

# Delegated Decision report



22 December 2020

## DRAFT COUNCIL BUDGET 2021/22 AND MEDIUM TERM FINANCIAL PLAN 2021/22 TO 2024/25

|                        |  |
|------------------------|--|
| Name of Cabinet Member | <b>Councillor Rob Middleton</b><br>(Cabinet member for Resources)  |
| Report sponsor         | <b>Steve Richardson</b><br>Director - Finance and Resources  |
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|   |                            |
|---|----------------------------|
| Exempt / confidential / not for publication | <b>No</b>                  |
| Council Plan reference                      | <b>1 – Balanced Budget</b> |
| Wards affected                              | <b>All wards</b>           |

### Executive Summary

This report recommends the draft Revenue Budget 2021/22 and latest Medium Term Financial Forecast 2021/22 to 2024/25, draft Capital programme for 2021/22 to 2024/25 and the draft Housing Revenue Account Budget 2021/22. It is noted that the budget consultation commenced on the 18 December 2020.

The details in this report have been prepared in accordance with the framework set out in the Medium Term Financial Outlook approved by Cabinet in September 2020.

The draft Revenue Budget includes the recommendation for a 2.50% Council Tax increase, including an Adult Social Care Precept of 0.51%.

The Council has faced significant cost and income pressures as a result of the pandemic crisis, and we have no way of knowing how long the economic recovery will take both on a national or local level. It is noted that the UK has now technically entered recession, one which many experts have characterised as the sharpest and deepest in modern history. In having to rapidly respond to the crisis we have had to re-consider how we deliver services in the future.

In the context of a very uncertain financial outlook we aim to achieve a sustainable medium-term financial position against a backdrop of unprecedented challenge and volatility, whilst continuing to actively deliver the Council's priorities as set out in the Council Plan.

## 1. Decisions to be Made

1.1 That Cabinet notes and endorses the following draft budget proposals, which are subject to the outcomes of consultation, which commenced on 18 December 2020 and confirmation of the Local Government Finance Settlement:

- (a) the draft Revenue Budget for 2021/22 (attached at **Annex F**) and latest MTFS forecast for 2021/22 to 2024/25 (attached at **Annex E**);
- (b) that the provisional Council Tax at Band D of £1,465.60 for the Milton Keynes element of the Council Tax be agreed for consultation, a 2.50% increase on the previous year (including 0.51% Adult Social Care Precept);
- (c) the Council's current estimate of the 2021/22 Business Rates Baseline, retaining the delegation to the Director of Finance and Resources to finalise this Baseline, based on the latest data for submission to Ministry of Housing, Communities and Local Government in January 2021;
- (d) the estimated position for the Dedicated Schools Grant and the planned consultation with schools and the Schools Forum;
- (e) that the Director of Children's Services to make decisions around the school funding formula, the funding arrangements for pupils with high needs and the early year's single funding formula for 2021/22 in consultation with the Cabinet Member for Children and Families and the Director for Finance and Resources (Paragraphs 2.46 - 2.50);
- (f) the draft Housing Revenue Account Budget, including a rent increase of 1.5%;
- (g) the projected advance payment of £17.606m for employer pension contributions for 2021/22 (paragraph 2.27);

- (h) the proposed fees and charges for 2021/22, which are exceptions to the Income and Collection Policy (attached at **Annex D (to follow)**);
- (i) the draft forecast parking surplus of £2.966m (attached at **Annex G**);
- (j) the draft Capital Programme for 2021/22 to 2024/25(attached at **Annex L**);
- (k) the resource allocation for the draft Tariff Programme (attached at **Annex M**); and
- (l) the equalities impact assessments for the draft Revenue Budget 2021/22, as set out in Section 3.

## 2. Why is the Decision Needed?

### 2.1 The purpose of this report is to:

- (a) ensure that the Council meets its legal obligations to set a robust balanced budget for 2021/22;
- (b) update and extend the Council's financial forecasts for the period 2021/22 to 2024/25; and
- (c) to set out our approach to addressing the financial challenges over the medium term and managing short term uncertainty.

2.2 The Council has a clear ambition as set out in the Council Plan and has made a commitment to continue to grow and enhance Milton Keynes through the MK Futures programme. These commitments are alongside the continued financial challenges for the Council.

2.3 The pandemic has placed a huge strain on the Council's finances. The issues caused by the pandemic and subsequent economic recession has placed demands on our services and pressure on our income budgets.

2.4 There are also a number of other significant financial issues facing the Council including:

- Uncertainty over the level of Central Government funding and delays to the timetable for reform and lack of clear national policy direction.
- The volatility of Business Rate income and the relatively small proportion retained locally, which does not offset demand increases.
- Significant financial pressures due to changing demographics, which creates a rising demand for Council services, in particular for adult and children's social care.

- Continuing financial pressures arising from homelessness and the costs of temporary housing.
- Potential impact of Brexit, including a no-deal Brexit, on the UK economy and how this might translate locally.
- The impact of real inflation on public services which exceeds the government measure of CPI and is anticipated to add in excess of £21m to our base budget over the next 4 years.
- The ability to collect debts from individuals and businesses is more challenging due to the economic climate, continuing impact of COVID-19 on normal recovery processes, including court availability and enforcement.

### ***General Resources - Ongoing***

2.5 The total ongoing resources forecast to be available over the medium-term are updated in Table 1.

**Table 1: Resources 2021/22 – 2024/25**

|   | <b>2021/22<br/>£m</b> | <b>2022/23<br/>£m</b> | <b>2023/24<br/>£m</b> | <b>2024/25<br/>£m</b> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Revenue Support Grant                   | (5.620)               | (5.727)               | (5.842)               | (5.959)               |
| Retained Business Rates                 | (52.632)              | (49.074)              | (50.981)              | (52.907)              |
| Council Tax (including parish precepts) | (134.979)             | (144.367)             | (150.884)             | (157.619)             |
| Public Health Grant                     | (11.562)              | (11.562)              | (11.562)              | (11.562)              |
| Use of New Homes Bonus                  | (2.751)               | (1.970)               | -                     | -                     |
| <b>Total Ongoing Resources</b>          | <b>(207.544)</b>      | <b>(212.701)</b>      | <b>(219.269)</b>      | <b>(228.048)</b>      |

### ***Government Funding***

2.6 There is significant uncertainty on what the level of Central Government funding will be over the medium term. As a result of the economic uncertainty caused by the COVID-19 pandemic the Chancellor confirmed only a roll-over one year settlement for 2021/22 in his November Spending Review.

2.7 At the time of writing this report the provisional Local Government Finance Settlement has not been released. The November Spending Review however, did make a number of announcements relating to Local Government funding for 2021/22. These are summarised as follows:

(a) One Off Funding - 2021/22

- Additional £1.55bn for COVID-19 pressures.
- £670m funding to compensate for the increased costs of providing Local Council Tax Support.
- Extension of the existing Covid-19 sales, fees and charges reimbursement scheme for a further 3 months until the end of June 2021.
- £300 million of grant funding for adult and children's social care (£150m of new funding, £150m to be taken from other existing funding e.g. New Homes Bonus).

The allocations of this one-off funding had not been announced at the time this report was prepared. In order to develop these draft budget proposals, we have made an assessment of a likely allocation based on previous methods used by government. A further update will be included in the final Budget report in February 2021.

(b) Other Announcements

- Confirmation of Council Tax referendum principles and Adult Social Care precept (see paragraph 2.13).
- Maintaining the existing New Homes Bonus scheme for a further year with no new legacy payments. This additional year is an estimated one-off £2.4m benefit in 2021/22 for the Council. The government will consult on reforms to the New Homes Bonus shortly, with a view to implementing reform in 2022-23.
- Pay freeze for those earning above £24,000.

2.8 Earlier this year, the government announced that it would delay the move to 75 per cent Business Rates Retention and the implementation of the fair funding review. This decision was to allow local authorities to focus on meeting the public health challenge posed by the pandemic. In order to provide further stability to the sector, the government has decided not to proceed with a reset of business rates baselines in 2021-22 and will maintain the existing 100 per cent business rates pilots for a further year.

### ***Business Rates Baseline***

- 2.9 The Local Government Finance Act 2012 gave local authorities the power to retain a proportion of funds obtained from business rates in their area. The changes under the 'Localisation of Business Rates' mean that from April 2013 local authorities retain a share of the income they collect from business rates, as funding to meet the cost of service provision.
- 2.10 The Ministry of Housing, Communities and Local Government (MHCLG) guidance indicates that each billing authority should formally set a Business Rate Baseline each year. This baseline reflects the authority's estimate of the business rates it forecasts to collect in the following financial year, offset by any reductions such as reliefs and the estimated cost of successful rateable value appeals.
- 2.11 The calculation of the Council's 2021/22 Business Rate Baseline must be formally approved, and then be submitted to MHCLG, through a statutory return by 31 January 2021.
- 2.12 Table 2 shows the forecast 2021/22 Business Rate Baseline distributed through MHCLG's funding model.

**Table 2: Business Rates Baseline Distribution**

|  | <b>2021/22<br/>£m</b> |
|--|-----------------------|
| Milton Keynes Council Business Rate Baseline (total business rates collected after deductions) | <b>(156.5)</b>        |
| <i>50% Central share paid to Government</i>  | <i>78.2</i>           |
| <i>1% share paid to Buckinghamshire and Milton Keynes Fire Authority.</i>                      | <i>1.6</i>            |
| <i>Deductions for Tariff paid to Central Government</i>  | <i>28.8</i>           |
| <i>Levy paid to Central Government/Section 31 grant receivable</i>                             | <i>(4.5)</i>          |
| <i>Renewable energy (100% retained)</i>  | <i>(0.2)</i>          |
| <b>Milton Keynes Council forecast retained Business Rates Funding</b>                          | <b>(52.6)</b>         |

## ***Council Tax***

2.13 The 2020 Spending Review confirmed the following:

- Council Tax referendum limit set at up to 2%.
- 3% Adult Social Care Council Tax Precept, with the option for spreading over 2021/22 and 2022/23.

2.14 The draft budget includes the following Council Tax increases:

**Table 3 – Council Tax**

|                       | <b>2021/22</b> | <b>2022/23</b> | <b>2023/24</b> | <b>2024/25</b> |
|-----------------------|----------------|----------------|----------------|----------------|
| MKC Band D            | 1.99%          | 1.99%          | 1.99%          | 1.99%          |
| ASC Precept           | 0.51%          | 2.49%          | 0.00%          | 0.00%          |
| <b>Total Increase</b> | <b>2.50%</b>   | <b>4.48%</b>   | <b>1.99%</b>   | <b>1.99%</b>   |

2.15 All Council Tax Base assumptions have been reviewed in light of the potential impact of the COVID-19 global pandemic. This has resulted in a reduced Tax Base for 2021/22 compared to 2020/21. Further details are available in the Tax Base report presented to Cabinet on 15 December.

2.16 Overall Council Tax income is anticipated to increase by £2.401m in 2021/22; this total comprises £3.082m generated from a 2.50% increase to the charge, and a reduction of £0.681m arising from the reduced Tax base.

## **General Fund Expenditure**

2.17 In light of the current situation we have fully refreshed our baseline assumptions of, demand, demography and inflation.

2.18 Additional COVID-19 related demand pressures are estimated at £12.5m and are included within the pressures schedule (**Annex A**). They have been based on a number of key assumptions which we published with the September Cabinet report:

- COVID-19 to remain in general circulation.
- General government measures remain in place.
- No new national or local lockdown.
- Customer behaviour will change and move towards a new norm of reduced social interaction and suppressed demand for discretionary spending
- Schools will remain open
- 2022/23 – 2024/25 - assume will be the same and model changes in inflation, demand and other known issues.

- 2.19 Whilst a new vaccine is now just starting to be rolled out, the timeframes for this are long and it is not yet known how effective or to what extent this will stop the spread of the virus. We are continuing to develop our assessment of service costs beyond 2021/22 due to the high level of uncertainty that currently exists, this will need to be assessed as part of the 2021/22 financial monitoring work. At this stage we have continued to make allowances for known and expected changes to key cost drivers such as population growth from 2022/23 onwards.
- 2.20 In determining the forecast draft Revenue Budget expenditure for 2021/22 the following forecasting assumptions have been made:

**Table 4: Forecasting Assumptions 2021/22**

|                             | 2021/22 |
|-----------------------------|---------|
| General Pay Inflation*      | 0.0%    |
| General Non-Pay Inflation** | 0.0%    |
| Fees and Charges            | 2.0%    |

\* pay freeze for those earning above £24,000

\*\*assumes must be contained within existing budgets

- 2.21 Exemptions to the 2.0% increase in fees and charges are listed in **Annex D**.
- 2.22 Contractual inflation is based on existing contract agreements. Some of the larger contracts are detailed in Table 5.

**Table 5: Contractual Inflation Assumptions 2021/22**

|   | 2021/22 |
|---|---------|
| SERCO – Waste Collection - DTI Indices      | 2.75%   |
| SERCO – Street Cleansing - DTI Indices      | 2.75%   |
| SERCO – Food and Garden Waste - DTI Indices | 2.75%   |
| SERCO – Landscape - DTI Indices             | 2.50%   |
| Ringway - highways works                    | 1.85%   |
| Ringway - street lighting works             | 1.76%   |
| Excel Care                                  | 3.45%   |
| Extracare                                   | 2.31%   |

### **Cost Pressures**

- 2.23 Cost pressures have been refreshed from February. Pressures identified in the draft Budget 2021/22 are summarised below in Table 6 and detailed in Annex A.

**Table 6: Budget Pressures 2021/22 – 2024/25**

| <b>Budget Pressures by Category</b>          | <b>2021/22<br/>£m</b> | <b>2022/23<br/>£m</b> | <b>2023/24<br/>£m</b> | <b>2024/25<br/>£m</b> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Demography                                   | 4.998                 | 2.160                 | 2.200                 | 2.206                 |
| Demand - Exceptional                         | 10.745                | (0.337)               | 0.000                 | 0.000                 |
| Demand - New                                 | 2.093                 | 0.080                 | (0.200)               | (0.200)               |
| Legislative                                  | (0.124)               | 1.528                 | 1.032                 | 0.158                 |
| Policy Choice                                | 0.275                 | 0.050                 | 0.050                 | 0.000                 |
| Contractual Change                           | 0.748                 | 0.000                 | 0.000                 | 0.000                 |
| <b>Total Ongoing Service Pressures</b>       | <b>18.735</b>         | <b>3.481</b>          | <b>3.082</b>          | <b>2.164</b>          |
| Unidentified Pressures                       | 0.000                 | 1.500                 | 1.500                 | 1.500                 |
| <b>Total Ongoing Pressures</b>               | <b>18.735</b>         | <b>4.981</b>          | <b>4.582</b>          | <b>3.664</b>          |
| Total One-off Budget Pressures (See Annex B) | 1.385                 | 0.676                 | 0.237                 | 0.081                 |

- 2.24 On-going budget pressures of £18.7m in 2021/22 will be funded from on-going resources, together with £2.9m one-off COVID-19 grants. In addition, a further £1.4m of one-off expenditure has been identified (**Annex B**). The funding for one-off expenditure is detailed in Table 7.

**Table 7: Funding for One-Off Expenditure 2021/22 - 2024/25**

|                              | <b>2021/22<br/>£m</b> | <b>2022/23<br/>£m</b> | <b>2023/24<br/>£m</b> | <b>2024/25<br/>£m</b> |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Strategic Development Fund   | 0.050                 | 0.000                 | 0.000                 | 0.000                 |
| Events Reserve               | 0.000                 | 0.050                 | 0.000                 | 0.050                 |
| Social Care Fund             | 0.289                 | 0.000                 | 0.000                 | 0.000                 |
| New Homes Bonus              | 0.629                 | 0.350                 | 0.000                 | 0.000                 |
| Corporate Property Reserve   | 0.100                 | 0.050                 | 0.000                 | 0.000                 |
| COVID-19 Support Grant       | 0.317                 | 0.226                 | 0.237                 | 0.031                 |
| <b>Total One-off Funding</b> | <b>1.385</b>          | <b>0.676</b>          | <b>0.237</b>          | <b>0.081</b>          |

### **Pensions**

- 2.25 The Buckinghamshire County Council Pension Fund is currently revalued every three years. The latest valuation by the actuary based on 31 March 2019 data set out the primary and secondary contribution rates for all employers in the Fund for the period from 1 April 2020 to 31 March 2023.

- 2.26 Under current Pension regulations, it is possible to pay employer pension contributions in advance rather than monthly. The Council paid the non-schools employer's contributions for 2020/21 on 1 April 2020 as a cash lump sum at a cost of £16.989m. This is projected to generate an estimated one-off saving of £0.405m as the Pension Fund is able to invest these funds earlier.
- 2.27 It is also now proposed that the 2021/22 contributions are paid up front on 1 April 2021 as a cash lump sum of £17.606m with an estimated one off saving of £0.341m. A decision on any future payments will be included in subsequent budget reports. Any savings will be transferred into the Pension Reserve to mitigate any potential risk on future pension revaluations.
- 2.28 The payments in advance are summarised in Table 8.

**Table 8 – Advanced Pensions Payments**

|                                   | 2020/21<br>£m  | 2021/22<br>£m  | 2022/23<br>£m* |
|-----------------------------------|----------------|----------------|----------------|
| Contributions if paid monthly     | 17.391         | 18.025         | 18.682         |
| Contributions if paid 1 April     | 16.986         | 17.606         | 18.247         |
| <b>Projected Saving</b>           | <b>(0.405)</b> | <b>(0.419)</b> | <b>(0.435)</b> |
| Loss of Interest on Cash Balances | 0.066          | 0.078          | 0.091          |
| <b>Net saving</b>                 | <b>(0.339)</b> | <b>(0.341)</b> | <b>(0.344)</b> |

\*Future payment to be reviewed

- 2.29 We will review this calculation as part of the final budget in February 2021 to update this assessment for 2021/22 and the projected saving.
- 2.30 The next pensions revaluation is expected to be from April 2023. The impact of COVID-19 on this revaluation and the required level of employer's pension contributions is unknown. A pensions reserve has therefore been created from the savings made from the advanced pension payment to mitigate against this risk. The estimated balance of this reserve at 31 March 2021 is £2.158m. The MTFP includes further contributions to this reserve of £0.510m per annum.

***Summary of Forecast Financial Position***

- 2.31 As a consequence of the financial impact of COVID-19 and continuing increases in demand for services the Council needs to address a £29.68m financial deficit over the next four years.
- 2.32 So far, the Council has identified specific proposals, which could address up to £14.7m of these financial pressures but there is still significant work ahead to identify how the remaining gap can be addressed.

2.33 Table 9 summarises the four year MTFP, and the draft approach to address this position is set out in paragraphs 2.33 – 2.41.

**Table 9: Medium Term Financial Forecast**

|  | 2021/22<br>£m  | 2022/23<br>£m  | 2023/24<br>£m | 2024/25<br>£m | Total<br>£m   |
|--|----------------|----------------|---------------|---------------|---------------|
| Government Funding Adjustments             | 2.433          | 5.400          | (0.019)       | (2.011)       | 5.803         |
| Other Funding Sources                      | 5.299          | (8.993)        | (6.108)       | (6.314)       | (16.116)      |
| Pay, Contract and Other Inflation          | 3.867          | 5.750          | 5.676         | 5.866         | 21.159        |
| Budget Service Pressures                   | 19.073         | 5.196          | 4.797         | 3.879         | 32.945        |
| Budget Delivery                            | (13.329)       | (0.694)        | 0.000         | 0.000         | (14.023)      |
| Corporate Measures                         | (6.143)        | (0.227)        | 2.600         | 1.000         | (2.770)       |
| Capital Financing Costs                    | 0.906          | (0.200)        | (0.200)       | (0.200)       | 0.306         |
| One-off Pressures                          | 1.385          | 0.676          | 0.237         | 0.081         | 2.379         |
| <b>Total Pressures</b>                     | <b>13.491</b>  | <b>6.908</b>   | <b>6.983</b>  | <b>2.301</b>  | <b>29.682</b> |
| Budget Reductions and Income Proposals     | (9.227)        | (0.315)        | (1.918)       | (0.902)       | (12.362)      |
| Less Reserves applied to one-off pressures | (1.385)        | (0.676)        | (0.237)       | (0.081)       | (2.379)       |
| <b>Budget Gap</b>                          | <b>2.879</b>   | <b>5.917</b>   | <b>4.828</b>  | <b>1.318</b>  | <b>14.941</b> |
| <b>Use Of Reserves</b>                     | <b>(2.879)</b> | <b>(3.813)</b> | <b>6.692</b>  | <b>0.000</b>  | <b>0.000</b>  |
| <b>Net Ongoing Position</b>                | <b>(0.000)</b> | <b>2.104</b>   | <b>11.520</b> | <b>1.318</b>  | <b>14.941</b> |

***Budget Approach***

*Management Action Plan*

2.34 In February 2020 a Transformation programme was approved with a savings target of £5.500m. In response to the disruption caused by the COVID-19 crisis the programme was reviewed as part of a wider Management Action Plan, with a change in focus and time scale. This has been further reviewed for the Draft Budget and Table 10 provides a summary.

**Table 10: Management Action Plan Savings**

|                               | 2020/21<br>£m | 2021/22<br>£m | 2022/23<br>£m | 2023/24<br>£m | 2024/25<br>£m | Total<br>£m  |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|--------------|
| Property Commercialism        | 0.500         | 0.000         | 0.000         | 0.500         | 0.250         | 1.250        |
| Management Restructure        | 0.500         | 0.250         | 0.000         | 0.000         | 0.000         | 0.750        |
| Social Care and Homelessness  | 0.250         | 0.250         | 0.500         | 0.000         | 0.000         | 1.000        |
| Older Peoples Services Demand | 0.500         | 0.000         | 0.000         | 0.000         | 0.000         | 0.500        |
| Customer Services and Digital | 0.250         | 0.093         | 0.200         | 0.457         | 0.000         | 1.000        |
| Organisational Efficiency     | 0.100         | 0.000         | 0.000         | 0.000         | 0.000         | 0.100        |
| Operational Property Savings  | 0.000         | 0.250         | 0.150         | 0.000         | 0.000         | 0.400        |
| Rapid Service Reviews         | 0.250         | 0.250         | 0.000         | 0.000         | 0.000         | 0.500        |
| <b>Total</b>                  | <b>2.350</b>  | <b>1.093</b>  | <b>0.850</b>  | <b>0.957</b>  | <b>0.250</b>  | <b>5.500</b> |

2.35 One-off funding of £3.717m has been set aside to support the delivery of the Management Action Plan.

2.36 Work has commenced on all of these initiatives; examples include:

- **Property Commercialism** - the Council is working with MKDP to deliver growth in revenue streams through its investment in development and property acquisitions within Milton Keynes which contributes to the continued growth of the borough. The first of these developments is underway. An income target of £0.500m is on track to be delivered in 2020/21.
- **Corporate restructure** - review of the top 3 tiers of the management restructure completed (£0.623m saving to date). The target for 2020/21 has been fully delivered.
- **Social Care and Homelessness** - Older People services savings planned for 2020/21 of £500k have been fully delivered through improved demand management actions. Work is progressing in homelessness to improve our approach to prevention and reduce the use and cost of using temporary accommodation. The impact of COVID-19 has impacted, in particular in social care with significant disruption. Despite this the Council has continued to deliver key services and new demand.

- **Customer Services and Digital Transformation** - we are rapidly expanding and repurposing our customer contact centre into a local help hub, with a greater emphasis on phone access and offering more than the current range of services (for example handling the initial contact from people who are at risk of being made homeless) and with the capacity to grip and resolve problems rather than signpost. A review of demand (current and future) is in progress to identify the level of savings that can be delivered in 2020/21. Planned savings were deferred due to the impact of COVID-19 and increase in demand for support, with an additional 4 staff redeployed into the team to help manage this. Total budget savings of £0.343m have been identified and in the process of being implemented.
- **Organisational Efficiency** - in year savings are being achieved to deliver this through a rationalisation of non-essential spend. This target will be exceeded in 2020/21 as part of a wider approach to mitigate new unfunded budget pressures arising from COVID-19. A base budget saving of £0.585m has been achieved from 2021/22 onwards following a comprehensive review.
- **Operational Property Savings** - continue to review the council's operational asset portfolio and explore the benefits of increased home working. Through a rationalisation of administrative buildings savings of £0.400m will be delivered in future years.
- **Rapid Service Reviews** - programme currently underway to consider how services will operate following changes in demand and delivery as a result of COVID-19.

2.37 To date £2.064m savings have been achieved and work will continue on delivery of the savings in the Management Action Plan.

#### ***Other Transformation Work Streams***

2.38 In addition to the Management Action Plan, further work streams have also been developed to offer both service transformation to improve outcomes and reduce costs. Some of the key areas currently being progressed include:

#### ***Environmental Services - Commissioning Strategy***

2.39 The Council is developing a comprehensive commissioning approach for a number of its key Environmental Services contracts. This involves an alignment of key contract dates to optimise the opportunities in 2023 to deliver a more holistic approach to how Waste Management services are provided for local residents. As this programme develops the opportunities for service improvements and costs savings will be fully explored to help deliver the wider priorities of the Council Plan.

### *Asset Management - Review of Property Portfolio*

- 2.40 A complete review of the Council's operational asset portfolio is in progress to ensure that the Council has the assets it needs to deliver modern front line services and facilities. This will identify both future investment need and opportunities to rationalise the current estate to deliver both capital investment and revenue savings.

### *Demand Management*

- 2.41 The Council has been successful at managing demand in its key front line service areas. This has helped it to manage some of the significant financial challenges in recent years. This work will continue to be a priority in managing future budget pressures and ensuring that resources are prioritised to the greatest needs of our residents.
- 2.42 The draft budget includes proposals to invest further to remodel and improve how the Council manages homeless demand through improved prevention services, collaboration and how temporary accommodation is sourced. Over a 5 year period the Council aims to both manage new demand and reduce the existing number of families in temporary accommodation to release savings of £4.785m by 2024/25.

### *Parking Account*

- 2.43 The Council provides car parking to serve local residents, businesses and visitors with charges set for parking management purposes in accordance with section 45 and 122 of the Road Traffic Regulation Act 1984.
- 2.44 As in previous years, the Council has estimated the likely income it will receive from car parking in 2021/22, the costs that are required to manage car parking, and has considered the need for additional car parking.
- 2.45 As a result of this process it has been identified that, whilst income will be considerably lower than previous years, car parking is expected to generate a surplus in 2021/22, which will be transferred to the General Fund for use (subject to the level of surplus) in accordance with section 55(d) of the Road Traffic Regulation Act 1984 to fund:
- off street parking provision;
  - public transport;
  - highways and road improvements; and
  - environment Improvements.
- 2.46 **Annex G** outlines the forecast parking surplus and the proposed use of this surplus as part of the draft Budget 2021/22. This is significantly lower than in previous years due to the impact of COVID-19 on demand.

### ***Dedicated Schools Grant***

- 2.47 The Dedicated Schools Grant (DSG) is a ring-fenced grant supporting individual schools, academies and other pupil related expenditure as defined in the School and Early Years Finance (England) Regulations 2020. The grant and expenditure is monitored closely by the Schools Forum (a committee of the Council).
- 2.48 Due to the extremely short national timescales required to make decisions around schools funding, this report requests for delegated authority to be given to the Director of Children’s Services (in consultation with the Cabinet Member for Children and Families and the Director of Finance and Resources) for changes to and sign off of the 2021/22 final arrangements in respect of the school funding formula, the funding arrangements for pupils with high needs and the early years single funding formulae.
- 2.49 This is required because the national timescales (set by Department for Education) do not align with the Council’s budget setting timescales and because there are a number of budget areas where the Schools forum has a decision making role that it will exercise at their meeting on 14 January 2021. The deadline for submitting the final schools budget authority proforma tool (APT) to the Education and Skills Funding Agency (ESFA) is the 21 January 2021 which is before the formal ratification of the Council’s budget takes place. Delegated approval to the DCS has been agreed for the last four years but prior to this year was taken as a separate delegated decision.
- 2.50 Final funding allocations will not be received until late December as these will be updated reflecting the latest October pupil census data. A number of other proposed changes by the DfE are currently only estimated and will not be confirmed until the final allocation is received. The whole of the early years block will not be confirmed until July 2021 as this will be updated based on January 2021 census data. It is expected that there will be a pressure on the growth fund and a consultation with all schools has taken place during November on options to manage this shortfall.
- 2.51 The 2021/22 draft DSG budget can be found within the Schools Forum reports in the following link (Item 2.6) <https://milton-keynes.cmis.uk.com/milton-keynes/Calendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/6744/Committee/1370/Default.aspx>.

### ***Housing Revenue Account***

- 2.52 The Housing Revenue Account (HRA) is a ring-fenced account, which is used for income and expenditure relating to the provision of housing by the council to tenants and leaseholders. It is funded by rents rather than from Council Tax.
- 2.53 There was a major change to the financing of the HRA from April 2012, due to the implementation of the “Self-Financing” regime. This change meant the Council took on £170m of debt in exchange for no longer paying negative Housing Subsidy. Income and expenditure of the HRA is now based largely on local rather than national decisions, and reflects investment informed by the HRA Business Plan and Asset Management Plan.
- 2.54 A further major change was announced in the October 2018 budget, when the “Debt Cap” which had limited councils’ ability to borrow to invest in housing was abolished. Councils are now able to borrow for housing purposes under the same “Prudential Code” regime as applies to borrowing for non-housing purposes. Officers are currently assessing how this change can help accelerate delivery of the Council Plan objectives to deliver new council housing and regeneration. This has resulted in a draft HRA Business Plan and associated financial model being considered by Cabinet on 1 September 2020, and a finalised HRA Business Plan , financial model, and recommended Housing Capital Programme will be submitted to Cabinet on 2 February 2021. Any consequent revisions to the HRA budget for 2020/21 and Medium Term Financial Plan will be included at that time.
- 2.55 Table 11 shows the summary draft 2021/22 budget for the HRA, which is compared to the 2020/21 Budget in **Annex H** to the report.

**Table 11: Summary of the HRA Budget**

| <b>Item</b>  | <b>2021/22 (£m)</b> |
|--|---------------------|
| <b>Income:</b>   |                     |
| Dwelling rents   | (53.925)            |
| Other income   | (2.594)             |
| <b>Total income</b>                                      | <b>(56.519)</b>     |
| <b>Expenditure:</b>                                      |                     |
| Repairs and maintenance                                  | 11.029              |
| General Management and Special Services                  | 16.411              |
| Interest and repayment of borrowing                      | 10.749              |
| Funding for future capital repairs (depreciation charge) | 13.800              |
| Funding for future capital improvement works (RCCO)      | 3.916               |
| Contribution to provision for bad debt                   | 0.614               |
| <b>Total Expenditure</b>                                 | <b>56.519</b>       |
| <b>Net budget for the year</b>                           | <b>-</b>            |

- 2.56 The minimum level of prudent HRA reserve to cover unforeseen adverse circumstances has been assessed at £6.162m as in **Annex K**. The medium term projection in **Annex J** indicates that HRA reserves will remain above this minimum level for the medium term planning period. The overall working balance is forecast to remain at £7.259m for the period ending 31 March 2022.

### **Capital**

- 2.57 Table 12 summarises the Council's capital resources and expenditure needs. The detailed Capital Programme is available at **Annex L**.
- 2.58 Whilst the table shows an excess of resources over planned expenditure, £6.419m of this funding is Education specific, meaning there is no unallocated funding to fund any new Capital projects within the current Programme. If new capital projects are required, alternative funding sources will need to be sought. In light of this, there are no new projects for strategic allocation within the programme. Projects within the existing programme have been reviewed and where necessary expenditure profiles revised. New projects have only been added where new ring-fenced funding has been identified.
- 2.59 There are a number of areas which are not currently included within the capital programme and will require funding in the future, therefore increasing the overall funding shortfall. A pipeline programme has been developed, these still either need to be worked up further or require funding before they can be considered for inclusion in the main programme.

- 2.60 The Capital Strategy sets out the approach that the Council takes in prioritising its Capital Investment Programme including financing and the way that this activity is managed across the organisation. The expected increase to the financial pressures over the medium term on the revenue budget will mean that a key priority will be focused around schemes that deliver financial returns or reduce existing asset lifecycle costs. The Capital Strategy is currently being reviewed and will be presented to Cabinet in February 2021.

**Table 12: Forecast Medium Term Summary of Capital Resources and Expenditure**

|   | 2021/22         | 2022/23        | 2023/24        | 2024/25        | 2025/26<br>Onwards |
|---|-----------------|----------------|----------------|----------------|--------------------|
|   | £m              | £m             | £m             | £m             | £m                 |
| Capital Resources                           | 121.618         | 111.842        | 77.149         | 11.951         | 15.575             |
| Capital Expenditure                         | 103.929         | 120.200        | 79.830         | 11.848         | 15.908             |
| <b>Net Position<br/>(surplus) / deficit</b> | (17.689)        | 8.358          | 2.681          | (0.103)        | 0.333              |
| Cumulative Position<br>(surplus) / deficit  | <b>(17.689)</b> | <b>(9.331)</b> | <b>(6.650)</b> | <b>(6.753)</b> | <b>(6.420)</b>     |

### ***Capital Funding***

- 2.61 The capital programme is funded from various sources including Single Capital Pot Grant and other specific Government grants, capital receipts, revenue contributions and prudential borrowing. The scale of development within Milton Keynes means that the Council receives considerable sums of developer contributions which are also used in the financing the capital programme.

### **S106 Funding**

- 2.62 S106 funding is a key resource in supporting the Council to mitigate the impact of growth. The use of S106 funding must be managed carefully to address both local and strategic needs. Developer Contributions (S106) are included in the Capital Programme or to fund projects which meet the specification outlined in the S106 agreement.
- 2.63 The S106 funding received from developers is often a contribution toward total project costs. As appropriate schemes are developed through the Capital Programme processes, these resources are used towards the delivery of the full project.
- 2.64 S106 funding is closely monitored, with a greater focus on those schemes nearing their expiry date in order to ensure all available resource is used to deliver community facilities and infrastructure as intended.

- 2.65 The development of the capital programme has incorporated consideration of S106 funding, so resources are used in the most effective manner to address necessary schemes. This process has also included reviewing unidentified funding to ensure that this is allocated to future projects. Work is still ongoing to identify individual schemes and future allocations will be updated as schemes are developed.
- 2.66 A total of £4.177m new S106 funding has been allocated within the Capital Programme.

### **Tariff**

- 2.67 The Milton Keynes Tariff is a unique s106 based 'umbrella' arrangement covering development in the expansion areas covered by the previously designated 'Urban Development Area'. Through the Tariff mechanism, the Council will collect over £310m in developer contributions over its lifetime, which will be re-invested in a Programme of strategic and local infrastructure covering a total of 18 'portfolios', 11 of which are delivered through the Council.
- 2.68 The Capital Programme includes resourcing of various Council led projects from the Tariff. As the operator of the Tariff, the Council is also responsible for controlling expenditure across the whole Tariff mechanism. This is managed by approving Resource Allocation for future schemes as part of a medium term plan, with a spend approval stage before individual projects commence.
- 2.69 **Annex M** shows a breakdown of the Tariff resource allocation for 2021/22 and indicative allocation for the next four years, both for projects to be delivered by the Council and those managed by our partner organisations. The allocation of tariff resources was agreed in the original Tariff Delivery Plan. Changes to the timing of delivery of these projects have been made to reflect actual housing delivery and infrastructure requirements.
- 2.70 Tariff resource allocation includes both amounts to be financed through cash and others to be completed by works in kind. Tariff allocations to the Council's projects totalling £14.900m are included within the Capital Programme. New requests for use of tariff funding will be sought on a project by project basis in line with the agreed process for entry into the Capital Programme.

### **Risks**

- 2.71 A key part of the draft budget is the review of key financial risks. We have reassessed the budgetary risks and where possible looked to mitigate these. It should be noted however that most of the significant risks are not within the direct control the Council and it is therefore critical in setting a robust and legal budget that we make sufficient provision within service budgets using available evidence to manage reasonable variations. The base budget for

2021/22 has been rebased to reflect the most recent experience and impacts of COVID-19. This has been reviewed with the services to reach an assessment of the most likely position using the core assumptions that we set out in the September Cabinet report.

- 2.72 Our full budget risk assessment is set out at **Annex P**. There are 5 key external risks which are summarised below:

**COVID-19 Pandemic** - this has created the biggest uncertainty for all organisations in planning, managing and responding to the fast changing situation. The draft budget has been developed to take account of this impact as far as is possible and to set a realistic position for continued service delivery and consumption in 2021/22. We have not anticipated further government support beyond what has been announced in the Spending Review. These budget proposals will be revised once the actual funding allocations are announced. The Council is continuing to operate additional controls around spending to ensure that this is necessary and appropriate in the current circumstances. Additional monitoring and scrutiny is being applied across budgets and critical contracts.

**Government Funding** - the uncertainty of local government funding beyond 2021/22, makes longer term financial planning very challenging. Prior to COVID-19 major reforms were expected which would have provided greater certainty and a reset of local government funding distribution. A key part of this was an increasing reliance on the use of Business Rates income to fund local services. There is now no timeframe in place for this and in light of recent events attitudes towards the use of business rates as an increasing element of local government funding have changed. The review of Social Care funding has been delayed and at this stage there is no clear or obvious solution. In the short term Councils with responsibility for Social Care will continue to rely on a complex mix of different funding streams to support these services including the Better Care Fund, Improved Better Care Fund, Public Health Grant and New Homes Bonus. The future of all of these funding streams is unclear.

**Rising Demand on key front line services across Adults and Children's Social Care and Homelessness** - the Council is continuing to experience rising demand, both in terms of volume and complexity, across Adults and Children's Social Care. This is driven by a combination of factors including demographics, rising population, family resilience and breakdown and pressures on other public services. The draft Budget reflects our current view on expected levels of demand for these services, but these are both volatile and difficult by nature to forecast. Whilst account has been taken of the impact of COVID-19, potential demand lag increases the likelihood that there could be significant and sharper increases to demand as we move into 2021. A separate proposal has been included in the draft budget to tackle the issues

around homelessness which will improve homeless prevention services, improve collaboration across the Council and with other service providers and deliver saving in the costs of Temporary Accommodation.

**Reduced and changing patterns of Consumption** - the longer term impact on the Council's budget and services through changes to Customer behaviour from COVID-19 and economic adjustment are still to emerge. For 2021/22 we have made significant reductions to many income targets across our services to reflect the current changes that have been experienced. Beyond this the Council will need to adapt to a new norm for some of our services which could require reductions to cost, new service models or in some situations cessation of service with lack of demand. We are continuing to assess this and will if necessary revise this in the final budget proposals for 2021/22.

**Brexit** - there remains significant uncertainty over the impact of Brexit on the UK economy and how this might translate locally. A high level assessment was included in the February 2019 Budget report and the key budget risks remain:

- Rising Inflation - whilst the budget includes an allowance for inflation to reflect the expected price changes to contracted out services, staff pay and other key costs these assumptions are based on published inflation forecasts and would not address any further movement in inflation caused as a result of the UK leaving the EU should tariffs be imposed, further currency depreciation and wider cost pressures arising from the UK exit.
- Staff Changes - the budget does not include any specific allowance for any changes in normal activity levels from increased staff turnover in the event that we experience a sharp increase in EU National staff choosing to leave as a result of the UK's departure from the EU.
- Contracts - the Council delivers works, goods and services through a large number of contracts with commercial organisations ranging from local to international organisations. There is a risk that key suppliers and contractors lose EU national employees that they rely upon to deliver these contracts which may impact on both the future cost and delivery.
- Emergency Planning - in an extreme scenario the Council may need to act to help protect property, residents and businesses. The Council has received limited funding from Central Government to help with preparations and would need in an extreme situation to use its revenue reserves to manage these potential impacts.

- In the event of a sharp economic slowdown, an increase in business failures could lead to increased non-payment of business rates, increased empty property relief leading to a reduction in the Councils core income.

The Director of Policy, Insight and Communications has been leading the work on Brexit preparations across the Council as we move out of the Transition Period. The budgetary risks have been considered as part of the assessment on the GF working balance.

Given the scale of the issues and challenges we have set aside a £2m contingency as part of the 2021/22 budget (£1m is one-off) to address any immediate challenges in 2021/22.

### **Reserves**

#### *General Reserves*

- 2.73 The Finance team have reviewed the level of reserves, which is included in **Annex N**. This review shows the level of risk exposure for the Council on known issues and an assessment of the adequacy of the level of General Fund Balances. This has been reviewed to reflect the uncertain impact of COVID-19, the implementation of Budget savings, and also uncertainty around Brexit.
- 2.74 Whilst some anticipated one off COVID-19 grant funding has been utilised to help balance the budget reserves can only be spent once, and the on-going discipline of not using reserves to manage on-going expenditure must remain.
- 2.75 Furthermore, given the significant uncertainties surrounding future funding, it is important from a sustainability perspective that Councillors take account of the level of future risk, as well as the risk identified in the 2021/22 draft Budget.
- 2.76 The risk assessment carried out alongside the development of the draft Budget (**Annex N**), shows that the minimum prudent level of General Fund reserves is £26m.

#### *Earmarked Reserves*

- 2.77 In addition to the General Fund and HRA working balances, the Council maintains a number of earmarked reserves to enable it to meet a range of different policy objectives as follows:
- to manage known financial risks;
  - to enable the Council to invest in services to generate future savings as part of its budget strategy;

- to manage one-off expenditure which has allowed the Council to make on-going revenue savings;
- to build up funding to support delivery of large projects such as capital programme schemes;
- to manage known timing differences between the receipt of funding and the profile of expenditure; and
- to hold ring fenced balances for example, specific grants, trusts, school balances etc.

2.78 The earmarked reserves are listed in **Annex O**. They have been reviewed to ensure that they remain relevant, have clear objective(s) and where appropriate an expiry date has been shown as to when the funds should be fully utilised.

### ***Robustness and Risks***

2.79 Section 25 (1) of the Local Government Act 2003 requires that ‘the Chief Finance Officer of the authority must report to it on the following matters:

- (a) the robustness of the estimates made for the purposes of the calculations, and
- (b) the adequacy of the proposed financial reserves.’

2.80 Section 25 (2) requires that an authority shall have regard to the report when making decisions about the calculations in connection with which it is made (i.e. setting its budget). This element of the draft Budget report and associated annexes outlines the assessment of the adequacy of reserves and robustness of the draft Budget.

2.81 In preparing the Budget for 2021/22, where a clear financial impact has been identified, this has been dealt with through the actions set out in this report. Where the impact is not known this has been highlighted as a risk.

2.82 The draft Budget adequately reflects known issues including the best forecast position at this point in time. The demand pressures and other issues will continue to be reviewed before the Budget is finalised in February and reviewed if necessary.

2.83 A Budget Risk Register is included in **Annex P**, which sets out the potential risks and issues and an assessment of the adequacy of the Council’s level of reserves is set out in **Annex N**.

2.84 The General Fund Balance of £26m is estimated to be adequate to meet the Council’s financial needs in 2021/22.

2.85 This view takes account of the reserves included in the Council's accounts (subject to audit) as at 31 March 2020; the movement of these reserves since that date (as tracked through the Budget Monitoring process); and the proposed use of reserves as part of the draft Budget 2021/22.

**Table 13: Section 151 Officers Assessment on the Adequacy of Reserves**

| Reserve   | Balance at 31/3/2021 £m | Forecast Balance at 31/3/2022 £m |
|---|-------------------------|----------------------------------|
| GF Working Balance*   | (30.387)                | (30.387)                         |
| % Net Revenue Budget  | 14.48%                  | 14.64%                           |
| Specific Risk Reserves**  | (28.201)                | (21.973)                         |
| Total Reserves Available to meet known and unknown budget risks *** | <b>(58.588)</b>         | <b>(52.360)</b>                  |
| % Net Revenue Budget  | <b>27.92%</b>           | <b>25.23%</b>                    |

\*The current GF working balance includes £3.3m of additional in year savings achieved through the review of non-essential spend, together with £4.1m of earmarked reserves that have been removed following a review earlier in 2020/21.

\*\*See **Annex O** which sets out details of these reserves held to manage specific known budgetary risks.

\*\*\* This excludes schools budgets (DSG) and the HRA for which a separate reserve is held. It should however be noted that the Council continues to underwrite certain financial risks around schools funding, a provision for which is included within the risk assessment.

### 3. Implications of the Decision

|                   |     |                                     |     |
|-------------------|-----|-------------------------------------|-----|
| Financial         | Yes | Human rights, equalities, diversity | Yes |
| Legal             | Yes | Policies or Council Plan            | Yes |
| Communication     | Yes | Procurement                         | Yes |
| Energy Efficiency | Yes | Workforce                           | Yes |

(a) Financial Implications

The Council's Budget and Medium Term Financial Strategy are the financial expression of all the Council's policies and plans.

(b) Legal Implications

The annual Budget decisions are among the most important of those which local authorities are required to make during the course of the year. This is emphasised by the fact that they are among the few decisions which the Council is not permitted by law to delegate to a Committee or to Officers.

They affect every household and service user and the manner in which decisions must be made is closely prescribed by law. **Annex Q** of this report sets out the relevant legal considerations which affect the Council Budget and Council Tax decisions

Councillors should note these requirements as part of approving the Budget. Councillors will be required to give careful consideration to the information set out in the Budget Report; its annexes and the equality impact assessments.

In addition, the Local Government Act 2003 places a specific personal duty on the Chief Financial Officer which in the case of Milton Keynes is the Director of Finance and Resources, to report to the Council on the robustness of the budget and the adequacy of reserves.

Councillors are advised that due regard has been given to the requirements of the Local Government Act 2003 during the current budget process. Specific reference is made to the adequacy of General Fund reserves, and to the robustness of the budget proposals in paragraphs 2.78 to 2.84.

The Budget has again been developed at a detailed level based on information supplied by Directors and has been subject to scrutiny by the Corporate Leadership Team. Budget and Resources Scrutiny Committee have scrutinised the budget process and will be reviewing the specific budget proposals prior to Cabinet considering the final budget proposals in February 2021.

A number of the capital schemes in the programme are necessary to fulfil the Council's legal or statutory obligations. The legal and statutory issues relating to each scheme are set out in the individual project business cases.

(c) Other Implications

There are 96 pressures, reductions and income proposals of which 75 were considered as being 'significant' of which 8 are 'relevant' to equality. Four in-depth assessments will be conducted. Full details will be published in January.

These assessments are likely to recommend:

- In two (2) green areas proposals (Homelessness Proposals and Gypsy and Traveller Proposals (Housing Section) should continue, as there is a potential to improve the advancement equality of opportunity.
- In one (2) green-amber areas, adjustments have been/are made to remove barriers or better promote equality.
  - (a) The increase of in-house placements Children's Social Care will reduce the potential disadvantages looked after children have faced with an external placement.
  - (b) The replacement of subsidised bus services with a demand responsive service will mitigate the impact for residents with no alternative scheduled buses, and changes to ENCTS will not affect older people's ability to travel after 9.30am Monday to Friday.
- There are no (0) amber area, where proposal should continue despite having identified some potential for an adverse impact or a possible missed opportunity to promote equality.
- There are no (0) red areas, where it is recommended that proposals not continue as there is a potential for unlawful discrimination or continue with adjustments.

The majority of relevant pressures are related to demographic changes and Covid recovery. The 2021/22 budget continues a focus on meeting the challenges of the rising numbers of vulnerable people (especially children), and of maintaining independence for the elderly. For the first time the budget was considered for its effect on child poverty. An initial assessment suggests that key decisions will have a positive impact in homelessness prevention, domestic violence reduction, and the increase in direct payments for Children with Disabilities. These are on top of the expenditure in the COVID recovery and the continuation of existing budgets. Future work that increases access to affordable childcare and extending the use of Family Centres could be considered.

## 4. Timetable for Implementation

- 4.1 18 December 2020 - 31 January 2021 - Budget Consultation.
- 4.2 2 February 2021 - Final Budget and Capital Programme report to Cabinet.
- 4.3 24 February 2021 - Final Budget and Capital Programme report to Council.

### List of Annexes

|  |                               |
|--|-------------------------------|
| 2021/22 Budget Pressures   | Annex A                       |
| 2021/22 One-off Budget Pressures   | Annex B                       |
| 2021/22 Budget Reductions and Income Proposals                                 | Annex C                       |
| Fees and Charges:<br>Exemptions to the Income Policy<br>Additional Concessions | Annex D<br><b>(to follow)</b> |
| 2021/22 - 2024/25 Forecasting Model  | Annex E                       |
| 2021/22 GF Draft Budget Summary  | Annex F                       |
| 2021/22 Draft Parking Account  | Annex G                       |
| HRA compared to the 2020/21 Budget   | Annex H                       |
| HRA Budget Pressures and Savings   | Annex I                       |
| HRA Budget and Medium Term Forecast  | Annex J                       |
| HRA Budget Risks and Minimum Working Balance                                   | Annex K                       |
| Draft Medium Term Capital Programme  | Annex L                       |
| Draft Tariff Resource Allocation   | Annex M                       |
| GF Reserves Assessment   | Annex N                       |
| Earmarked Reserves   | Annex O                       |
| 2021/22 Draft Budget Risk Register   | Annex P                       |
| Legal Framework  | Annex Q                       |