at both Community Centres. <i>Item already included where refurbishment of specific rooms has been identified.</i>	To be scheduled.

Library Projects	
Project	Notes
Installation of LED lighting at the Library. <i>The Library building has not been converted to LED lighting; conversion will reduce energy use and costs.</i>	Scheduled for 2021/22.

<b>General Projects</b>		
<b>Location</b>	<b>Project</b>	<b>Notes</b>
Civic Centre and Franklin Park Car Parks	Resurfacing/ Relining of Civic Centre, including exploring new handrails along footpath on entrance slope from Welcome Avenue, and Franklin Park Car Parks. <i>Poor quality of the surface, particularly near entrances and patching is costly and inefficient. Lines are currently fading and can be relined following resurfacing. The slope at the Civic Centre is considered steep and potentially presented difficulties for wheel chair users and those who are less able.</i>	Currently scheduled for 2021/22
Installation of Solar Panels at both Community Centres and Shakespeare Park Pavilion	The Town Council has undertaken energy saving projects such as LED Lighting and installation of new heating and air conditioning systems. Shakespeare Park Pavilion will be built to current efficiency standards. The next stage for both reducing the impact on climate change and making savings is generation of some of the Council's electricity from renewable sources.	To be scheduled.
Improvements to Cycling Facilities	Cycle lock-up rails are available at both Centres and will be available at the new Shakespeare Pavilion. To encourage cycling and to ensure parked cycles are safe – consider covers, lock ups, better signage and CCTV coverage.	To be scheduled.
Gateway signage to the Town on the new road from Lubbesthorpe	The Town Council was responsible for the Town's place signs and would be responsible for installation of such signs at the new gateway and could explore incorporating speed reminders and/or safety messages.	To be scheduled once the road has been adopted by Leicestershire County Council.
Thorpe Astley Gateways	Gateway signage at the entrances to Thorpe Astley estate	Scheduled February / March 2021.
Provide new, improved and enhanced notice boards at key locations	Over the past few years, many notice boards have fallen into disrepair and have been removed. Some existing notice boards are in need of refurbishment and replacement. Some notice boards are located where there isn't a high level of footfall, while some key locations do not have notice boards.	Rolling programme over 5 years.

*Adopted by Council 28th January 2021 (Minute Reference 5896).*

## **APPENDIX 4 – RESERVES**

The table below summarises the balances at the beginning and end of the 2020/21 financial year:

<b>Table A – Balances 1st April 2020 – 31st March 2021</b>	
<b>1. Balances brought forward</b>	<b>£245,340.26</b>
2. (+) Annual precept	£646,304.00
3. (+) Total other receipts	£1,124,854.83
4. (-) Staff costs	£485,277.95
5. (-) Loan interest / capital repayments	£66,628.11
6. (-) Total other payments	£846,418.30
<b>7. (=) Balances carried forward</b>	<b>£618,174.73</b>

The table below summarises the current reserves and intended uses:

<b>Table B – Reserves 2021/2022</b>			
		<b>Start of Year</b>	<b>Current*</b>
Earmarked Reserves	<i>Shakespeare Pavilion Works</i>	£394,415.35	£63,137.13
	<i>Shakespeare Works Reserve</i>	£53,707.00	£14,321.00
	<i>Shakespeare Play/Tennis</i>	£4,000.00	£73,328.00
	<i>Balance Budget 2021/22</i>	£19,000.00	£16,838.08
	<i>Balance Budget 2022/23</i>	£0.00	£2,500.00
	<i>Gateway Signage</i>	£2,500.00	£2,500.00
	<i>Civic Centre Capital Projects</i>	£60,000.00	£60,000.00
	<i>Town Mayor's Charity</i>	£100.00	£0.00
	Total	£533,722.35	£232,624.21
Non-Earmarked Reserves	<i>Commutated Sums</i>	£47,375.12	£47,375.12
	<i>Library Transfer Grant</i>	£5,000.00	£0.00
	<i>General Reserve</i>	£32,077.26	£308,845.23
	Total	£84,452.38	£356,220.35
<b>Balance of Reserves</b>		<b>£618,174.73</b>	<b>£588,844.56</b>

\* Dated 30th September 2021.