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Date: Tuesday, 11 January 2022

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Dear Member

CABINET - TUESDAY, 11 JANUARY 2022

I am now able to enclose, for consideration at the Tuesday, 11 January 2022 meeting of the Cabinet, the following reports that were unavailable when the agenda was printed.

Agenda No	Item	Page
7.	Revenue and Capital Budget 2022/2023 for Consultation	(Pages 2 - 37)

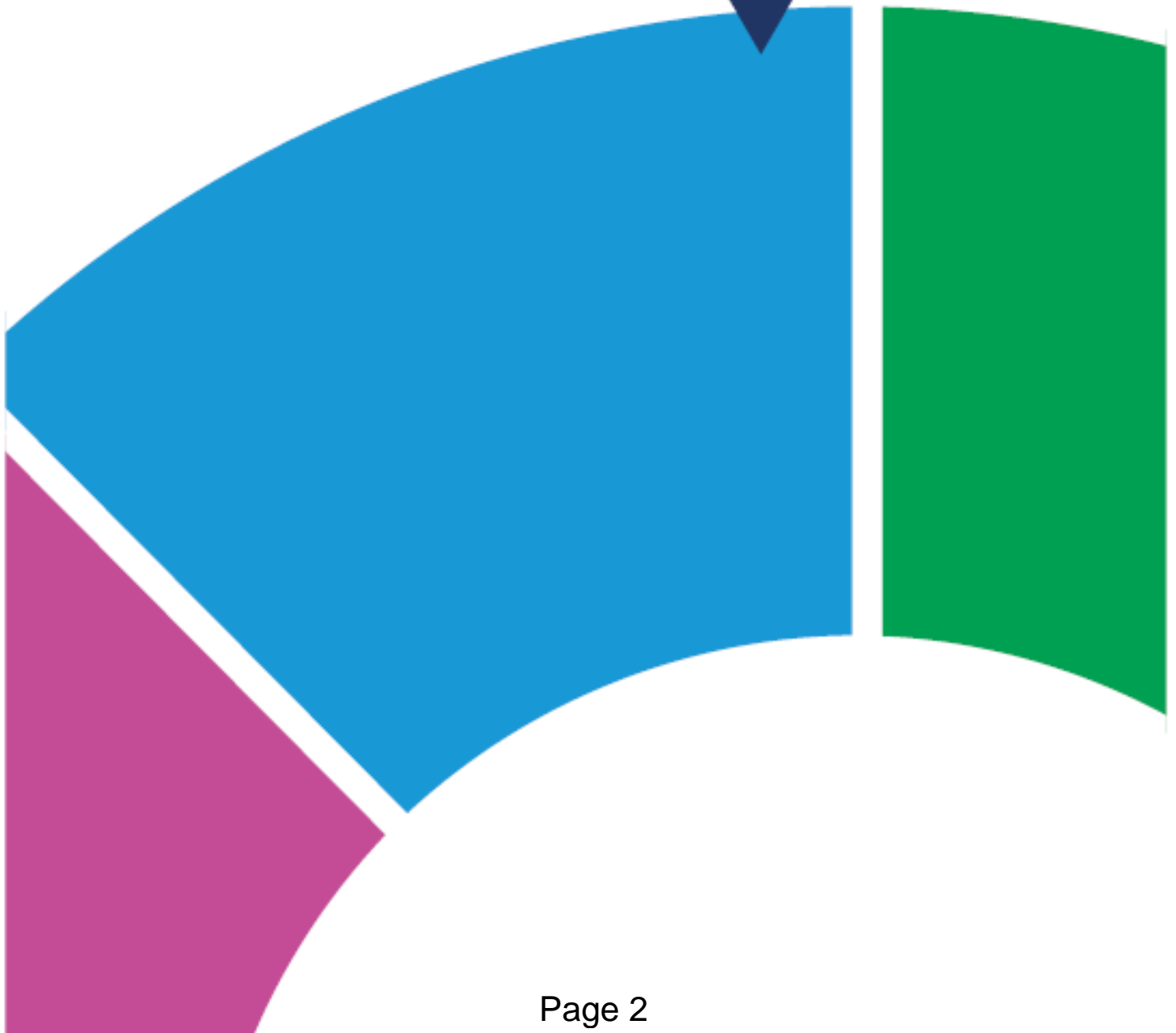
Yours sincerely

Lisa Antrobus
Clerk

Budget Overview

January 2022

Budget 2022-2023



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Statement from the Leader and Deputy Leader of the Council

This is the third budget that the Partnership administration has prepared for consultation. Since the election in May 2019, we have changed the focus of how Torbay Council operates – embedding our partnership and co-operative principles into everything we do, giving power back to our communities.

We have tackled the challenges that the Council faces head-on, not least in our Children's Services department and we are now seeing positive outcomes for our children and young people, and a budget that is more controlled. This has, in turn released resources which we have been able to invest in our community as we worked together to meet the challenges of a global pandemic.

It is disappointing that the Local Government Finance Settlement only provides certainty for our funding for one year, and it is concerning that the Spending Review does not allow for any overall growth in funding for local government from 2023/2024.

A one-off Services Grant has been provided and this, on top of our prudent financial management over recent years, has enabled us to invest further in the services which matter to our residents, and those that have had a chronic lack of investment in previous administrations. We are investing this money in our priority areas of ensuring we have thriving people and a thriving economy and in tackling climate change. As part of the consultation, we want to hear your views on the specific areas that you want to see addressed.

The costs of providing social care for our adult population are continuing to increase. This is in part because we are providing more care. For example, over the last 18 months we have increased the amount of domestic care we provide from 7,000 hours per week to 11,500 hours per week. We have also increased how much we pay people who work in care, recognising how hard they work to provide this valuable service. And all social care providers have seen increased costs such as Covid-19, utilities bills and other inflation pressures.

Local government continues to suffer from the years of Government austerity with Torbay Council having had to make cumulative budget reductions of more than £500 million over the past 10 years to set a balanced budget.

We need to ensure that we continue to build a sustainable Council which can continue to deliver the services our residents need and deserve. Therefore, we will be looking to increase Council Tax by 1.99% with an additional 1% increase for the adult social care precept.

The Adult Social Care precept has been made available for councils to try to keep up with increasing demands despite the National Insurance increases, that for the next three years will be used by Government to support our NHS.

We will ensure that those who need support in meeting this increase receive it and will work closely with our partners in the community and voluntary sector.

We hope that you will see that the tide is turning in Torbay – and as a Partnership we are proud to be leading this. We hope that the investment we are proposing will have positive benefits for all of Torbay.

We truly welcome everyone's thoughts on these proposals – including how we can continue to work with our communities to deliver services differently.

We look forward to hearing from you during this consultation period.



Councillor Steve Darling
Leader of Torbay



Councillor Darren Cowell
Council Deputy Leader and Cabinet
Member for Finance

Introduction

This document provides an overview of the Cabinet's proposals for the Revenue and Capital Budgets for 2022/2023.

Alongside this document a number of others will be published and will be available on the Council's website (www.torbay.gov.uk/budget-202223) and are listed below:

- **Proposals for investment in services, efficiencies, and income generation**
This sets out details of the draft proposals for investment in services, efficiencies, and income generation to produce a balanced budget for 2022/2023. Some of the investments are one-off allocations of funding. We have included the high level environmental, economic and equality impacts of each proposal which we want to test with you during the consultation period.
- **Torbay Council – Draft Revenue Budget Digest**
This provides a description of what each Council service does and how much it is proposed that they will spend next year including how much income they will receive.
- **Chief Finance Officer's Report**
This provides a more detailed narrative in relation to the future funding of Torbay Council after the Government announcements of both the Spending Review and the Local Government Finance Settlement.
- **Fees and Charges**
The amount that the Council proposes to charge for its services over the next year.
- **Draft Capital Plan 2022/2023**
This explains which capital schemes the Council plans to fund over the coming year.

Other documents, which will be updated and published on the Council's website, will include the review of the Council's reserves, the Capital Strategy, and the Treasury Management Plan.

Our current Medium Term Resource Plan is available online and to support longer term financial planning an updated Plan will be published after the 2022/23 Budget has been set in March 2022.

A consultation draft of our proposed Strategic Asset Management Plan has also been published with a separate consultation running alongside that on the Cabinet's budget proposals.

The Cabinet's Proposed Budget

Context

The financial impact of the Covid-19 pandemic remains a significant risk to Torbay Council's finances. This is both from a continued demand for services and support, and lost income because of the ongoing economic impact.

In particular, the Council will continue to provide a Covid-19 response including local test, track and trace work as well as the work to support communities and businesses in response to outbreaks.

The financial impact for the Council remains contingent on the level of recovery in Torbay. This recovery is in terms of both the local economic recovery and consequently the collection of Council Tax and National Non-Domestic Rates (business rates) which is vital to fund the delivery of local public services. The 2022/23 budget is based on assumptions of a partial improvement from the 2021/22 budget but not yet back to pre-covid levels. In addition, some of the short term COVID costs are to be funded from reserves.

Relationships between the statutory, community and voluntary sectors have been significantly strengthened over the past two years. We recognise that the community and voluntary sector isn't "free", and we have made considerable commitments to the sector through the Adult Social Care precept. As we continue to face pressures within adult social care, it is more important than ever that we make best use of our limited resources to find innovative and joined up solutions to support the most vulnerable in our community.

Our improvement journey within Children's Services has continued over the past year with the numbers of cared for children in residential placements falling. This means that those children have better outcomes but also means that we can adjust our budget to reflect the reduced levels of cost. We have also been successful in training and supporting new social workers through our Learning Academy, as well as effectively recruiting and retaining experienced social workers. Consequently, we expect to see a reduction in our agency costs during the coming year. A stable and sustainable budget within Children's Services is crucial to the medium-term financial future of the Council as a whole.

This year, more than ever, the Council is facing inflation and cost pressures. In addition to higher rates of inflation there are specific pressures on fuel and utilities. Further, there are higher employment costs in relation to living wage and the National Insurance contributions increase from April 2022 which will impact on the Council, its suppliers, and its subsidiary companies. The inflation rate is higher than we assumed in our previous Medium Term Resource Plan.

The provisional Local Government Finance Settlement, issued in late December 2021, was only for one year which suggests that funding reform is expected for 2023/24. The Settlement was in essence a "roll over" settlement with a modest allocation for inflation, plus £2 million additional funding specifically for social care (both adults and children's) and £2 million of a new one-off Services Grant. Whilst no funding reductions and some increases are welcome, a one-year

settlement does not provide certainty for longer term financial planning. This uncertainty is compounded by the funding allocations for local government in the Spending Review for 2023/24 and 2024/25 at the same level as 2022/23 which does not provide any funding for any demand or growth pressures in services in future years which is a significant concern.

Continuing financial management

Both the Cabinet and the Senior Leadership Team regularly review the financial performance of the Council and decisions are taken throughout the year to ensure that our resources are used to best effect and that we are taking an integrated and joined up approach. This not only means services are delivered in the best way possible for our residents but also provides a sound financial framework.

For example, we have considered how we can best use our Public Health Grant, recognising the breadth of public health activity across the Council. We have utilised the reserves that we have previously created to meet the one-off costs of specific services, including housing and homelessness and the Riviera International Conference Centre.

The financial impact of our decisions about car parking charges and the creation of Torre Abbey Foundation Trust have been considered in planning for 2022/2023. In addition, we have seen savings arise from decreases in demand for services, such as a reduction in the number of journeys made using concessionary bus fares.

We know that inflation is currently higher than we had assumed in our Medium-Term Financial Plan (and higher than the Government allowed for in the Local Government Finance Settlement). Together with the increase in National Insurance from April 2022 and the increase in the Living Wage, higher inflation impacts negatively on both the Council and our suppliers, especially those providing both children's and adult social care.

Therefore, we have identified contingency funds for the coming financial year for provider (including children's social care placements) and pay inflation cost pressures.

Investment in Services, Efficiencies, and Income Generation

As we work to ensure that **people across Torbay thrive**, we are proposing to allocate our Social Care Grant equally between adult social care and children's social care. Within adult services we will use the grant to continue to support the provider market to ensure we can provide the right social care to those who need it.

Some of the additional money raised through the Adult Social Care precept will be used to ensure that our Community Builders can continue their important work. This represents an investment of £900,000 over three years.

Within children's services, we will use the Grant to meet the increases in our costs arising from both inflation and the National Insurance increase as well as creating a contingency for our placement costs. We will also invest £100,000 into services for Torbay's young people. We will be working closely with partners to ensure that we target this resource on services that

supplement existing youth provision and provide best value for money in tackling the concerns of our communities.

We are proposing to invest £400,000 (on a one-off basis) to target early support for those children who come to our attention has having Special Educational Need and Disability (SEND). This investment will enable us to develop our early support for children and their families by improving and developing further the range of service we will provide.

Our work across Torbay with Groundwork South will continue but we will use the money we receive from Section 106 agreements attached to planning applications to pay for this. We are committed to ensuring that our residents are encouraged and enabled to make the most of the open spaces available to us all in Torbay.

Whilst we still do not know our allocation of Public Health funding (at the time of writing) we remain committed to encouraging our residents to be active and will be providing a further £50,000 investment to sports clubs as part of the Torbay on the Move initiative.

We are committed to **improving our economy** and one of our ambitions is to be the UK's premier tourist resort. We are expecting more people to holiday in the UK this summer again and we want to make the experience in Torbay as good as we can. There was a significant investment in both infrastructure and staffing over the last summer and this year we have identified a further £500,000 which we want to use to welcome visitors, improve infrastructure and to create events and attractions for our residents. We have not made specific plans for this investment yet and, as part of the consultation, would like to hear your views as to where it should be focussed.

We want to build up the reserves which are held by the Council as the Harbour Authority to enable the continued delivery of a stable, sustainable service to all our harbour users. In addition to £122,000 transferred to the Harbour Reserves in July 2021, a base budget reduction to the asset charge of £75,000 is proposed. We will review the fee structure for our beach huts which will reflect the demand for our different sites based on things like location and facilities.

We have identified £100,000 of revenue funding to support the borrowing costs to enable the planned works at The Pavilion in Torquay to go ahead.

Tackling climate change is another one of our priorities and there will be further investment to enable us to focus on addressing the climate emergency both as a Council and across the community of Torbay. We are proposing to include £75,000 in our base budget to appoint more members of staff to drive forward our Carbon Neutral Action Plan as well as a one-off sum of £100,000 which will be used to meet the additional costs of carbon neutral projects and infrastructure.

As our Recycling Co-ordinators work with more parts of our community and we look at different ways to increase our recycling rates, we are expecting to see a reduction in the amount of residual waste in our residents' black bins. This will reduce the amount we need to pay to dispose of it at the Energy from Waste plant saving £120,000 per year.

In developing our proposed budget for 2022/2023 we are looking to invest in services to ensure that they are **fit for the future**.

We have recognised that, to deliver our ambitions for a Thriving Torbay, we need to increase our organisational capacity which we will do using some of our one-off services grant. This will help to deliver capital and other projects across Torbay for the benefit of our residents. We are proposing one-off investment in our Planning Service as well, including improving the digitalisation of the service.

We are proposing an investment of £1.5 million in SWISCo after years of underfunding by Tor2. In addition, we are recommending a further £0.4m is set aside for new IT systems for the company. We want to ensure that, moving forward, it is a successful and stable company which delivers services effectively to our community, engaging differently with residents and community groups.

As well as investment we are continuing to redesign our services, embedding the new ways of working which have, in the main, been driven by our response to service delivery during the Covid-19 pandemic. This includes reduced levels of printing and travel. We are increasing our use of digital systems which in turn reduces the amount of post we need to send and makes our services more convenient for many of our customers.

The Community Ward Fund will be run for a second year, with simplified implementation, with our Councillors and Community Partnerships working together to decide on the things that they would like to see improved in their local area.

Maximising our use of Capital Expenditure

As our operational (revenue) spend remains under pressure, it is vital that we maximise the opportunities within our Capital Plan. Our four-year Capital Plan is £284 million with a programme of capital works of £136 million in 2022/23. Of that £60 million has been allocated to projects and the remainder is borrowing allocated for housing and regeneration schemes which we will allocate to specific projects over the course of the year based on business cases.

The schemes within the £60 million of allocated funding include our Spaces to Thrive programme such as the Torbay Harbour Public Realm, Edginswell Railway Station and Station Square and Torbay Road in Paignton. An extra care housing scheme at Crossways, Paignton (including commercial space on the ground floor) will be part funded through the Future High Streets scheme.

There is work being undertaken to expand St Cuthbert Mayne and Mayfield Schools. Construction work on the solar farms at Brokenbury and Nightingale Park is due to start in 2022/23.

We will be using the Torbay Growth Fund to provide start-up units for local businesses at Lymington Road, Torquay and the construction and future rental of two new units at Edginswell Business Park. The redevelopment of former the public toilets at Corbyn Head and Preston to create two new café units is also planned during the year.

There will be further investment with Parkwood Leisure at the Riviera International Conference Centre on both improving facilities and undertaking longer term structural repairs.

In addition to the ongoing structural maintenance and integrated transport programme, work is ongoing on Western Corridor.

The Council's housing company, TorVista Homes, has now started work on the development of flats at Totnes Road. The company's plans also include the development of extra care housing at Torre Marine and new housing on land at Preston Down Road.

Council Tax

In its Spending Review, the Government announced that councils would be allowed to increase Council Tax by a maximum of 1.99% with an additional 1% increase for the adult social care precept – we are proposing that Torbay Council increases its Council Tax by these amounts.

Our community will be aware of the Government's plans to introduce a Health and Social Care Levy (increasing the amount of National Insurance). However, that increase has been allocated in the first instance to the NHS.

We have an older population in Torbay, and so the increasing costs of care impact on us disproportionately to other areas and we need to meet them as they arise. The cost of adult social care has risen, due to the amount of people needing help and the costs increasing. We simply don't have enough money to fund the ongoing costs of care in Torbay.

We are working hard to manage these costs – so we have invested money into the community to help people stay well and, although this is working, we still have a lot of people who need care. We are also building 'extra care' housing to keep people independent. We are streamlining how people access services and encouraging the community to work together. However, all this needs investment which is not possible without making use of the adult social care precept.

This investment in social care and in prevention and wellbeing means that people will need less expensive care in the future. This is crucial as Torbay's population continues to age faster than other parts of the country.

We also need to be addressing the previous underinvestment in other council services. The Government has announced that there will be no overall increase in the amount of funding for local authorities in 2023/2024 and 2024/2025 and therefore we need to ensure that we have a sustainable base budget so that we are best placed to meet the future demands for our services.

Proposed Budget

The budget that is being proposed is set out in the table on the following page. The detail behind this is included within the draft 2022/23 Revenue Budget Digest.

Directorate/Service	Net £m
Adult Services (Inc. Community & Customer Services)	46.1
Children's Services	45.8
Public Health (<i>note grant 22/23 not yet announced</i>)	9.8
Corporate Services (inc. Chief Executive's Unit)	9.9
Finance	(7.7)
Investment Properties	(4.6)
Place Services	21.1
TOTAL	120.4
Sources of Funding	
Council Tax	77.3
Council Tax – 1% Adult Social Care 2022/23	0.8
Collection Fund Surplus	0.1
Revenue Support Grant	6.8
Business Rates (NNDR)	35.2
Other General Grants	0.2
TOTAL	120.4

Notes:

Within Childrens Services there will be the Council's allocation of Dedicated Schools Grant for funding school services in 2022/23. This is yet to be confirmed but will be around £45m after allocations to Academy schools.

Within Adult Services there will be expenditure (funded from government subsidy) of housing benefits estimated to be £41m in 2022/23.

Timetable

Consultation on the budget proposals, both for the public and partner organisations, will be undertaken until 8 February 2022 so as much feedback as possible can be gathered. The consultation questionnaire can be found at www.torbay.gov.uk/consultation.

The Council's Overview and Scrutiny Board will be holding its Priorities and Resources Review Panels during the consultation period when the Cabinet's proposals will be discussed in detail. The Board's formal response to the consultation will be agreed at its meeting on 27 January 2022.

Having considered the feedback from the consultation (including from the Overview and Scrutiny Board), the Cabinet will agree its final budget proposals at its meeting on Tuesday 22 February 2022. This meeting is open to the public and will start at 5.30 p.m. and is scheduled to be held at the Town Hall, Torquay.

The Council will meet on 3 March 2022 at 5.30 p.m. (open to the public at the Riviera International Conference Centre, Torquay) to agree the revenue and capital budgets and set the overall Council Tax for Torbay, having received notifications from the Fire and Rescue Authority, the Police Authority and Brixham Town Council about their Council Tax requirements.

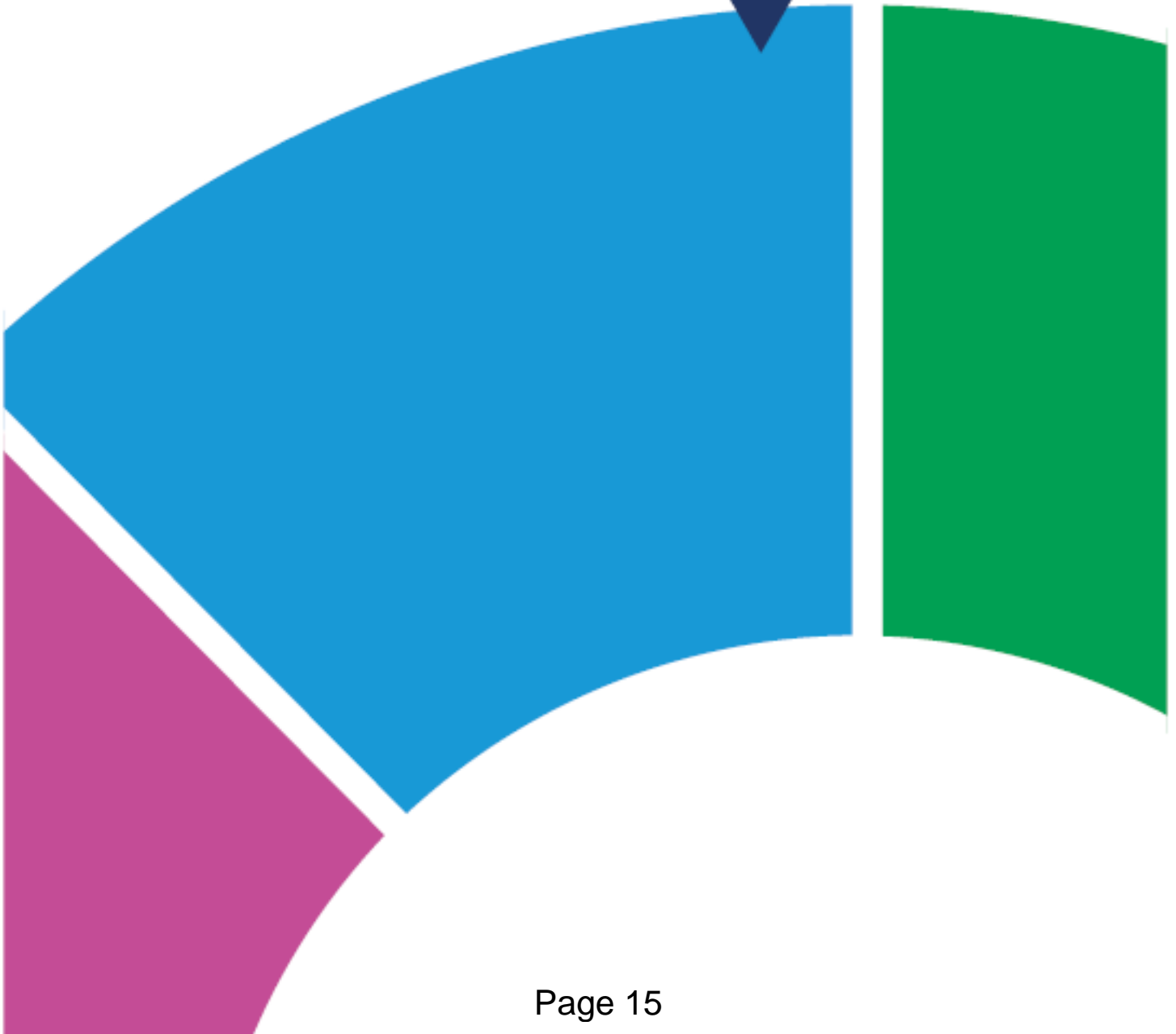
Details of the meetings when the budget proposals will be discussed are available on the Council's website: www.torbay.gov.uk/meetings-and-decisions

This document can be made available in other languages and formats.
For more information, please contact consultation@torbay.gov.uk

Chief Finance Officer's Report

11 January 2022

Budget 2022-2023



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Introduction

1. This report by the Council's Chief Finance Officer provides further information to support the Partnership's draft Budget for 2022/23.
2. This report aims to provide further information and an overview of several key factors, including several "technical" finance issues, that have influenced the 2022/23 budget and raises issues for future financial years.

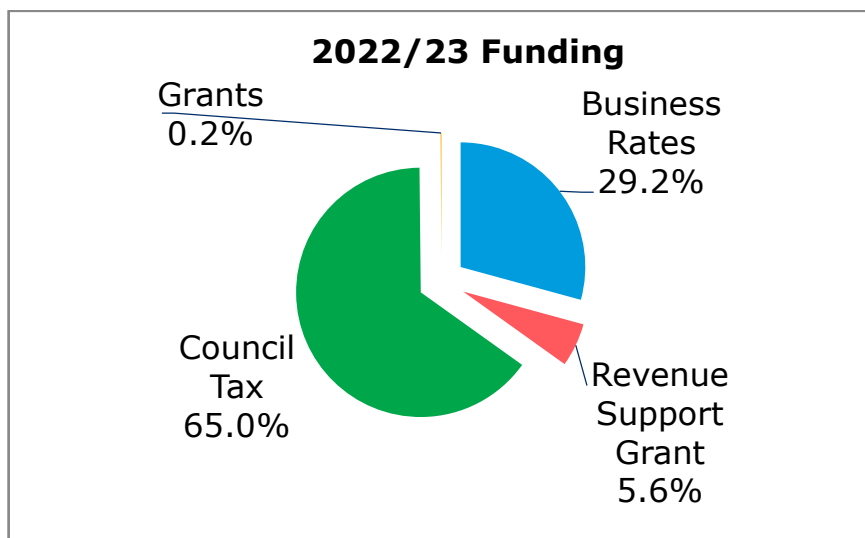
Budget Overview

3. These budget proposals are for a second year presented in the light of financial uncertainty from the ongoing COVID-19 health pandemic.
4. It is estimated that the financial impact of COVID-19 will be ongoing but with a reduced impact on the 2022/23 budget. The impact on the Council's income, expenditure and funding is outlined in the Medium-Term Resource Plan and the 2022/23 budget proposals. Clearly the financial impact on 2022/23 and future years can only be an estimate and officers will continue to update estimates and will continue to aim to mitigate as far as possible any financial impacts.
5. The provisional local government finance settlement announced in December 2021 confirmed there were no new allocations of funding to councils planned for the impact of COVID and no extension of the sales fees and charges compensation scheme. DHSC have now confirmed that any unspent Contain Outbreak Management Funding can be carried forward into 2022/23.
6. The current inflationary pressures on services and providers are the highest they have been for several years. In addition to the employers' National insurance increase of 1.25% from April 2022 there has been high utilities and fuel inflation, higher levels of CPI inflation (5.1% in November 2021) and increases in the Living Wage. This is an area of concern, and as a result in mitigation the Council has increased its inflation provision in 2022/23, however the actual financial impact will not be known until during 2022/23.
7. 2019/20 was the final year of a four-year funding settlement. As context Torbay's Revenue Support Grant has reduced from £42m in 2013/14 to £6m in 2019/20.
8. The Provisional 2022/23 Local Government Finance Settlement was announced on the 16 December 2021 and was similar to the previous two years, i.e., a one year only "roll over" settlement, with the Revenue Support Grant at £6.8m, with additional grant allocations for social care and a one off "Services grant" allocation. Consequently, there is still considerable funding uncertainty from 2023/24 onwards. In addition, DLUHC, for a third year, further delayed the introduction of a new funding formula and a revised NNDR system to April 2023 at the earliest.
9. The Council's financial planning for 2022/23 started in March 2021 and the Partnership's provisional budget proposals were delayed until after the Provisional

2022/23 Local Government Finance Settlement given the extent of the uncertainty in what it would contain. The Partnerships proposals were then published on 11 January 2022, enabling a period for consultation and scrutiny of the proposals.

10. The Council was permitted to carry forward any specific 2020/21 collection fund losses to be funded over the following three financial years. The Council transferred funds in 2020/21 to an earmarked reserve which covers this deficit over three years with 2022/23 being the second year.
11. It is proposed by the Partnership that the Council increases its Council Tax requirement by an inflationary 1.99%.
12. In addition, it is proposed to increase Council tax specifically for Adult Social Care by a further 1% in 2022/23.
13. Members of the Overview and Scrutiny Board (through the Priorities and Resources Review Panel) will examine the proposals in detail and stakeholders and residents will have the opportunity to make representations on the proposals through the consultation. The Partnership will review the responses received and the final budget proposals will be drawn up after consideration of the responses.
14. This report supports the Proposed Revenue Budget 2022/23. Other budget related reports will be presented to Council in March 2022 which are relevant to the Council's overall financial position are:
 - a. 2022/23 Capital Strategy and Capital Receipts Strategy,
 - b. 2022/23 Treasury Management Strategy, including Investment Policy and Minimum Revenue Provision Policy,
 - c. 2022/23 Review of Reserves,
15. Also relevant are:
 - d. Medium Term Resource Plan (on website),
 - e. Corporate Asset Management Plan,
 - f. 2021/2 Revenue and Capital Budget Monitoring Reports.
16. Budget Digest pages, Fees and Charges and budget proposals sheets are available separately along with any relevant equalities impact assessments.
17. A summary of the Council's 2022/23 budget is as follows:

Partnership's Draft Budget Proposal 2022/23	£'000	£'000
Net Revenue Expenditure	120.4	
Total Net Revenue Expenditure		120.4
Funded By:		
Business Rate Retention Scheme	35.2	
Revenue Support Grant	6.8	
New Homes Bonus Grant and other grants	0.2	42.2
Council Tax Requirement	78.1	
Collection Fund Surplus/(Deficit)	0.1	78.2
Total Income		120.4



18. A summary of the proposed 2022/23 budget by Service area is shown in the table below.

Directorate/Service	Expenditure £m	Income £m	Net £m
Adult Services	-	-	43.8
Community and Customer Services	-	-	2.3
<i>Housing benefit included in Customer Services</i>	41.4	(41.4)	0
Sub Total – Adult Services			46.1
Children’s Services	-	-	45.8
<i>Dedicated Schools Grant included in Children’s Services. 2022/23 (estimated)</i>	45.5	(45.5)	0
Public Health	-	-	9.8
Corporate Services	-	-	6.5
Chief Executive’s Unit	-	-	3.4
Sub Total – Corporate Services	-	-	9.9
Finance	-	-	(7.7)
Investment Properties	-	-	(4.6)
Place Services	-	-	21.1
TOTAL	-	-	120.4
Sources of Funding			
Council Tax			78.1
Collection Fund Surplus/(Deficit)			0.1
Revenue Support Grant			6.8
Business Rates (NNDR)			35.2
Other Grants			0.2
TOTAL			120.4

COVID-19

19. The financial impact of Covid-19 has constantly evolved during the 2021/22 financial year and will continue to change.
20. In 2021/22 the Council received £5.9m of one-off funding to reflect the impact of COVID. This support will not occur again in 2022/23 and at this stage there have been no announcements of any such funding for 2022/23 nor any income loss compensation.

21. The estimated financial impact of the pandemic that will continue into 2022/23 is over £3m – this is based on the current Covid-19 position in Torbay. How the pandemic progresses from here is likely to have a further impact. The key areas of risk are set out in the following paragraphs.
22. The DLUHC has allowed any Collection Fund deficit in 2020/21 to be spread over three financial years from 2021/22. The Council allocated funds to cover this cost as part of its 2020/21 outturn so this cost in 2022/23 is funded.
23. The Council Tax Support Scheme is to support residents with their Council Tax bills. For working age claimants the level of support is linked to their household income. Since March 2020 with the start of “lockdown” and its economic impact, the number of claimants for this scheme has increased. These costs and other impacts on the Council’s tax base was estimated at £0.750m (a 1% impact on total Council Tax income) which was part of the 2022/23 taxbase calculation.
24. In the current year, up until September, we have seen a cash reduction of 2% in collection of Council Tax compared to pre COVID levels. The ongoing impact on the collectability of Council Tax in 2022/23 due to the economic conditions has been estimated at 1% i.e., £0.750m.
25. In the current year, we have seen an ongoing reduction in collection of NNDR. Two thirds of Torbay businesses are in retail, leisure or hospitality and given the current economic conditions, the ongoing impact on the collectability of NNDR in 2022/23 has been estimated at £0.5m.
26. The Council has outsourced the contract for the Riviera International Conference Centre however it is unlikely to achieve historic income levels for up to two years. As a result, £0.5m has been estimated as the deficit funding required in 2022/23 for the Riviera International Conference Centre.
27. The economic impact of Covid-19 is likely to lead to a continued increase (compared to pre COVID levels) in levels of homelessness. This impact has been forecast at £0.5m.
28. The Council receives an income from properties held for regeneration and investment purposes (such as Fleet Walk and Wren Park). While any rental shortfall on such properties would initially be met from the relevant earmarked reserves there is likely to be an ongoing overall impact on rental income. Therefore, a contingency of £0.2m for rental income losses has been included.

Capital Plan 2022/23

29. As required by the Council’s Constitution, the draft Capital Plan for 2022/23 has been published which is line with the latest budget monitoring report (quarter 2 2021/22). As the Council has a rolling four-year Capital Plan that is reported quarterly, the Capital Plan for 2022/23 is a “subset” of the four-year plan based on the latest monitoring information.

Spending Round 2021 and Local Government Finance Settlement 2022/23

33. The Chancellor announced a three-year Spending Review in October 2021. This announced the total allocations for government departments. For local government the allocation of this total is in the subsequent local government finance settlement.
34. In the Spending Review the total for local government increased by £1.6 billion. The second two years of the Review however were at the same “cash” level as 2022/23. The absence of any additional funding in the second two years is a significant concern as this does not provide funding for any demand growth in services, such as social care.
35. The 2022/23 provisional settlement is fundamentally a one year “roll over” from 2021/22. The Council’s core funding of Council tax will increase by 1.99% and other core funding will typically increase by 3.1% for inflation (based on September CPI). Other service grants in 2021/22 were also rolled over into 2022/23. The 2022/23 Public Health grant allocations have not yet been announced.
36. As expected, the referendum limit for council tax rises was set at 2%. In addition, the flexibility for Councils to raise council tax by a further 1% specifically for adult social care was confirmed for 2022/23 and the following two years. These council tax increases are “assumed” as part of the increase in councils’ “core spending power” often quoted by DLUHC.
37. The Social Care grant was also increased year on year by £2.3m. This additional funding will be used to support provider and other inflationary costs in these services.
38. A new “one off” Services Grant of £2.2m was announced. The Partnership has chosen to apply this funding to one off allocations rather than fund ongoing costs from one off income. DLUHC have been clear that this grant allocation will not form the part of any baselines for any funding changes, and they will consider the future allocation of this funding.
39. No additional funding was announced for the ongoing impact of COVID.

Formula Funding and Business Rates Consultations

40. DLUHC’s aim of implementing a new funding formula and a revised business rates retention system (both last updated in 2013) has now been delayed for a third year to 2023/24 at the earliest. Progress to a new funding formula has not significantly advanced since the two consultation documents issued in December 2018. There is therefore still significant uncertainty around the Council’s funding for 2023/24 onwards.
41. As the Services Grant was allocated for one year only and the fact that there was only a one-year funding settlement despite a three-year Spending Review strongly suggests that in 2023/24 a redistribution of council funding is likely to happen.

42. Key elements of the previous consultation were:

- NNDR Retention Scheme: DLUHC intended to introduce a 75% NNDR retention scheme for all Councils. Recent comment by the Minister suggests that an increase to 75% is now unlikely. The consultation sought views on the design of the scheme and how and when any NNDR growth is redistributed between Councils to keep the link between funding and need while retaining an incentive for growth. In addition, the consultation suggested that NNDR baselines are changed on an annual basis to ensure councils are not disadvantaged by the impact of appeals.
- New funding formula to allocate new funding baselines and income baselines to all councils. The aim was to have as simplified a formula as possible that focusses on a limited number of key cost drivers. The consultation proposed an eight block formula then adjusted for general factors to reflect labour costs, rates costs and sparsity.
- There are seven specific formulas for major services – adults social care, children’s social care, highways, public health, legacy capital costs, fire and flood defence. All other services will form part of a “Foundation” block where it is proposed that this formula will be based on total population.

43. This proposal, although meeting the criteria of being transparent and simple, does not take into account other place-based factors that can influence costs and demand such as deprivation and coastal town issues. Also, some services included in the Foundation block such as concessionary fares, home to school transport and housing/homelessness are clearly not linked to total population.

44. DLUHC have said that they will look in 2022 to revisit the previous consultations in the light of any potential ongoing impacts of COVID.

Dedicated Schools Grant

45. As part of the Spending Round additional funding was announced for the Dedicated Schools Grant – for both Schools and High Needs. Torbay’s 2022/23 allocation of these additional funds was provisionally allocated in December 2021 with an overall increase in cash terms of £2.445m (2.74%) in the Schools Block and £2.916m (13.57%) in High Needs Block. Within the average overall increase, individual schools will receive more or less, depending on the impact of the changes in the formula and pupil numbers to their allocations. Although the additional funding for Torbay is clearly welcome, a deficit budget will still be required for 2022/23 as demand within High Needs continues to grow. The expectation is that there will be additional funding in 2023/24 which should continue to enable the budget to move closer to a balanced position.

46. The Council will, as usual, direct the entire grant received in respect of Dedicated Schools Funding through to those areas defined in the School Finance Regulations. The estimated value of the Dedicated Schools Grant (DSG) before academy school recoupment is £124m. For 2022/23 it is estimated that approximately £45.5m will be retained in the Council’s budget for expenditure

related to its (maintained) schools and other residual functions including education for High Needs.

47. The DSG and the schools funding formula is expected to change with full introduction of a new national (simplified minimum per pupil) school funding formula, however, there has been no confirmation of when this change will be implemented by the Education, Skills and Funding Agency (ESFA). Movement of funding between these blocks is now limited and is expected to cease altogether for the schools' block with the introduction of the national school funding formula.
48. The key financial pressure within the DSG is in the High Needs block. The pressures on the High Needs Block arise from the level of demand and referrals from schools and other agencies for support to pupils with additional needs. In previous years, in recognition of this pressure, Schools Forum agreed to move 0.5% out of the Schools Block to help fund the increased demand within the High Needs Block. **Schools Forum has not agreed to this virement for 2022/23.** The overspend on the DSG in 2021/22 is estimated to be £3.3m, resulting in a cumulative forecast deficit of £9.125m, which under current regulations needs to be "made good" in future years from the Dedicated School Grant allocations.
49. **This rising deficit is a key issue for the school's community and the Council. At this stage a balanced budget is still not forecast nor currently achievable, and therefore the deficit will continue to rise. The level of the deficit as at end of March 2022 is forecast to be in excess of the Council's general fund reserve, by more than £3m.**
50. Until the High Needs Block achieves financial balance in the longer term, the DSG reserve will be used to fund the cumulative deficit as a "negative reserve". Under legislation until the end of 2022/23 this reserve can be re-classified on the Council's balance sheet as a usable reserve. However, holding a negative reserve or even reclassifying it is not a sustainable solution.
51. Although legislation at present requires this deficit to be funded from the Dedicated Schools Grant, the higher the deficit increases without any funding solution there is clearly a rising financial risk for the Council and the schools in Torbay. Inevitably if there is a risk that the council will have to fund this deficit then the fundamental financial impact on the Council will result in a Section 114 notice being issued and service and school spend being reduced or stopped.

Adult Social Care

52. The Council's budget proposals for 2022/23 includes the contract sum agreed with the ICO and CCG to continue the highly regarded system of integrated health and adult social care within Torbay. This is the third and final year of the current three-year arrangement, supported by a focussed cost improvement plan for adult social care. The contract value for 2022/23 is £47 million.
53. Any additional funds raised by the 2022/23 Council tax precept of 1% (approx. £0.750) have been earmarked for adult social care.

54. The Government has introduced an increase in employer and employee national insurance contributions from April 2022 as a Health and Social Care levy to fund changes in those services. In the Spending Review it was announced that for the first three years the majority of this funding (85%) would be allocated to the NHS. Of the 15% for social care. Of this 15% approximately 2/3rd will be allocated direct to local government over the next three years with the national allocations over the three years being £0.2b, £1.4b and £2b.
55. The Councils allocation in 2022/23 is £0.559m and has been allocated as the Market Sustainability and Fair Cost of Care Grant. DHSC have stated that “the 2022/23 funding is designed to ensure Councils can prepare their markets for reform and move towards paying providers a fair cost of care, as appropriate to local circumstances”. The Council will earmark this grant for the identified purpose.
56. Full detail of the changes to adult social care to be funded from the Levy are yet to be announced. There is a government “white paper” and more detail expected during 2022.

Children’s Services

57. As Council is aware an additional £7m was added to the children’s social care budget in 2020/21 to re base the budget to reflect demand levels allowing for a contingency for demand. In addition, £2m was allocated to the service to enable investment in areas to enable service improvements. Areas for investment included SEND, senior management capacity, commissioning, procurement, recruitment and retention, social work academy, and investment in fostering in particular for carers who look after children with complex needs.
58. As a result of these investments and improvements within the service itself, the outturn in 2020/21 was below budgeted levels. The 2021/22 budget was reset at a level that reflects the lower levels of cost allowing a contingency for higher numbers of looked after children.
59. For 2022/23 there is expected to be further financial gains primarily from a lower level of exceptional costs in the service and reductions in the total cost of staffing as the success of the learning academy and recruiting permanent posts will reduce the level of agency staff required. The Childrens budget is however subject to cost and demand variations from the numbers and provision for looked after children. To mitigate this risk a new earmarked £1m reserve will be established.
60. Within the 2022/23 budget there is an allocation of £400k for investment in the SEN service to deliver improvements in the service and £100k investment in youth services.

SWISCo

61. The budget proposals include a £1.5m reinvestment in the SWISCo budget to “rebase” to reflect actual levels of cost and income. The aim of this is to provide adequate

funding for SWISCo going forward. Future budgets should then be linked to inflation, property growth and any service changes the Council may wish to implement.

Estimation of Council Tax Surplus/Deficit

62. The Council makes an estimate of the surplus or deficit on the Collection Fund at year end, from under or overachieving the estimated council tax collection rate. This would historically be a surplus figure of approximately £1.7m.
63. COVID-19 has had a significant ongoing impact on the collection of council tax. The 2021/22 position is better than 2020/21 but lower than pre COVID levels. Consequently, the Council will recognise a surplus in 2022/23 of £0.8m.
64. As the Council sets a collection rate within its tax base equivalent to the amount collected in the 12 months of the next financial year any surplus primarily represents the collection of sums due in respect of previous years. This indicates a level of success in collecting old year debts and raises the overall, longer term, collection rate well above the “in year” rate. Historically the Council has assumed a 96% in year collection rate which has been re-established for 2022/23 however a value equivalent to 1% will be held in contingency for potential losses in 2022/23.
65. The ongoing economic impact of COVID on Torbay residents combined with “cost of living” increases from national insurance rises, fuel and utility costs could result in more Torbay residents facing financial hardship which the Council will continue to be mindful of.
66. As a local precepting authority, as defined in the Local Government Finance Act 2012, Brixham Town Council will not be required to fund any deficit, nor will they be entitled to a share of any surplus on the collection fund.

National Non-Domestic Rates

67. The Council’s NNDR income in 2022/23 comprises three parts: a 49% share of NNDR income, a “s31” grant to reflect the loss of NNDR income to the council from central government changes to the NNDR (e.g., SBR) and a Top Up grant that reflects the difference in the Council’s assessed “need” for funding compared to its actual ability to raise NNDR income (as set in 2013).
68. Since the introduction of the Business Rates Retention Scheme in April 2013, the Council is also required to declare a surplus or deficit for NNDR in a similar way as set out above for council tax. The forecasting of NNDR has involved a wide range of complex variables and influences such as from reliefs and is an area which causes complications for medium term financial planning.
69. However, with the economic uncertainty likely to negatively impact the collection rates from COVID, the collection rate for NNDR in 2022/23 has been assumed to be improved compared to 2021/22 but lower than 2019/20. There is a new COVID related business rate relief scheme for 2022/23 along with a freeze in the NNDR

multiplier. The Council will continue to be compensated for this loss of NNDR income.

70. DLUHC have delayed the implementation of a revised NNDR retention scheme to at least 2023/24 and have also now confirmed that a “reset” of NNDR baselines to reflect growth since 2013 has also been delayed.
71. The Council along with other Devon Councils will continue with a NNDR pool for 2022/23 with an estimated gain to Torbay of £0.9m. The future of pools and the resulting financial gains are not certain under any new NNDR system from 2023/24.

Council Tax and Referendum Limits

72. To control the level by which local authorities can increase Council Tax, the Government has set limits at which point a referendum would be required. This was set again at 2% or over for 2022/23. The Partnership’s budget proposal is for a 1.99% increase in this element. In addition, DLUHC have offered Councils the flexibility to increase council tax by a further 1% for Adult Social care and the budget proposals include an additional 1% for this specific purpose.
73. Council will be aware that the Council Tax bill sent out to residents is made up of three main component parts, namely Torbay Council (including Brixham Town Council), Devon and Cornwall Police Authority and Devon and Somerset Fire and Rescue Authority. Once these have been declared they will be included in the Council Tax setting report which will be presented to the Council in March 2022.
74. The Secretary of State will consider the three component parts, not the overall bill, and, if any one of the three organisations were capped, the Council would have to re-bill.
75. In 2021/22, Torbay had the lowest Band D Council Tax in Devon at £1,967.56 including the Fire and Police precepts but excluding parish and town council precepts. A summary of some other Devon Councils’ Band D rates are as follows:

	Torbay (Unitary council)	Plymouth (Unitary council)	Exeter (City Council)	South Hams (District Council)	Teign- bridge (District Council)
District Council	-	-	165.05	175.42	180.17
Devon County	-	-	1,511.28	1,511.28	1,511.28
Total	1,641.00	1,653.35	1,676.33	1,686.70	1,691.45
Fire & Police	326.56	326.56	326.56	326.56	326.56
Band D (excluding parish precepts)	1,967.56	1,979.91	2,002.89	2,013.26	2,018.01
		+0.6%	+1.8%	+ 2.3%	+ 2.6%

Table last updated 30 March 2021

76. The differential between Torbay and the other Councils increases when Town and parish precepts are added. As a guide the 2020/21 precept for Brixham Town Council was £56.70.

Pay and Pensions

77. The 2021/22 pay award for staff (current employer offer is 1.75%) has not yet been agreed which provides uncertainty for the current year and 2022/23. The 2022/23 budget assumes a 2% pay award while a contingency will be held if the pay awards are higher along with any impact of the living wage and/or increases on lower grades over the “headline” award.
78. From April 2022 there is a 1.25% increase in the Council’s employer national insurance contributions which has been provided for. It was announced that Councils would receive compensation for this cost however no specific funding for this has been announced for 2022/23.
79. There will also be a similar pressure from this rise on the Council’s suppliers and subsidiary companies.
80. In 2019 there was the triennial valuation of the Devon County Pension Fund to ensure that employer contribution rates are set for the following three financial years to meet the long-term employee pension benefits requirements. This from 2020/21, for three years, resulted in an increase in Torbay’s “primary” rate to 16.7% (from 14.8%), this increase has however been more than offset by a significant reduction in the Council’s “secondary” rate (i.e., deficit) lump sum payment.

Services Grant

81. The Partnership’s proposed allocation of the one-off £2.243m Services Grant in 2022/23 is as follows.

Investment in SWISCo including digitisation	£0.428m
Investment in SEN	£0.400m
Investment in “Premier Resort”	£0.500m
Investment in Capacity to deliver projects	£0.500m
Investment in Planning Service	£0.200m
Investment in Climate Change	£0.100m
Community Ward Fund	£0.072m
Support for (potential) Devon Deal	£0.043m

Reserve Levels

82. The Council's general fund reserve of £5.6m as at the end of 2020/21 is at a level that is close to 5% of the Council's net budget. The Partnership have been supportive by increasing this balance to a level that is close to 5% of the Council's net budget.
83. By achieving a general fund level of 5% is prudent for the Council and this will be the first time in a long period this level has been achieved. As a guide in 2004/05 the level was 2%, in 2010/11 level was 3% and in 2019/20 the level was 4%.
84. The 2022/23 budget proposals do not include any use of any earmarked reserves to fund "base budget costs to achieve a balance. Earmarked reserves are being used to fund the three-year impact of the collection fund deficit and to cover some COVID related costs that are not expected to be permanent.
85. The Council continues to have the option, to give reserve levels a "boost", to swap revenue and reserve funded capital expenditure for prudential borrowing up to £3m which will need to be funded from future revenue budgets. At this stage this option is not being proposed.

CIPFA Financial Resilience Index

86. To provide more information and transparency on Councils' financial position, CIPFA issued a "Financial Resilience Index" to provide information.
87. The Index shows the assessment (based on 2019/20 data) of Torbay's position is that the "Indicators of Financial Stress" rank Torbay as a "higher risk" Council but not at the highest level. Factors that show a higher risk assessment are in relation to children's' social care where the council's share of its budget on this service is high and it has an inadequate OFSTED judgement. Other factors showing a higher level of risk are the overall level of reserves compared to budget. Conversely lower risk is reflected by no reduction in the level of general (unallocated) and earmarked reserves.

Longer Term Future Council Funding

88. The Medium-Term Resource Plan was updated at the end of March 2021 to include the impact of COVID-19 and the delays in the implementation of the new funding formula and revised NNDR retention system. The three-year 2021 Spending Review announced in October 2021 was followed up by just a one-year Local Government Financial Settlement which does not help with longer term financial certainly over future funding.
89. DLUHC's aim of implementing a new funding formula and a revised business rates retention system (both last updated in 2013) has now been delayed for a third year to 2023/24 at the earliest. Progress to a new funding formula has not significantly advanced since the two consultation documents issued in December 2018.

90. As the Services Grant was allocated for one year only in 2022/23 and there was only a one-year funding settlement despite a three-year Spending Review does strongly suggest that in 2023/24 a redistribution of council funding is likely to happen.
91. As an initial guide, prior to more detailed work being undertaken post 2022/23 budget setting, it is estimated that for 2023/24 and 2024/25 the Council will require in the region of over £9m of reductions to achieve a balanced budget. In addition to the funding uncertainty, the Council's three-year agreement with the ICO for adult social care will need to be renegotiated for 2023/24 and there will be a pension revaluation which will be implemented from 2023/24.

Thriving people



Draft Revenue Budget 2022/2023

Proposals for service change, income generation and efficiencies

Responsible Officers: Nancy Meehan, Kevin Mowat and Jo Williams

Cabinet Members: Councillors Law, Morey and Stockman

Headline	Cabinet Portfolio	Service	Proposal	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact	2022/23 Proposed Budget change £000		
Allocation of the Social Care Grant (adult social care)	Adults and Public Health	Adult Services	Allocation of half of the Social Care Grant to adult social care with the aim of supporting the provider market.	The adult social care market is supported to ensure that appropriate care can be provided to those who need it.	The volatility of the market continues and cost and demand pressure rise over and above the funds available.	There would be no differential environmental impact.	A significant proportion of the local economy is within the health and social care sector and therefore the support provided will have a positive impact.	Ensuring that the social care market is supported will ensure that those with specific needs (in particular the older population and those with disabilities) are protected.	1,168		
			Allocation of the Social Care Grant (children's social care)	Children's Services	Children's Services	Allocation of half of the Social Care Grant to children's social care:					
			<ul style="list-style-type: none"> Creation of contingency within the revenue budget to meet increased placement costs. 	The Council is able to meet any increases in costs of its children's social care placements throughout the year without negatively impacting on its overall financial position.	Placement cost pressures increase over and above the level of contingency.	There would be no differential environmental impact.	There would be no differential economic impact.	There would be no differential equality impact.	500		
			<ul style="list-style-type: none"> Additional funding for youth support 	Increased access to resources and activities for young people which will enable them to avoid the risks associated with exploitation.	Demand exceeds available resources even with the additional funding.	There would be no differential environmental impact.	Young people would be supported into adulthood with skills and aspirations to enable them to positively enter the workforce.	Young people, including those with protected characteristics would be positively supported.	100		
<ul style="list-style-type: none"> Funding of National Insurance and inflation costs 	50% of the increased National Insurance and inflation costs within	There are no risks associated with this proposal. Allocation of the grant to meet these costs reduces the risk	There would be no differential environmental impact.	There would be no differential economic impact.	There would be no differential equality impact.						

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				Children's Services are met.	across the Council's budget.				
Investment in Special Educational Need and Disability (SEND) services (one off funding)	Children's Services	Children's Services	Targeted early support for those children identified as having Special Educational Needs and Disabilities following the recent Local Area Inspection (Ofsted/CQC)	Children to benefit from earlier identification and targeted support to prevent escalation.	The investment does not deliver enough improvements at a great enough pace to prevent escalation.	There would be no differential environmental impact.	There would be no differential economic impact.	Children and young people with special educational needs and disabilities are positively supported.	400
Use an alternative funding source to continue our work with Groundwork South	Infrastructure, Environment and Culture	SWISCo – Parks and Green Infrastructure	Use Section 106 monies to fund an engagement post within Groundwork South.	There will be continued community engagement in our green spaces.	Section 106 monies are linked to separate legal agreements and the funding may be difficult to pool.	The work undertaken by Groundwork South has a positive environmental impact.	There would be no differential economic impact.	There would be no differential equality impact.	(30)
Total									2,706

Thriving economy



Draft Revenue Budget 2022/2023

Proposals for service change, income generation and efficiencies

Responsible Officers: Kevin Mowat and Martin Phillips

Cabinet Members: Councillors Cowell, Long and Morey

Headline	Cabinet portfolio	Service	Proposal	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact	2022/23 Proposed Budget Change £000
Review the fee structure for beach huts	Infrastructure, Environment and Culture	Tor Bay Harbour Authority	Ensure that an appropriate fee structure is in place for beach huts.	The fee structure will reflect the demand for particular sites based on location, facilities etc.	The new fee structure has a negative impact on the demand for beach huts.	There would be no differential impact.	There would be no differential economic impact.	There would be no differential equality impact.	(50)
Prudential borrowing costs for The Pavilion	Finance	Finance	Allowance made within the budget to meet the borrowing costs associated with the Council's investment in The Pavilion	The Council is able to meet the borrowing costs within its budget, enabling works to progress on The Pavilion.	Further borrowing is required for the works over and above that which has been allowed for.	There would be no differential impact of this proposal. However, the environmental impacts of the works at The Pavilion will be considered throughout the project.	There would be no differential economic impact of this proposal. However, the economic impacts of the works at The Pavilion will be considered throughout the project.	There would be no differential equality impact of this proposal. However, the equality impacts of the works at The Pavilion will be considered throughout the project.	100
Reduced contribution from the Harbour Account	Finance	Finance	A reduction in the contribution to the Council's revenue budget from the Harbour Account than was originally budgeted for.	The Council, as Harbour Authority, is able to build up reserves which will ensure the continued delivery of a stable, sustainable service to all our harbour users.	The Harbour Account faces increased pressure for which greater funds are required.	There would be no differential impact.	There would be no differential economic impact.	There would be no differential equality impact.	75
Premier Resort funding (one off funding)	Economic Regeneration, Tourism and Housing	Place	Additional funding to support the Council's ambition of being the UK's premier tourist resort.	The Council is able to invest in its resort services, including but not limited to responding to an increase in demand through the summer and facilitating events to celebrate the Platinum Jubilee and Christmas.	The Council will need the officer capacity to be able to deliver this investment.	The Council would want to see a positive environmental impact from this investment, the details of which will be considered as individual schemes are progressed.	The Council would want to see a positive economic impact from this investment, the details of which will be considered as individual schemes are progressed.	The Council would want to see a positive equality impact from this investment, the details of which will be considered as individual schemes are progressed.	500

Total

625

Tackling climate change



Draft Revenue Budget 2022/2023

Proposals for service change, income generation and efficiencies

Responsible Officers: Kevin Mowat

Cabinet Members: Councillor Morey

Headline	Cabinet portfolio	Service	Proposal	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact	2022/23 Proposed Budget Change £000
Appointment of additional climate change officers	Infrastructure, Environment and Culture	Strategy and Project Support	The appointment of further climate change officers to deliver our Carbon Neutral plans both for the council and across Torbay.	An increase in the level of activity towards meeting our ambition of tackling climate change.	We are not able to recruit appropriate officers to these posts in a timely manner.	Delivery of our Carbon Neutral plans will have a positive environmental impact.	There would be no differential economic impact.	There would be no differential equality impact.	75
Climate change subsidy (one off funding)	Infrastructure, Environment and Culture	Strategy and Project Support	Additional funding to support the delivery of our Carbon Neutral plans.	An increase in the level of activity towards meeting our ambition of tackling climate change.	The additional costs of projects and infrastructure within our Carbon Neutral plans are higher than budgeted for.	Delivery of our Carbon Neutral plans will have a positive environmental impact.	There would be no differential economic impact.	There would be no differential equality impact.	100
Reduction in cost for disposal of residual waste	Infrastructure, Environment and Culture	Place	A reduction in the amount of residual waste collected by focussing on increasing recycling rates (including through the work of our Recycling Co-ordinators).	An increased recycling rate will see a reduction in the amount of residual waste which is sent to the Energy from Waste Plant with the subsequent reduction in costs.	The rate of recycling does not increase and therefore the amount of residual waste generated remains at current levels, failing to achieve the financial savings. Behaviour change may be slower than anticipated and could be disrupted by external factors (including the continuing Covid-19 pandemic and a further shortage of HGV drivers).	An increase in recycling will have a positive environmental impact.	There would be no differential economic impact.	There would be no differential equality impact.	(120)
Total									55

Council fit for the future



Draft Revenue Budget 2022/2023

Proposals for service change, income generation and efficiencies

Responsible Officers: Anne-Marie Bond, Martin Phillips and Kevin Mowat

Cabinet Members: Councillors Carter, Cowell and Morey

Headline	Cabinet Portfolio	Service	Proposal	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact	2022/23 Proposed Budget Change £000
Redesign of Council operations resulting from new ways of working	Corporate and Community Services	Council-wide	Reductions in costs associated with new ways of working, including reduced levels of printing, centralised corporate functions, increased use of email/electronic communication and reduced travel costs.	The Council will embed the new ways of working which have, in the main, been driven by our response to service delivery during the Covid-19 pandemic.	There is some return to previous ways of working once the Covid-19 pandemic ends.	There is a positive environmental impact from our new ways of working, in particular around the reduction in travel and the use of paper.	There would be no differential economic impact.	There is a need to ensure that reasonable adjustments are made for those staff with protected characteristics.	(267)
Investment in IT within SWISCo (one off funding)	Finance	Finance	Procurement of waste management, parks and green infrastructure and highways IT systems.	The back-office systems within SWISCo are fit for purpose ensuring that the services delivered to the community are as effective and efficient as possible.	The cost of purchase and implementation of the new system is higher than budgeted.	There would be no differential environmental impact.	There would be no differential economic impact.	There would be no differential equality impact.	428
Community Ward Fund	Corporate and Community Services	Chief Executive Support	The Community Ward Fund will be run for a second year, with £2000 per councillor being allocated.	Funds are available to support assets, projects or activities within each Council ward.	The administration of the Fund (including undertaking the requested works) needs to be reviewed to ensure that it as efficient as possible.	Depending on the schemes which are undertaken via the fund, there may be positive environmental impacts.	Depending on the schemes which are undertaken via the fund, there may be positive economic impacts.	Depending on the schemes which are undertaken via the fund, there may be positive equality impacts.	72
Increase organisational capacity (one off funding)	Leader of the Council	Council-wide	Increase the capacity of the organisation to deliver the Council's priorities at pace.	The Council delivers the actions within its Annual Business Plan and therefore progresses towards its ambitions as set out the Community and Corporate Plan.	We are not able to recruit the appropriate officers in a timely manner.	The Council would want to see a positive environmental impact from this investment, the details of which will be considered as individual schemes are progressed.	The Council would want to see a positive economic impact from this investment, the details of which will be considered as individual schemes are progressed.	The Council would want to see a positive equality impact from this investment, the details of which will be considered as individual schemes are progressed.	543

Headline	Cabinet Portfolio	Service	Proposal	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact	2022/23 Proposed Budget Change £000
Investment in Planning Services (one off funding)	Infrastructure, Environment and Culture	Development Management	Additional resources to enable the backlog within the Planning Service to be cleared and investment in digitalising the services to improve efficiency.	Improved service delivery to users of the Planning Service.	We are not able to recruit appropriate officers in a timely manner. The cost of implementation of the new system is higher than budgeted.	A high performing Planning Service will have a positive environmental impact.	A high performing Planning Service will have a positive economic impact.	A high performing Planning Service will have a positive equality impact.	200
Total									976