

Cabinet's Response to Consultation

February 2024

Budget 2024-2025



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Statement from the Leader of the Council and Cabinet Member for Finance

In accordance with the Council's Constitution, the Cabinet is proposing a balanced net Revenue Budget of £139.2 million for 2024/2025 and a 2024/2025 Capital Investment Plan of £19 million for the Council's consideration.

As we said when we launched the consultation, our approach in proposing this budget is one of strong financial management and, whilst we are absolutely looking to create a sustainable financial future, we also want to make a difference for our residents and visitors.

We'd like to thank all of those who provided feedback to the draft proposals either through completing our questionnaire, talking to us at the engagement event in St Marychurch or by responding and commenting to our social media posts. We'd also like to thank the Overview and Scrutiny Board for its time in reviewing our proposals and for providing useful observations and suggestions which we have incorporated into these final budget proposals.

It was pleasing to see that the community supported the majority of the proposals put forward and, having considered all the responses and suggestions, we have made some changes to our original draft proposals in light of the final settlement we have received.

Our aim was to take a longer-term strategic approach in developing this budget, setting the direction for the next three to four years. We are planning for known bumps in the road, with our strong foundations of stable financial management enabling us to move forward with better certainty and a clear understanding of our financial position.

The additional Government funding recently announced for social care will be split equally between adult social care and children's social care. Within adult services this will mean that £0.860 million can support the continuing spending pressures being faced by the Integrated Care Organisation.

We had already identified some additional investment for Children's Services. Therefore, the new funding, plus the estimated increase in business rates, now enables us to reinvest over £1.3 million in a range of services, not least closing the budget gap of £300,000 which existed when we started our consultation.

We are also expecting £275,000 of additional one-off funding following the Final Settlement, which has also been considered.

In determining where this additional investment could be made, we have taken account of the responses to the consultation, including the views of the Overview and Scrutiny Board, as well as emerging service pressures. The full set of recommendations from the Overview and Scrutiny Board are set out in Appendix 1 together with the Cabinet's response. The changes we are proposing to the budget for 2024/2025 are outlined later within report but include the following:

- We know that many of our residents rely on their bus passes to travel around Torbay. We will increase some of our community-based bus service contracts by £70,000 and increase the funding available for Concessionary Bus Fares by £200,000, to ensure that good quality services are retained throughout Torbay.
- We are allocating £180,000 into providing additional capacity within our Children's Services to respond and plan for the new responsibilities under the Government's reforms entitled "Stable Homes, Built on Love". An additional £50,000 will also be allocated to the Youth Justice Service, ensuring children and young people receive the support they need at an early stage to succeed in the future.
- We know that events across Torbay are an integral part of what makes us the English Riviera and are highly valued by many residents. Our proposals already included £1 million within the Events Reserve. As suggested by the Overview and Scrutiny Board, we are now proposing a further £100,000 is provided to ensure that we have the staff in place to deliver our events programme.
- We recognise the importance of sport within the community and want to support sports organisations within Torbay in accessing external funding and becoming financial sustainable for the future. We are therefore allocating £75,000 to support sports clubs in becoming more financially viable.
- With the ongoing pressures on our residents from the current cost-of-living, we will identify £200,000 of one-off funding to be available if further support for residents from Government is not forthcoming. As suggested by the Overview and Scrutiny Board this will be directed where support is most needed but will include support for food banks, social supermarkets and debt advice.

The Overview and Scrutiny Board asked that we consider allocating funding to implement 20 mph zones. Further to a meeting of the Transport and Parking Working Party, a solution was found to deliver the prioritised schemes within budget. However, a reserve of £25,000 has been earmarked to be drawn down if needed to meet the proposed scope of the scheme for 2024/25.

Within the consultation results, we were pleased to see the overwhelming support for our planned investment in two new projects – Operation Brighter Bay and Operation Town Centres.

Operation Brighter Bay will see additional investment, married with efficiencies within SWISCo, to help make our Bay more attractive and safer – green areas will receive more attention with additional cuts to grass verges across not just our high-profile areas, but also town centres and our residential areas. This additional investment will also enable us to continue to replace more of our white lines and yellow box markings across the whole of the Bay. We understand it will be a four-year piece of work to restore them all, but this way of looking at the budget allows us to plan for the longer term.

Operation Town Centres will see a collaboration between our Police and additional Council staff on the streets in our Town Centres with the objective of providing more enforcement against those who engage in anti-social behaviour as well as providing greater assistance to individuals needing our help and support.

We hope that the Council will approve this budget so that we can continue to deliver our ambition for Torbay, with our residents are the heart of everything we do.



Councillor David Thomas
Leader of Torbay Council



Councillor Alan Tyerman
Cabinet Member for Housing and
Finance

Introduction

This document, and the papers which support it, set out the Cabinet's final proposals for the Revenue and Capital Budgets for 2024/2025.

The Cabinet published its draft budget proposals in January 2024 for consultation. During the consultation period, feedback was gathered through an online questionnaire and an engagement event held at St Marychurch on 27 January 2024 as well as from Torbay Council's social media channels.

The report from the consultation includes the feedback from the Council's Overview and Scrutiny Board. The budget proposals issued in January 2024 have been updated and republished with the papers for the meeting of the Cabinet to be held on 13 February 2024. Also included with the papers is the consultation report.

This report reflects the feedback received and outlines the changes that have been made to the Cabinet's proposals as a result. It also reflects the further Government announcements on local authority spending which have been received since the draft budget proposals were published.

Alongside this document several others will be published and will be available on the Council's website and are listed below:

- **Chief Finance Officer's Report**
This provides a more detailed narrative in relation to the 2023/24 Council budget.
- **Fees and Charges**
The amount that the Council proposes to charge for its services over the next year.
- **Capital Investment Plan 2023/24**
This explains the outcomes that we are seeking to achieve from our Capital Plan and which capital schemes the Council plans to fund over the coming year.
- **Revenue Reserves Policy**
The Council's policy on the establishment, maintenance and adequacy of its reserves and balances.

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

The Cabinet's final budget proposals will be considered at the meeting of the Council being held on 22 February 2024 when the budget will be decided (by a simple majority vote) and the Council Tax levels will be set. This will include the precepts from the Devon and Somerset Fire and Rescue Authority, the Devon and Cornwall Police and Crime Commissioner and Brixham Town Council, with an overall Council Tax for Torbay being set.

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

Budget 2024/2025

Proposed Changes to the 2024/2025 Revenue Budget

Since the Cabinet's budget proposals were issued in January 2024, we have continued to review the assumptions upon which we based our proposals. The final 2024/25 Local Government Finance Settlement was announced on 5 February 2024, following a provisional announcement on 18 December 2023. The Settlement confirmed increases in Torbay Council's allocation of Social Care Grant, Services Grant and Public Health Grant, totalling £1.88 million, as well as two areas of one-off funding estimated at £275,000 for Torbay.

In addition, and following final calculations, a further £470,000 of funding is expected to be received from National Non-Domestic Rates (Business Rates) in 2024/25 than compared to our earlier assumptions.

However, some additional areas of pressure have come to our attention and these final budget proposals address these matters.

We have also considered the views of the wider community and those of the Council's Overview and Scrutiny Board which have been provided during the consultation period.

A summary of the changes arising from consultation feedback and the increased funding for Torbay Council is set out in Table 1.

Description	Reduction in Expenditure/ Higher Income £k	Increase in Expenditure/ Lower Income £k	Commentary
Removal of the initial budget gap.		300	The additional funding enables the Council to balance its budget.
Fostering Allowances		300	At the end of January, the Government announced a minimum increase of 7% in National fostering rates which exceeds the 4% rate assumed within our draft budget. The budget for Children's Services has been increased to reflect this increase.
Events		100	Taking account of the views of the Overview and Scrutiny Board, additional capacity required to deliver the Events Strategy.
Bus Services		70	Additional funding to reflect the increased cost of the new bus service contracts.
Concessionary Fares		200	To increase the budget in light of recent Department for Transport

			guidance and expected increases in both price and passenger numbers.
Housing		100	Taking account of the views of the Overview and Scrutiny Board, additional capacity to accelerate affordable housing delivery.
Children's Services		180	Additional capacity required in response to new responsibilities and expectations under the Government's Stable Homes, Built on Love reforms.
Youth Justice Service		50	To fund costs, previously met by grants to deliver early intervention/prevention within the service. Partners who share the costs of providing this service, will need to contribute to ensure the continuation of activities at current levels.
Public Health (ring fenced)		150	Increased support for Public Health services, specifically including £75,000 to support sport clubs in becoming more financially sustainable.
Torre Abbey		50	Rebase some income targets, mitigating the risk of overspend within 2024/25.
Adult Social Care		860	50% of the additional Social Care Grant to be passed to the Integrated Care Organisation for delivery of Adults Social Care services.
Total change in priorities and budget	0	2,360	
Increased National Non-Domestic Rate (NNDR) income	470		Our level of NNDR income has now been forecast as higher than previously assumed. This figure is net of investment spend.
Increase in Public Health Grant	150		Confirmed in Final Settlement
Increase in Social Care Grant	1,720		Confirmed in Final Settlement
Increase in the Services Grant	20		
Total funding	2,360	0	
ONE-OFF FUNDING			
Release of business rates safety net and levy account	225		Estimate, awaiting final allocation.
Compensation for business rates	50		Confirmed in Final Settlement

exemption for green machinery			
- Cost of living support		200	To move into a reserve and be accessed if Government funding ceases - enabling continued support for foodbanks, social supermarkets and debt advice.
- Torbay Coast and Countryside Trust		50	To support the Trust in embedding actions to become financially sustainable.
- Road safety		25	Earmarked reserve towards the introduction of 20mph zones if required.
TOTALS	275	275	

Table 1: Summary of changes in income and expenditure

Revenue Budget 2024/2025

The Council is being asked to approve the Cabinet’s proposal for the total net revenue budget for 2024/2025 and the budget that will be required to be funded from Council Tax.

The Council is also being presented with the allocation of the 2024/2025 revenue budget to individual services. The allocation of budget to services is a key part of the Council’s financial control arrangements. The Financial Regulations in the Constitution govern any subsequent in-year budget changes. The approval of fees and charges for 2024/2025, in addition to supporting the achievement of budgeted income, provides clarity to services and service users. The Officer Scheme of Delegation governs any subsequent in-year changes to fees and charges.

A summary of this information is shown in the Table 2.

2023/24 Net £m	Directorate/Service	2024/25 Net £m
51.8	Adult Services (Inc. Community & Customer Services)	55.9
50.7	Children's Services	54.6
10.4	Public Health	10.7
12.3	Corporate Services (inc. Chief Executive's Unit)	13.8
(13.0)	Finance	(16.6)
(4.1)	Investment Properties	(4.1)
22.8	Place Services	24.9
130.9	TOTAL	139.2
	Sources of Funding	
81.1	Council Tax	86.7
1.6	Council Tax – 2% Adult Social Care 2023/24	1.7
0.5	Collection Fund Surplus	0
7.7	Revenue Support Grant	8.2
40.0	Business Rates (National Non-Domestic Rates)	42.4
0	Other General Grants *	0.2
130.9	TOTAL	139.2

Table 2: Revenue Budget 2023/2024 - Summary

The value of Council Tax after a rise in the Torbay element of the Council Tax of 2.75% and a 2% rise for adult social care is £88.4 million. This 4.75% rise will increase the Band D Council Tax in Torbay by £84.28 (of which the 2% rise for adult social care is £35.49), which equates to £1.62 per week.

When the Council formally sets the Council Tax for 2024/2025, the Council's budget must include the council tax requirement for Brixham Town Council. The value of this precept (£0.473m) will be included as part of the Torbay Council budget for Council Tax setting purposes.

Proposed changes to the Capital Investment Plan 2024/2025

There have been no material changes to the Capital Investment Plan. There have been some reprofiling of project spend and some small presentational changes made, which were requested during the consultation period.

Appendix 1 – Cabinet’s response the recommendations of the Overview and Scrutiny Board

Recommendations from the Overview and Scrutiny Board	Cabinet’s response
<p>1. That, if further funding through the Household Support Fund for 2024/2025 is not announced or provided by the Government, additional reserves be identified (in addition to the £1.8m Housing Reserve) to replace some of the funding previously provided through the Household Support Fund by the Government to be used, for example, to support foodbanks/food supermarkets, care leavers, Family Hub issued food vouchers and debt advice and to request the Director of Adult and Community Services to work with the third sector to help identify where the support is most needed.</p>	<p>£200,000 of additional one-off funding has been earmarked within the Council’s Reserves to be available if further support from Government is not forthcoming. As suggested by the Overview and Scrutiny Board this will be directed where support is most needed but will include support for food banks, social supermarkets and for debt advice.</p>
<p>2. Consider allocating one off funding of £100,000 to implement the 20 mph Zones identified through the submitted Motion set out at paragraph 9.6 of the report of the Overview and Scrutiny Board.</p>	<p>Proposals were presented to the Transport and Parking Working Party which demonstrated that the introduction of the 20 mph zones can be achieved without extra cost. These proposals were accepted by the Working Party. However, to provide certainty that finance will not be a barrier to implementing the programme a reserve of £25,000 has been earmarked to be drawn down if needed to meet the proposed scope of the scheme for 2024/25.</p>
<p>3. That the Cabinet be requested to work with the Head of Housing and Director of Pride in Place to progress this work [reviewing all options for the delivery of affordable housing] as a matter of urgency and, once the additional Government funding has been confirmed, the Cabinet should review how this can be used to free up funds to create an enabling fund to assist with provision of affordable housing in Torbay, to be used through the Housing Delivery Group as part of the 2024/2025 delivery plan to include activities such as:</p>	<p>£100,000 has been allocated within the proposed budget now being put forward to the Council for consideration. This would fund an initial increase in officer capacity to accelerate affordable housing delivery.</p> <p>A further review of the requirements for additional capacity and potential routes for funding will take place alongside the development of affordable housing delivery plans.</p>

<ul style="list-style-type: none"> • progressing Torre Marine; • work on temporary accommodation which could include considering potential for temporary uses on some of the Council owned sites and/or acquisition of stock from market housing; • continuing to engage with Homes England and use the Levelling Up Partnership and the new Homes England Strategy, which is more place focused, as our way to deepen the Council's connection; and • considering as part of the review of Council assets opportunities for disposal or development of a range of sites which may require further funding to support development of the sites; <p>(Note: the Review Panel found that there was no evidence within the Revenue Budget on how affordable housing would be delivered, what options have been considered, including the potential for the Council to further develop its own housing stock and create a Housing Revenue Account as well as exploring opportunities to work further with registered housing providers.)</p>	
<p>4. That the new approach to service change and savings plans, lacks a clear timeline and details of the process for the development of the nine areas and this should be provided to Overview and Scrutiny so that they can schedule the relevant areas into one of the three Boards/Sub-Boards as part of their Work Programmes for 2024/2025.</p> <p>(Note: progress on Savings Plans would be reviewed as part of the Overview and Scrutiny Monthly Briefings so they can identify which ones need to go to which Board/Sub-Board)</p>	<p>Where appropriate, milestones for implementing the Revenue Savings Plans for 2024-2027 will be included in the Council Business Plan which will be considered by the Council once the Community and Corporate Plan has been approved.</p> <p>In other cases, progress against the Revenue Savings Plans will be included within the Budget Monitoring reports presented on a quarterly basis to the Overview and Scrutiny Board.</p>
<p>5. That, following the motion agreed at Cabinet on 21 March 2023 where the Cabinet agreed to support the Show Us You Care Too campaign which calls for care experience to be made a protective characteristic as part of the Independent Review into Children's</p>	<p>Care experience will be included within the Equality Impact Assessments moving forward.</p>

<p>Social Care, the Cabinet take a proactive approach and locally recognise care experience within future Equality Impact Assessments (EIAs).</p>	
<p>6. That a policy on asset retention and disposal of assets be developed and included within the Capital Strategy.</p>	<p>This recommendation will be considered when the Cabinet considers the Council Business Plan once the Community and Corporate Plan has been approved.</p>
<p>7. Include within the quarterly monitoring and four-year Capital Strategy, the date when project was first added to Capital Plan, when the Council made a decision to move forward and indicative costs at that time to measure the delivery against the speed of project development.</p>	<p>This will be reflected within the future versions of the Capital Investment Plan.</p>
<p>8. That a plan be developed to address how the Council and its partners can work with Torbay's community centres to help support them with their maintenance so that they don't end up in crisis and this is brought back to the Overview and Scrutiny Board for consideration.</p>	<p>This recommendation will be considered when the Cabinet considers the Council Business Plan once the Community and Corporate Plan has been approved.</p>
<p>9. That all Councillors be provided with details as to how the repainting of yellow and white lines on the highways are prioritised and what revenue consideration is given in respect of enforcement.</p>	<p>Information of how the repainting of yellow and white lines on the highways are prioritised will be provided to all councillors.</p> <p>The enforcement which will take place once those lines are reinstated will be cost neutral (and potentially positive). New civil enforcement officers have recently been recruited to previously vacant posts and we are actively recruiting to fill the remaining vacancies. The funding for all of these posts is already included within the current revenue budget.</p>
<p>10. That £75,000 Revenue funding be included in the base budget to support sport in 2024/2025 and future years.</p>	<p>The proposed budget now being put forward to the Council for consideration identifies £75,000 to be funded on a one-off basis from the increase in Public Health grant, with focus on supporting organisations to access external funding and become financially sustainable.</p>

<p>11. Ensure that the review of play parks secures their future sustainability and additional funding options be explored such as Olympic legacy funding, existing funding opportunities and grants which could help replace assets such as the Victoria Skatepark working in partnership with organisations such as Sport Torbay.</p>	<p>This recommendation will be considered when the Cabinet considers the Council Business Plan once the Community and Corporate Plan has been approved.</p>
<p>12. That the following recommendations from the Review of Events, Culture and Tourism be considered as part of the budget setting process, should additional funding be identified through the process:</p> <p>“3. That the Director of Pride in Place be requested to review the resource and capacity of the Events and Culture Team, including administrative support, and to explore how the independent, voluntary, community and business sectors could contribute to ensure that there is sufficient capacity and resources to deliver:</p> <ul style="list-style-type: none"> • the Cultural and Heritage Strategies; • projects where the Council has received significant external funding; • future ambitions of the Council and its key partners, including the continuation of the £100,000 match funding from the Council to mirror the funding that the English Riviera Business Improvement District Company puts towards the delivery of the Events Strategy and Destination Management Plan; and <p>4. that the Director of Pride in Place be requested to explore the costs of a feasibility study to assess whether Torbay’s meadows and green spaces could be utilised as show grounds.”</p>	<p>£100,000 has been allocated for additional staffing within the Events and Culture Team within the proposed budget now being put forward to the Council for consideration. This is in addition to the additional £1 million highlighted within the initial budget proposals for an Events Reserve.</p> <p>The recommendation in relation to a feasibility study on utilising Torbay’s meadows and green spaces as show grounds will be considered when the Cabinet considers the Council Business Plan once the Community and Corporate Plan has been approved.</p>

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