

**Joint Report of the Chief Executive, the Deputy Chief Executive and the Managing Director, Liberty Leisure Limited****BUSINESS PLANS AND FINANCIAL ESTIMATES 2020/21 - 2022/23**1. Purpose of report

To consider proposals for business plans; detailed revenue budget estimates for 2020/21; capital programme for 2020/21 to 2022/23; and proposed fees and charges for 2020/21 in respect of the Council's priority areas.

2. Detail

As part of the Council's performance management framework, the business and financial plans for the five corporate priority areas identified within the Corporate Plan 2019-2023 are brought together in one report so that the linkages between service priorities, spending proposals and targets are clear.

Under the Constitution, financial and business planning is reported to the Committee which has primary responsibility for oversight of the relevant corporate priority areas and related services, in this case Leisure and Health. It is also part of the remit of the Committee to provide strategic direction to any delivery body established by the Council to fulfil the purposes over which the Committee has responsibility. To meet this requirement, the Liberty Leisure Business Plan is presented to the Committee for consideration. This plan and the proposed Health and Bereavement Services Business Plans are provided as separate attachments to this report. The revenue and capital budget proposals for the corporate priority and relevant service areas, together with the proposed fees and charges, are provided in appendices 2a to 2c.

Following consideration by the respective Committees, a summary of the estimates, including any changes recommended, will be presented to the Finance and Resources Committee on 13 February 2020 for consideration and recommendation to Full Council on 4 March 2020.

**Recommendations**

1. **The Committee is asked to RESOLVE that the Health Business Plan, the Bereavement Services Business Plan and the Liberty Leisure Limited Business Plan be approved.**
2. **The Committee is asked to RECOMMEND that the Finance and Resources Committee recommends to Council that the following be approved:**
  - a) **The detailed revenue budget estimates for 2020/21 (base) including any revenue development submissions.**
  - b) **The capital programme for 2020/21 to 2022/23**
  - c) **The fees and charges for 2020/21.**

**APPENDIX 1****Introduction**

The Council's business and financial planning framework is one of identifying key service and spending pressures and prioritising resources accordingly, taking into account national and local priorities.

The targeted outcomes from these key issues and the anticipated impact on service performance are set out in business plans. These plans are combined with financial information, including proposals for reducing business costs and increasing income, to form the Business Plans for each priority area.

This report considers the detail in respect of the Business Plan covering the priority areas of Leisure and Health. The financial consequences of the business plan, together with the expenditure and income from maintaining existing services, are set out in the revenue budget proposals, the capital programme and the proposed fees and charges which follow the plan.

Within the Health Business Plan and the Bereavement Services Business Plan, attached to this report, there are some key tasks which can be met from existing resources or which relate to policy preparation. These are not included in the key spending proposals detailed in the appendices. Any planned activities which will have a financial implication either by increasing costs or reducing income are identified, along with the financial impact in section 5 of the Business Plan.

In the Liberty Leisure Limited Business Plan, also attached to this report, the financial estimates were developed within a five-year business plan drawn up as part of the business case for the establishment of the company. The anticipated spend shown in part 5 of the business plan has been incorporated into the revenue budgets for 2020/21 as a fixed fee (referred to as a Third Party Payment). Any variation against the fee paid for 2020/21 at the financial year end will result in a budget adjustment to the following year's proposals. Costs relating to the premises provided to the company for the delivery of Leisure Services are met by the Council which retains ownership of the assets. Costs incurred in providing support services to the company are recovered as income to the Council.

There are several key tasks where it is not appropriate to make financial provision at this stage. These include areas that are subject to external funding bids, partnership arrangements or where insufficient information exists at the present time. In addition, there are a number of capital schemes within the programme which are deemed to be 'awaiting funding' pending receipt of the necessary resources to complete them. These schemes will be brought forward for approval once a potential funding source has been identified.

All of these items will be the subject of further reports throughout 2020/21 as further information and resources become available, thus ensuring that the service and financial planning framework is a fluid process.

**Business planning**

As part of the Council's performance management framework, it is the responsibility of each relevant Committee to consider business plans prior to recommendations being made to Council. The purpose of the plans is twofold. Firstly, they establish the linkage between the Council's high-level objectives and the strategies and aims of the respective services, and secondly, they outline the services' proposals for meeting those aims and objectives.

This report deals with the Health Business Plan and the Bereavement Services Business Plan and associated budgets covering these priority areas and with the Liberty Leisure Business Plan which supports the aims of the Council through the proposed delivery of leisure services. The Council's corporate objectives and aims, as included in the Corporate Plan 2019-2023, are shown at appendix 1a to provide the framework for consideration of the plans.

**Financial background**

The revenue and capital budget proposals for the corporate priority, together with proposed fees and charges, are shown in appendices 2a to 2c.

The revenue budgets show the 2019/20 revised estimate as of December 2019 and the 2020/21 base estimate for the areas encompassed by the relevant business plans. The 2020/21 base estimate figures generally reflect the same level of service as in the current year with a few exceptions.

The following are included in the 2020/21 base figures in this report:

- a) Allowance for certain inflationary pressures including the April 2020 pay award and cost of utilities. These allowances are guided by the best indications available at the time
- b) Anticipated additional income within the General Fund and the Housing Revenue Account (HRA) arising from the review of fees and charges
- c) The revenue effects of the 2020/21 capital programme including the cost of any new borrowing to support the capital programme.
- d) A revenue development of £25,000 for a new Events Officer post.

A classification of revenue expenditure is included at appendix 1b for the guidance of members.

## APPENDIX 1a

**FRAMEWORK FOR BUSINESS PLANNING**

The Council's Corporate Plan 2019-2023 is subject to annual review to ensure that it continues to reflect the aims and objectives of the Council.

**Vision**

The Council's Vision for Broxtowe is “**greener, safer, healthier Broxtowe, where everyone prospers**”.

**Priorities**

The Council's updated priorities have been updated have been developed within the context of national, regional and countywide plans and priorities with the aim being to align these with our own aspirations wherever possible.

The Council's priorities are **Housing, Business Growth, Environment, Health and, Community Safety**.

Underpinning the above and all of the Council's work is a series of values which the Council has adopted, namely:

**G**oing the extra mile: *a strong, caring focus on the needs of communities*

**R**eady for change: *innovation and readiness for change*

**E**mployees: *valuing our employees and enabling the active involvement of everyone*

**A**lways improving: *continuous improvement and delivering value for money*

**T**ransparent: *integrity and professional competence.*

**Objectives**

Each priority area is underpinned by its strategic objectives. Each strategic objective has targeted outcomes against which progress can be monitored.

The priorities and objectives for **Housing** are 'a good quality home for everyone':

- Build more houses, more quickly on under used or derelict land
- Invest to ensure our homes are safe and more energy efficient
- Prevent homelessness and help people to be financially secure and independent.

The priorities and objectives for **Business Growth** are 'New and growing businesses providing more jobs for people in Broxtowe and improved town centres':

- Complete the redevelopment of Beeston Town centre
- Undertake regeneration schemes in Eastwood, Kimberley and Stapleford
- Support skills development apprenticeships, training opportunities and wellbeing in our workforce.

The priorities and objectives for **Environment** are ‘The environment in Broxtowe will be protected and enhanced for future generations’:

- Develop plans to reduce our carbon emissions to zero and start implementing
- Invest in our parks and open spaces
- Increase recycling and composting.

The priorities and objectives for **Health** are ‘People in Broxtowe enjoy longer, active and healthy lives’:

- Promote active and healthy lifestyles in every area of Broxtowe
- Come up with plans to renew our leisure facilities in Broxtowe Borough Council
- Support people to live well with dementia and support those who are lonely or have mental health problems.

The priorities and objectives for **Community Safety** are ‘Broxtowe will be a place where people feel safe and secure in their communities’:

- Reduce anti-social behaviour in Broxtowe
- Work with partners to reduce domestic violence and support survivors
- Work with partners to reduce knife crime.

## APPENDIX 1b

<b>REVENUE BUDGET 2020/21</b>
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**CLASSIFICATION OF EXPENDITURE**

The classification of expenditure shown in the revenue estimates is based on the CIPFA Standard Accounting Classification. The following statement shows the type of expenditure charged to each heading:

EMPLOYEE EXPENSES	Salaries and Wages National Insurance Pensions
PREMISES RELATED EXPENSES	Repairs, Alterations and Maintenance of Buildings, Fixed Plant and Grounds Energy Costs Rents National Non-Domestic Rates Water Charges Fixtures and Fittings Cleaning & Domestic Supplies
TRANSPORT RELATED EXPENSES	Direct Transport Costs Recharge of Pooled Transport Costs Travelling Allowances
SUPPLIES AND SERVICES	Equipment, Furniture and Materials Clothing, Uniforms and Laundry Printing, Stationery and General Office Expenses Postages Telephones Insurances Grants and Subscriptions Miscellaneous Expenses
THIRD PARTY PAYMENTS	Other Local Authorities Private Contractors Charges from Trading Services
TRANSFER PAYMENTS	Housing and Council Tax Benefits
CENTRAL, DEPARTMENTAL AND TECHNICAL SUPPORT SERVICES	Administrative Buildings Expenses Central Departmental Support Departmental Administration
CAPITAL FINANCING COSTS	Operating Lease Charges Asset Register Charges