

E-mail: democraticservices@teignbridge.gov.uk

19 December 2024

EXECUTIVE

A meeting of the **Executive** will be held on **Monday, 6th January, 2025** in the **Council Chamber, Forde House, Brunel Road, Newton Abbot, TQ12 4XX** at **10.00 am**

PHIL SHEARS
Managing Director

Membership:

Councillors Buscombe, Goodman-Bradbury, Hook, Keeling (Leader), Nutley, Palethorpe (Deputy Leader), G Taylor, Williams and Parrott

Please Note: Filming is permitted during Committee meeting with the exception where there are confidential or exempt items, which may need to be considered in the absence of the press and public. By entering the Council Chamber you are consenting to being filmed.

A G E N D A

Part I

1. **Apologies for absence**
2. **Minutes** (Pages 3 - 6)
To approve and sign the minutes of the meeting held on 3 December 2024.
3. **Announcements (if any)**
4. **Declarations of Interest (if any)**
5. **Executive Forward Plan**
To note forthcoming decisions anticipated on the Executive Forward Plan

6. Public Questions (if any)

Members of the Public may ask questions of the Leader or an Executive Member. A maximum period of 15 minutes will be allowed with a maximum of period of three minutes per questioner.

7. Report of the Devon Housing Commission (Pages 7 - 58)

To consider the attached report

8. Devon and Torbay Housing Advisory Group (DTHAG) (Pages 59 - 62)

To consider the attached report

9. Draft Budget proposals 2025/26 (Pages 63 - 124)

To consider the attached report

10. Working Age Council Tax Reduction Scheme (WACTR) 2025/26 (Pages 125 - 142)

To consider the attached report

11. Update on Future High Street Fund Project

Executive Member for Assets, Economic Development and Communications to report

12. For Information - Individual Executive Member Decisions

Executive Member Decisions

Part II: Items suggested for discussion with the press and public excluded

NIL

If you would like this information in another format, please telephone 01626 361101 or e-mail info@teignbridge.gov.uk

EXECUTIVE

3 DECEMBER 2024

Present:

Councillors Keeling (Leader), Palethorpe (Deputy Leader), Goodman-Bradbury, Hook, Nutley, Parrott, G Taylor and Williams

Members in Attendance:

Councillors Sanders, Clearance, Dawson and Radford

Apologies:

Councillors Buscombe

Officers in Attendance:

Phil Shears, Managing Director

Neil Blaney, Director of Place

Trish Corns, Democratic Services Officer

Christopher Morgan, Trainee Democratic Services Officer

Paul Woodhead, Head of Legal & Democratic Services and Monitoring Officer

Graham Davey, Housing Enabling and Development Manager

Alex Carpenter, Graduate/Assistant Estates Surveyor

These decisions will take effect from 10am on Tuesday 10 December 2024 unless called in or identified as urgent in the Minute.

91. MINUTES

The Minutes of the Executive held on 4 November 2024 were agreed as a correct record and signed by the Leader, with the amendment to Minute 89 fourth bullet point to read: *The development included 23 properties with social rent that is significantly below market rent.*

92. ANNOUNCEMENTS

The Executive Member for Environment, Climate and Sustainability reported on the effects of storm Bert and thanked the Council's drainage and coastal manager and staff, Devon County and Environment Agency staff, emergency services and all community help for their prompt response during the event and recovery stage to assist the community.

Flooding had occurred in Newton abbot and the surrounding area with 40 properties affected, but the existing defences had stood up well. There would be further investigation into the event by the response authorities.

93. DECLARATIONS OF INTEREST

None.

94. EXECUTIVE FORWARD PLAN

The forward plan was noted.

95. PUBLIC QUESTIONS

None.

96. PETITION REFERRED FROM FULL COUNCIL 29 OCTOBER 2024

The Petition “Save Our Brooks (S.O.B)” was presented by David Force of The Friends of Dawlish Brook to the Council meeting on 29 October 2024, and was referred to Executive. The petition has 2,657 signatures.

Ward Member Councillor Dawson emphasised the importance of the Brook for the economy of Dawlish attracting tourists and visitors, a significant wildlife habitat and the flooding it causes. A volunteer group had formed called WADE (Waterways Around Dawlish Environment) to work with the Council and maintain the Brook through support and empowerment from the Council.

The Executive Member for Environment, Climate and Sustainability advised that since the petition was presented to the Council, interested parties had met and agreed responsibilities including riparian responsibilities, and vegetation had been removed. Dredging was not a cost benefit solution and damaged wildlife. The implementation of natural flood risk measures was being investigated, in conjunction with trained WADE volunteers to undertake minor works to maintain an attractive watercourse for tourists, residents and wildlife.

97. BUCKFASTLEIGH RANGERS SOCIAL CLUB LEASE PROPOSAL

The Deputy Leader and Executive Member for Assets, Economic Development & Communications presented the agenda report.

It was noted that the initial rent would be for five years period with a five year rent review.

It was unanimously,

RESOLVED

1. To approve the grant of a 15-year lease to Buckfastleigh Rangers Social Club as detailed in this report.
2. To delegate authority to the Director of Corporate Services to take such decisions as are necessary and appropriate to conclude the grant of the lease on acceptable terms.

98. NOTICE OF MOTION REFERRED FROM COUNCIL 29 OCTOBER 2024

The Deputy Leader and Executive Member for Assets, Economic Development & Communications referred to the Notice of Motion on the Lawns Covenant,

Bishopsteignton. The Council had referred the Notice of Motion to the Executive. Councillor Macgregor had presented the Notice of Motion at Council on 29 October 2024.

The Executive Member for Assets, Economic Development & Communications advised that the matter would be deferred until the February Executive meeting at Councillor Macgregor's request to enable discussions with Bishopsteignton Scout Group to resolve the issue.

99. UPDATE OF FUTURE HIGH STREET FUND

The Deputy Leader and Executive Member for Estates, Assets and Parking provided the following update to the Executive:

Queen Street Enhancement

- **Progress:** Courtenay Street works substantially complete; Phase 4 (Albany Street to Devon Square) progressing well.
- **Improvements:** Wider pavements, improved accessibility, and traffic restrictions creating a safer, more welcoming environment.
- **Festive Pause:** Construction paused (Nov 30 – Jan 2) for Christmas Festive Season and events; Remembrance Sunday parade ran smoothly.
- **Next Steps (2025):**
 - January: Install raised pedestrian tables and zebra crossing at War Memorial.
 - February: Plant Juneberry trees and additional greenery.

Market Hall and Market Square Redevelopment

- **Mini Market Hall:** Opened in October 2024, ensuring continuity for traders during redevelopment.
- **Construction:** Redevelopment commenced November 25, 2024, with completion set for spring 2026.
- **Business Strategy:** National market specialists engaged to support long-term sustainability.

UK Shared Prosperity Fund (UK SPF)

- **Outcome:** Secured £30,000. Collaboration with TDC, local businesses, the Chamber of Commerce, and NATC to develop a bid is progressing.
- **Impact:** Funds will strengthen Newton Abbot's business economy and resilience.

Bradley Lane Development Site

- **Legal Challenge:** A "Judicial Review Pre-Action Protocol Letter" has been received (2 December 2024) from SAVE, limiting updates until the legal process concludes.
- **Strategic Importance:** Bradley Lane remains pivotal for Newton Abbot's regeneration, addressing essential housing and infrastructure needs.

Conclusion

The FHSF projects are progressing well, delivering improved public spaces, business continuity, and economic investment. These initiatives are on track to transform Newton Abbot into a vibrant, accessible, and thriving destination by 2026.

100. FOR INFORMATION - INDIVIDUAL EXECUTIVE MEMBER DECISIONS

The Executive Member decisions were noted.

101. LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 - EXCLUSION OF PRESS AND PUBLIC

RESOLVED

That, under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the item below on the grounds that it (they) involve(s) the likely disclosure of exempt information as defined in the relevant paragraph 3 of Part 1 of Schedule 12A of the Act.

102. APPROPRIATION OF LAND, NEWTON ABBOT

The Executive considered the agenda report.

The meeting returned to public session, Part I of the agenda.

It was unanimously,

RESOLVED

Recommendations 1-4 set out at agenda page 17 be approved.

CLLR R KEELING

Leader

The meeting started at 10am and finished at 10.40

Teignbridge District Council**Executive****6th January 2025****Part i****The Report of the Devon Housing Commission****Purpose of Report**

This report is intended to draw Members attention to the recently published report of the Devon Housing Commission which seeks to investigate the housing crisis in Devon and the acute need for more affordable housing. It makes a series of recommendations about how these issues can be addressed.

Recommendations

That the Executive resolve to –

1. Continue its dialogue with partners on the Devon Housing Commission to help deliver the recommendations contained within their report.
2. Prioritise work on delivering affordable housing and the 'Homes 4 Teignbridge' initiative (formerly known as the T100) and the Rural 5 programme.
3. Work across service boundaries including Planning to explore further options to maximise affordable housing opportunities.
4. Reviews its capital programme to identify further capacity for new affordable housing schemes.
5. Lobby Devon County Council for Second Homes Council Tax to be spent on Affordable Housing as was originally intended.
6. Work with the combined DCC / Torbay authority and the DTHAG (Devon and Torbay Housing Advisory Group) to maximise affordable housing schemes in Teignbridge.

Financial Implications

There are no financial implications to this report at this stage pending outcome of recommendation 4.

Martin Flitcroft.

Chief Finance Officer and Director of Corporate Services

Email: martin.flitcroft@teignbridge.gov.uk

Legal Implications

There are no legal implications to this report.

Paul Woodhead

Head of Legal and Democratic Services and Monitoring Officer.

Email: paul.woodhead@teignbridge.gov.uk

Environmental/ Climate Change Implications

There are no environmental / climate change implications to this report.

Report Author

Graham Davey, Housing Enabling and Development Manager
Email: graham.davey@teignbridge.gov.uk

Executive Member

Councillor Richard Buscombe, Portfolio Holder for the Teignbridge 100.

1. Introduction

1.1 All Local Authorities across Devon recognise the significant impacts that housing has across multiple strands of service delivery, across tiers of Local Government and across the wider public services.

1.2 Close collaborative working across Devon saw the setting up of the Devon Housing Task Force. A significant early piece of work undertaken by the task force was the creation of the Housing Commission, the remit of which was to investigate and understand the causes of the “Devon Housing Crisis” and to recommend policy and other remedial changes.

1.3 The Devon Housing Commission was Chaired by Lord Richard Best a well-known and respected figure, Social Housing Leader and Member of the House of Lords.

1.4 The Commission was supported and partly funded by the University of Exeter and took place between May 2023 and June 2024. The final report was published and launched on 19 July 2024.

1.5 Part of the Commissions work included a visit to Teignbridge where Officers from Housing and Planning gave a presentation of the context from a Teignbridge perspective. The presentation is replicated as Appendix A.

2. The Report

2.1 The work of the Housing Commission looked at a broad range of policy decisions, housing data and the results of research in order to assess the state of the current Devon housing market.

A copy of the report can be found here:

[2024EI047-Devon-Housing-Commission-Final-Report-v8.pdf \(exeter.ac.uk\)](https://2024EI047-Devon-Housing-Commission-Final-Report-v8.pdf)

The report is set out across nine chapters:

- A Picture of Devon’s Housing Crisis – A Lack of Affordable Housing
- Rural and Coastal Communities

- Devon's Demography, Housing for Older People
- Supported Housing and Temporary Accommodation
- Healthy and Environmentally Sustainable Housing
- Housing Need and Delivery
- Planning
- The Role of the Proposed Combined County Authority (CCA)

The outcome of the work and report is a comprehensive set of recommendations, comprising:

- Overarching Recommendations
- Recommendations to Devon's local authorities
- Recommendations to the Proposed Devon and Torbay Combined County Authority
- Recommendations to Homes England
- Recommendations to Government
- Recommendations for other bodies

3. A Resume of the Recommendations under the various categories is as follows.

Officer comments added to the Devon Councils recommendations.

3.1 Overarching Recommendation.

- More affordable housing in Devon

3.2 Recommendations to Devon Councils

- **Employ dedicated Housing Enabling Officers.**

Teignbridge currently employ two part time Housing Enabling Officers but both posts are externally funded with uncertainty remaining over their long-term future.

- **Planners to “manage” land prices to stop high land values causing viability to reduce Affordable Housing delivery.**

The new Teignbridge Local Plan Policy GP8 (Viability) sets out more stringent policy tests regarding viability testing. However, whilst viability testing at Development Management stage remains a part of national policy, this objective is not entirely within the control of local planning authorities.

- **Planners to ensure local need is prioritised over market demand.**

The new Teignbridge Local Plan sets specific requirements for housing size and type to meet evidenced need for both affordable and market housing, specifically meeting the demand for smaller households.

- Increase delivery of temporary accommodation to reduce homeless pressures.

Officers actively pursuing opportunities as part of T100 delivery pipeline.

- Double council tax on second home

On 27 February 2024, Council approved proposals to levy the maximum 100% premium on furnished properties that are not used as anyone's sole or main residence. The new premium will take effect from 1st April 2025.

- Councils release their land for social rented homes.

T100 delivery on Teignbridge land has been and is proposed to be on Council brownfield sites.

- Encourage use of Community Land Trusts.

Teignbridge currently has four Community Land Trusts active in Teignbridge in Broadhempston (2), Christow and Ashburton

- Maximise Rural Exception Sites and consider open market units to cross subsidise.

Covered by Policy H7 in Reg 19 Local Plan currently at Public Examination stage.

- Local Plans to prioritise older persons housing to free up family housing.

The Local Housing Needs Assessment has identified a need for an additional 1,075 specialist older person dwellings by 2040. The emerging Local Plan includes various provisions to meet this demand, through a combination of allocated sites for extra care housing, a requirement for 35% of new homes to be built to higher accessibility standards and a permissive approach to older persons housing developments outside of settlement limits.

3.3 Recommendations to proposed Devon and Torbay Combined County Authority

- Overarching Devon Housing Strategy (DHS)
- Successor body to the Devon Housing Task Force to monitor DHS.
- Countywide Development Corporation
- Housing Intelligence Unit for data analysis
- Provide career path for Planners.

3.4 Recommendations for Homes England

- Robust strategy to support rural areas.
- Policy for supporting Rural Exception Sites
- Close working with proposed CCA

3.5 Recommendations for Government

- Increase funding for affordable housing, especially social rent.
- Full cost recovery for planning applications.
- Expand LAHF programme.
- Uprate LHA.
- Funding for Rural Housing Enablers and Community Housing Fund.
- LAs to determine R2B discounts.
- Exempt stamp duty for those over pension age.
- Upgrade Building Regs re M4(2) adapted homes and requiring highest energy ratings for new homes.
- Initiation of decent homes programme
- Measures to improve private rented sector (Renters Rights Bill)

3.6 Recommendations for other bodies

- Charter for Social Housing Regulator re disposals.
- Integrated Care Board and Public Health to have formal data sharing structures in place with Housing.

4. Whilst looking at the key recommendations for Devons Councils please find below some key statistics and trends in Teignbridge affecting the demand for affordable housing.

This data was explained more fully in the presentation given by the Portfolio Holder to Overview and Scrutiny Committee on 12th November 2024 and is replicated as Appendix B.

4.1 Devon Home Choice, Homelessness, Bed and Breakfast costs and Temporary Accommodation data.

Devon Home Choice

- 1624 active applications as of 1st November 2024 with a further 400 applications awaiting assessment or supporting evidence to be submitted.
- This represents 54% increase of active applications since 2021/2022.
- 51% of the register require one-bedroom homes which equates to 828 households.
- 9.5% require 4 bedroom or larger which equates to 154 households – only 7 were advertised in 2023/24.

4.2 Homelessness

- 615 homeless applications taken in 2023/2024.
- We have seen 22.2% increase on 22/23 figures in those who are already homeless and seeking temporary accommodation.
- This is 26.4% increase on 2021/22 demand.
- We have taken 361 homeless applications this financial year.

- We have 15 units of accommodation for rough sleepers who will need to be moved on into settled accommodation when ready to do so.
- Overall, we are seeing far higher numbers of single people or couples that are homelessness.
- Households that are homeless and need 4-bedroom homes simply have very limited opportunities to bid on social housing or secure affordable private rented housing.

4.3 Bed & Breakfast Costs

- In 2023/24 we spent £457,226 on Bed and Breakfast accommodation for homeless households
- We are projected to spend £417,284 this financial year.

5. Key data from the report which may be of interest to Members

- In 1997 average house price in Teignbridge £60,000 now £300,000.
- Total Social Housing in Teignbridge is 6,623.
- Total Right to Buy sales 1981 to 2023 is 3,020.
- There are more Community Land Trusts in Devon than any other County.
- 388 Extra Care units are needed in Teignbridge by 2033.
- Residential land values in Teignbridge are currently £2m per hectare 87 times agricultural value.
- The peak years for people leaving Devon is when they are in their 20's
- The peak years for people moving into Devon is when they are aged between 55 and 65.
- Devons current average age is 50 years of age, nationally its 40 years of age.
- Devon has 9% of total housing stock designated as affordable housing, nationally it is 18%.

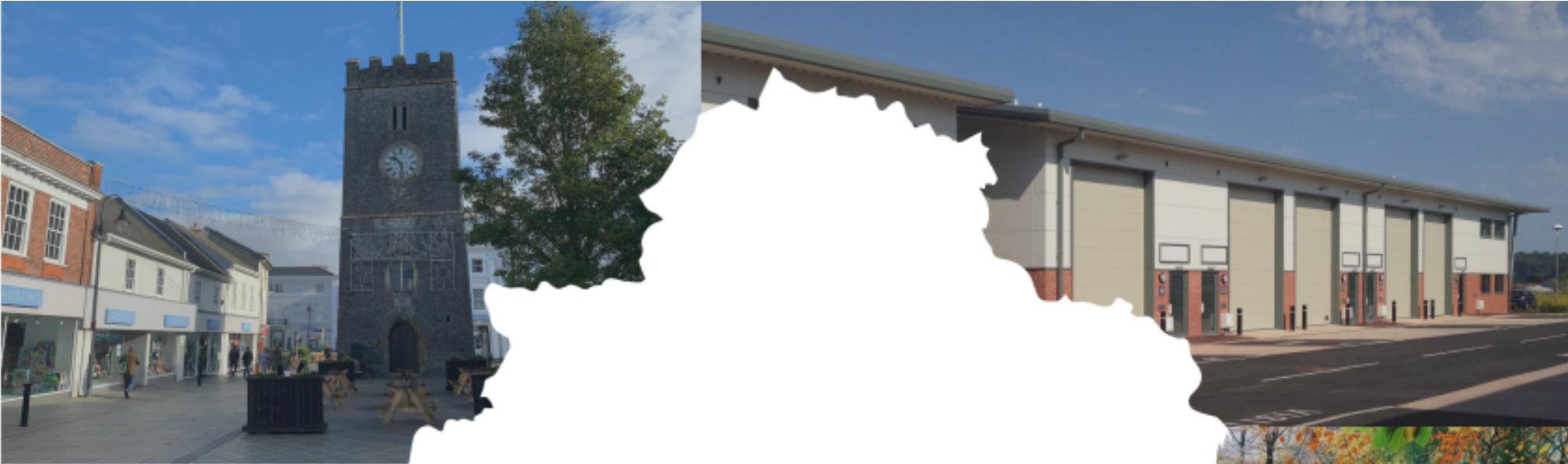
Devon Housing Commission



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22nd March 2024 Powderham Castle

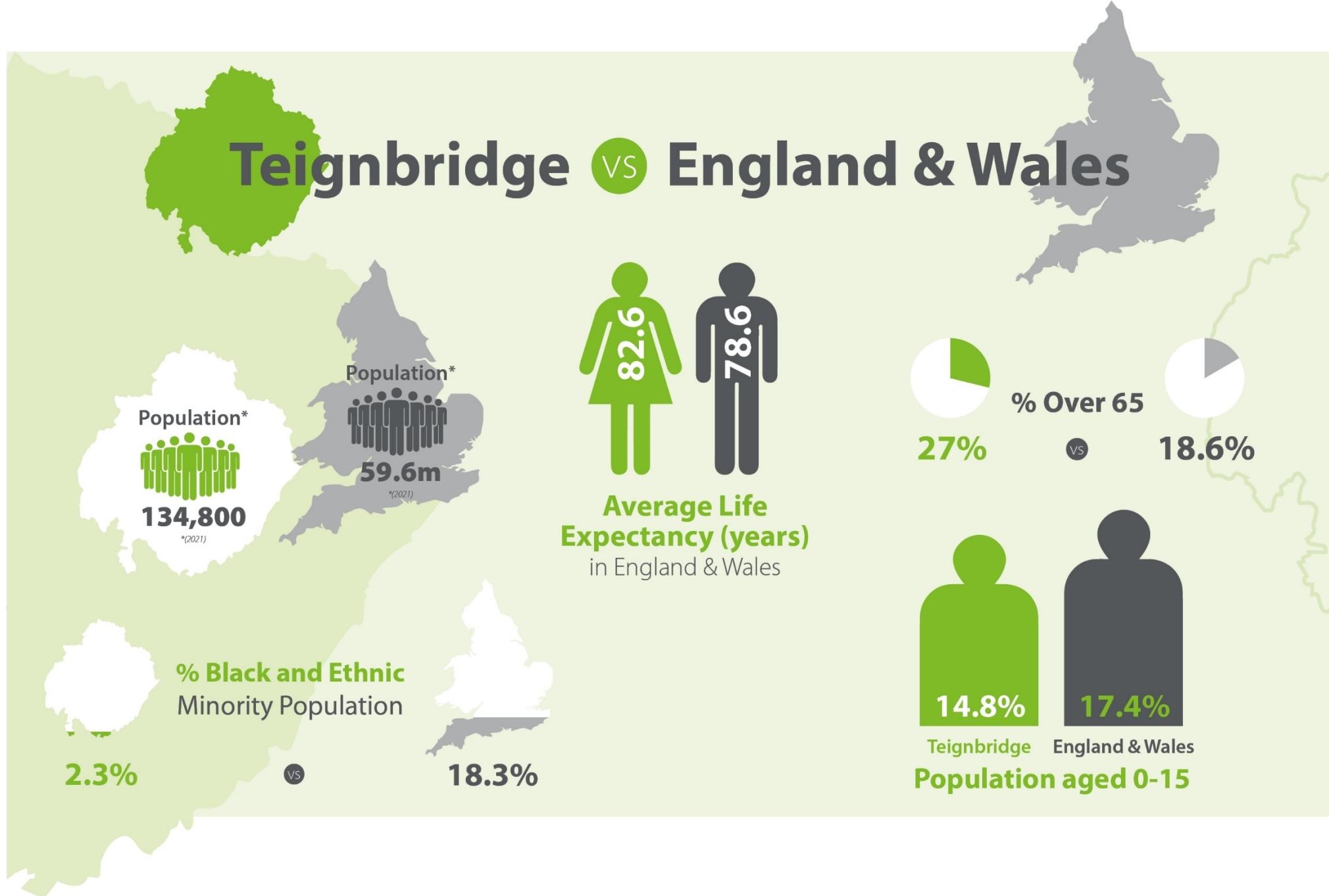




Welcome to Teignbridge



Teignbridge
.gov.uk



Teignbridge England & Wales



Working Age Population

£££

£25,415

Teignbridge

£29,795

England & Wales

Median Income
for all jobs
in 2023

57.1% 

in Teignbridge

62.9% 

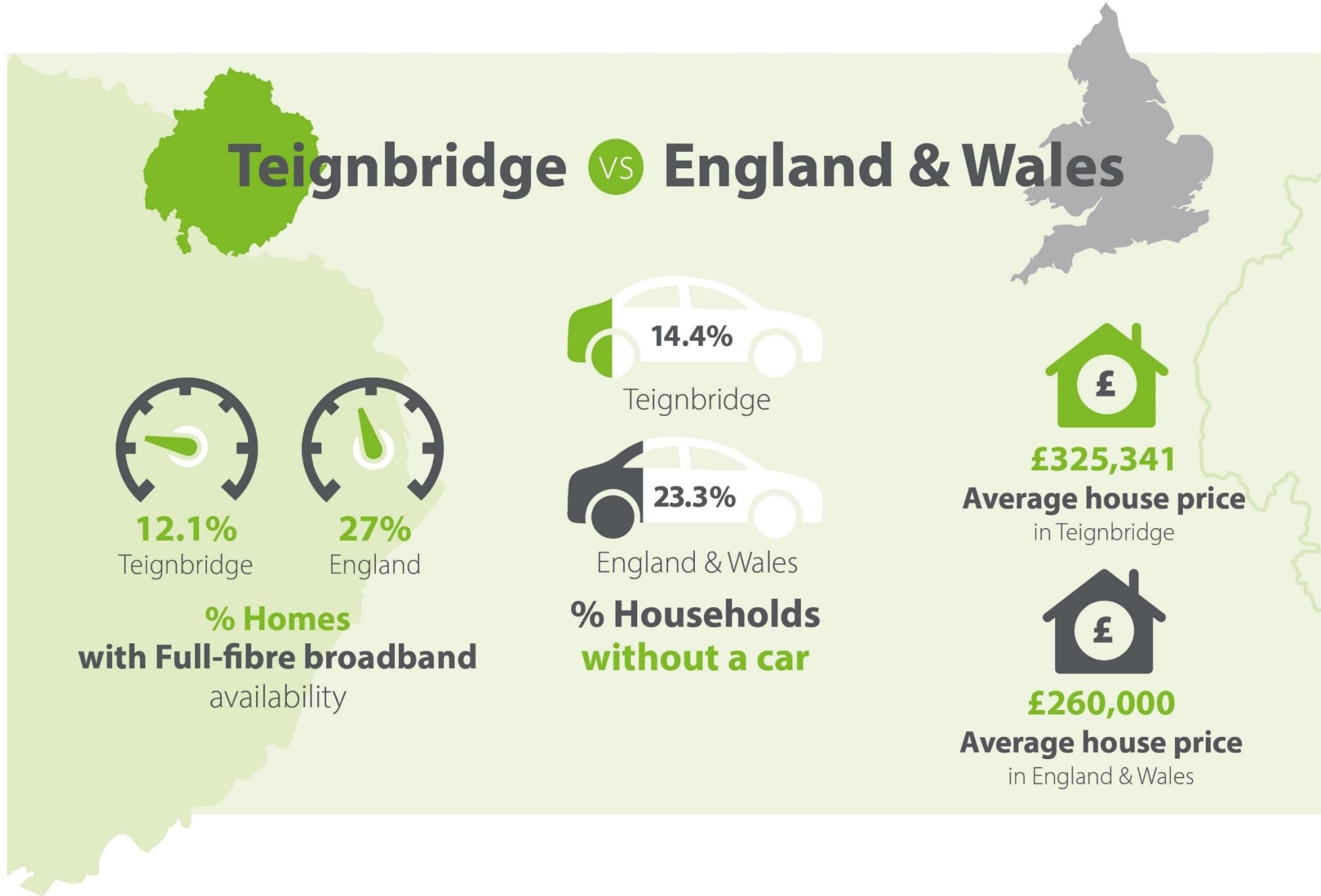
in England and Wales



2%
Teignbridge

3.7%
England
and Wales

Working age population on
**out of work
benefits**



Teignbridge Rank (out of 317 LAs) in England for Deprivation

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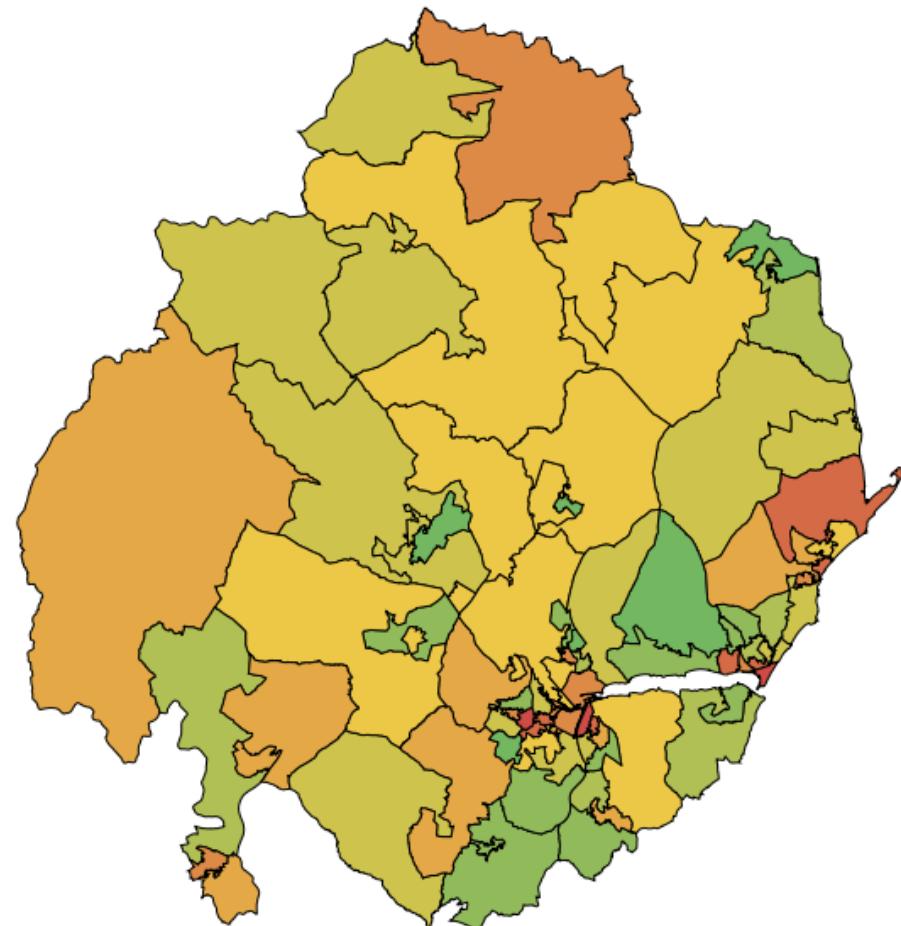
The Indices of Multiple Deprivation (IoD 2019) is an overall ranking of deprivation made by combining these 7 domains: Income, Employment, Education, Health, Crime, Barriers to housing & services, Living environment

Deprivation ranks are calculated at lower super output area. The ranks for Teignbridge can be seen in the table below and on the map to the right.

A deprivation rank of 3 means that output area is in the bottom 30% of deprivation of all output areas in England.

LSOA	Ward Description	Index of Multiple Deprivation
015A	Newton Abbot: Broadlands area	2
014A	Newton Abbot: Sandringham Road area	2
010B	Teignmouth: Town Centre and Seafront area	2
005A	Dawlish Warren and Cookwood	3
006A	Dawlish: Seafront area	3
014C	Newton Abbot: Central – Union Road and Halcyon Road area	3
015B	Newton Abbot: St Leonards Road area	3
016A	Newton Abbot: Windsor Avenue area	3

To see all 7 domains of deprivation by LSOA click here --> 



Least deprived

Most deprived

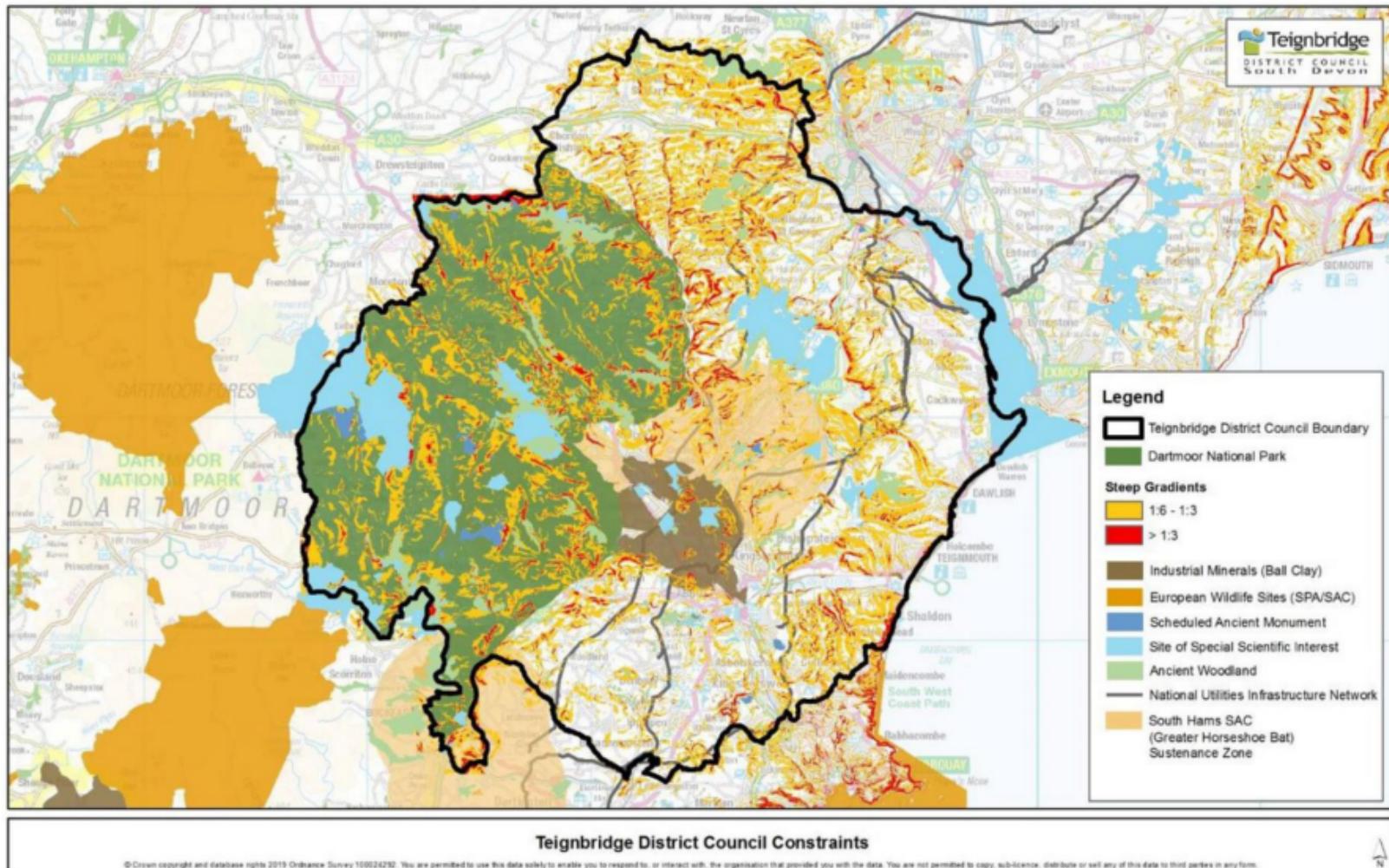


Source - [English indices of deprivation 2019 gov.uk](https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019)

Teignbridge from a Planning Perspective

Physical challenges

20

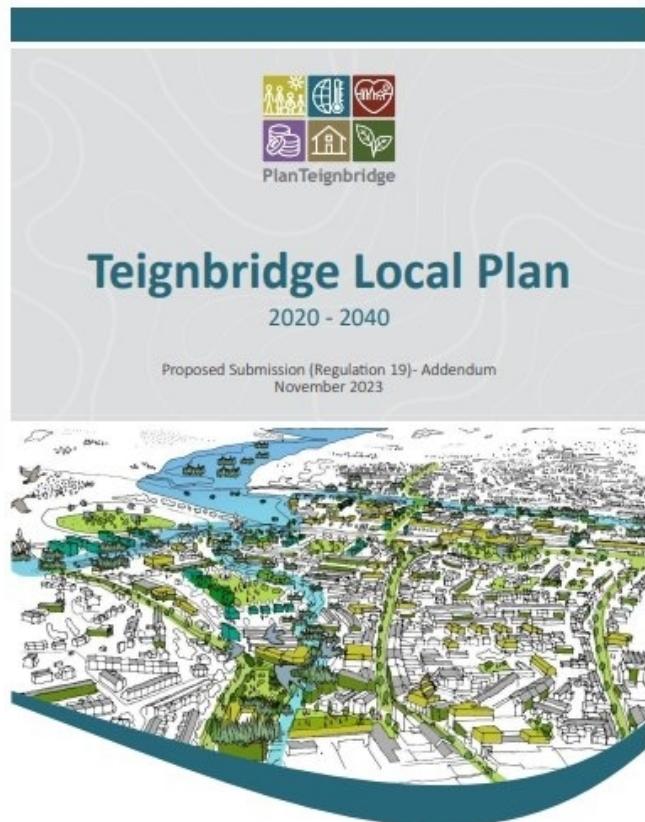


Other challenges

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- Infrastructure – existing capacity and cost/time for new
- Build costs
- Availability of materials and people to build
- Cost and ability to Off-set (carbon, biodiversity, etc)
- Viability
- Public sector resource
- Politics

Opportunities



www.teignbridge.gov.uk

Houghton Barton and Bradmore

Neighbourhood
Design Code



Garden Community Programme



Garden Community super projects

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- Community infrastructure
- Transport
- New neighbourhoods
- Construction methods and skills
- Enterprise and employment
- Energy
- Connecting to nature
- Housing and brownfield development
- Beauty and design
- Flooding and drainage
- Enhancing the Bovey Basin



The vision

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Landscape of Opportunity

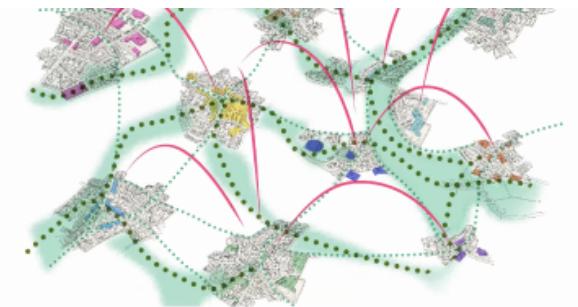


Growing Local

A future where Newton Abbot and Kingsteignton are carbon neutral, the area has a thriving economy, and is a desirable place to live, work and visit; with beautiful surroundings, a rich culture and diverse natural habitats



Thriving Together



Community of Communities

Design codes

Supporting local authorities and neighbourhood planning groups to develop design codes, as part of the Design Code Pathfinder Programme

What is a design code?

25

They are a set of concise illustrated design requirements providing the parameters for the development of a site or area to deliver more predictable design outcomes. These codes are tailored to local conditions and priorities, which seek to support well-designed places by:

- › Enhancing local character
- › Supporting vibrant and healthy communities
- › Addressing the climate emergency

Design
Council

Design Code Pathfinder Programme

Working with the Department for Levelling Up, Housing and Communities and Office for Place, we provide design advice and support to 25 selected pathfinders. These are made up of local authorities and neighbourhood planning groups who are developing design codes to help raise the quality of the built environment in their local area. This year's selected pathfinders are building on the experience of 16 previous participants who took part in the [National Design Code Pilot Programme \(NPFF\) in 2021](#).

As part of the Programme, the selected pathfinders are supported through panel sessions and workshops, facilitating discussions with design and built environment experts, allowing for peer-to-peer support and learning. As a result, the pathfinders are able to test and refine their design code.



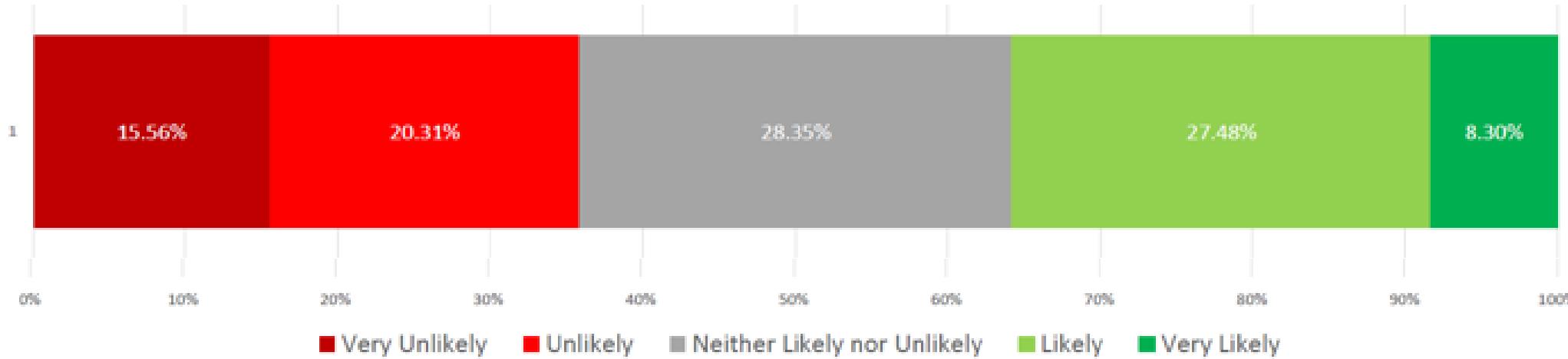
Department for Levelling Up
Housing & Communities

Where?

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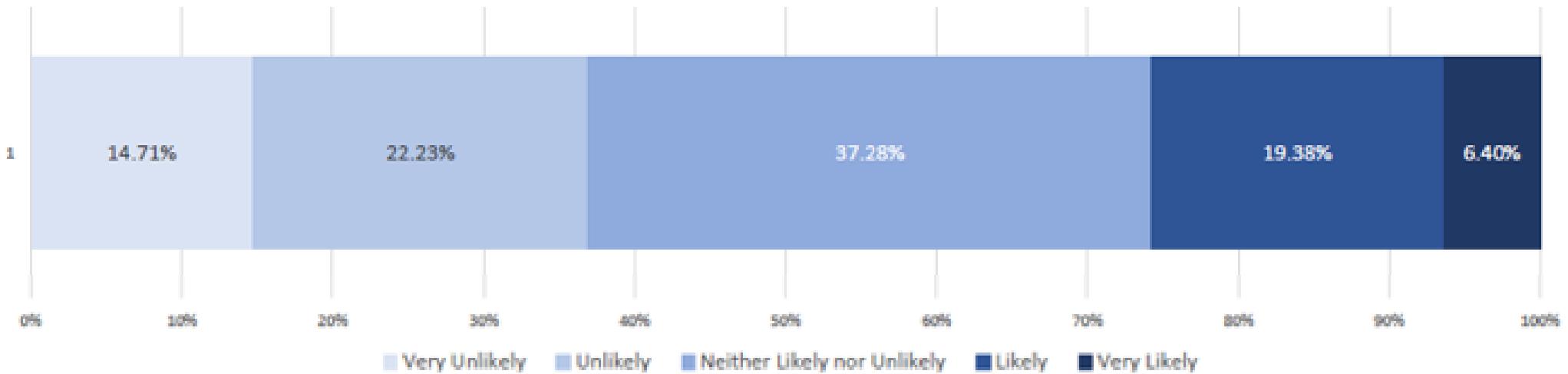


How likely are you to support increased housing development in your local area?



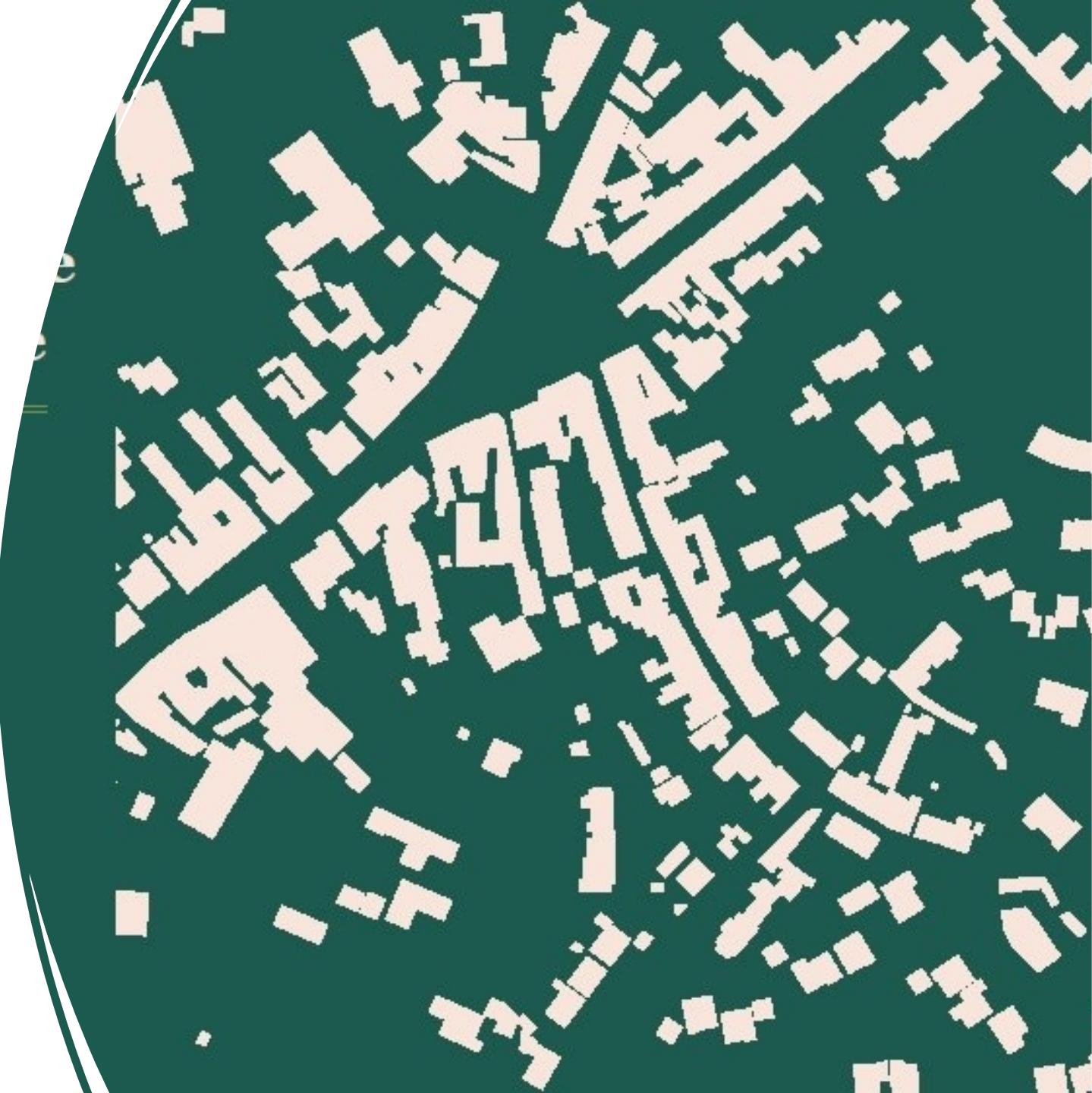
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Thinking about planning consultations, how likely are you to be involved in the process?



Design Code – Citizens panel

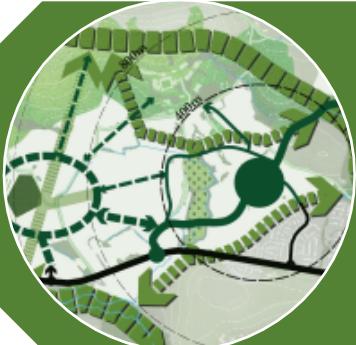
- Panel of local residents
- Demographically representative
- Led the debate and shaped the codes before developers involved
- Met bi-weekly for 10 weeks
- Design code embedded into the Local Plan



Spatial Principles

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Three key priorities established



1 – creation of place

- *two complementary neighbourhoods shaped by the landscape
- *connected into the wider Teignbridge setting

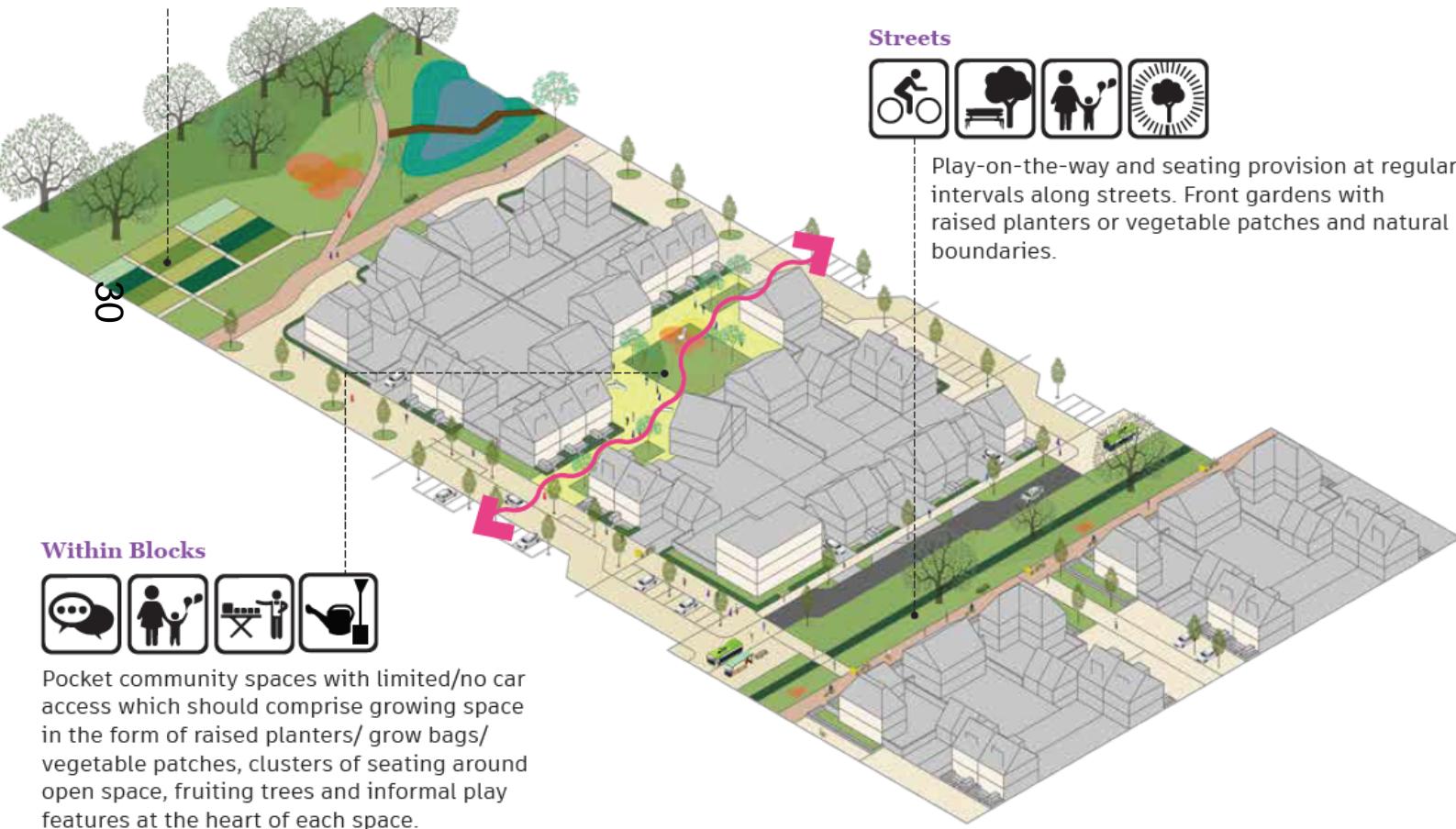
2 – people and nature first

- *development reflects green/blue infrastructure existing and new
- *prioritising non-car modes for travel

3 – a connected and invested community

- *two walkable distinct neighbourhoods with complementary uses to promote self containment
- *network of community facilities and meeting places
- *facilitation of community interaction and stewardship from the outset

Coding Community Priorities



Planning issues in Teignbridge

- Need for political certainty at all levels
 - Planning reforms?
 - Housing targets?
 - Quicker local plans or more engagement?
 - Devolution
 - Elections
- Getting the right housing 'product' that is genuinely affordable
- Productivity and wage levels
- The need for coordination of plans and strategies – planning and infrastructure providers



Teignbridge from an Affordable Housing Perspective

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Graham Davey
Housing Enabling and Development Manager



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Census 2021 – Teignbridge Population Age Change

% change from 2011 to 2021

Teignbridge

25.8% increase 65+

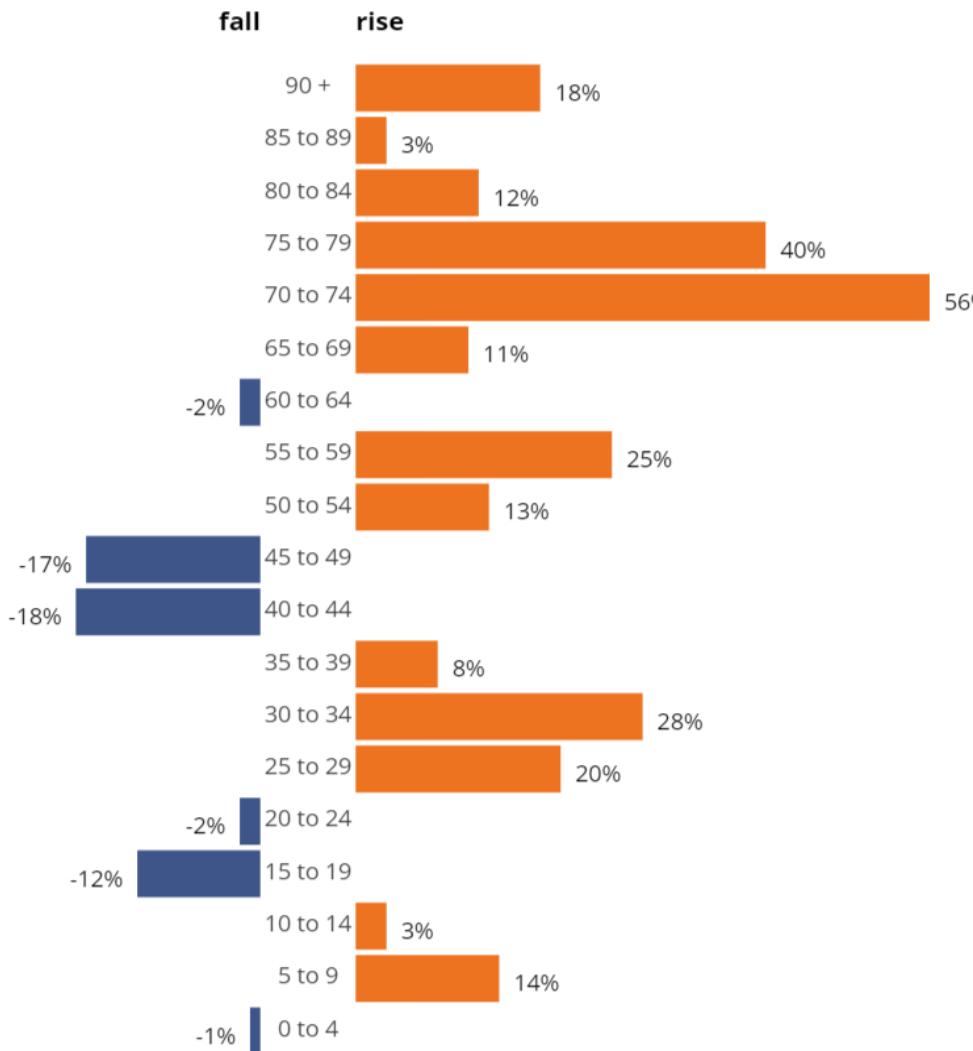
England Avg = 20.1%

2.9% increase 15-64

England Avg = 3.6%

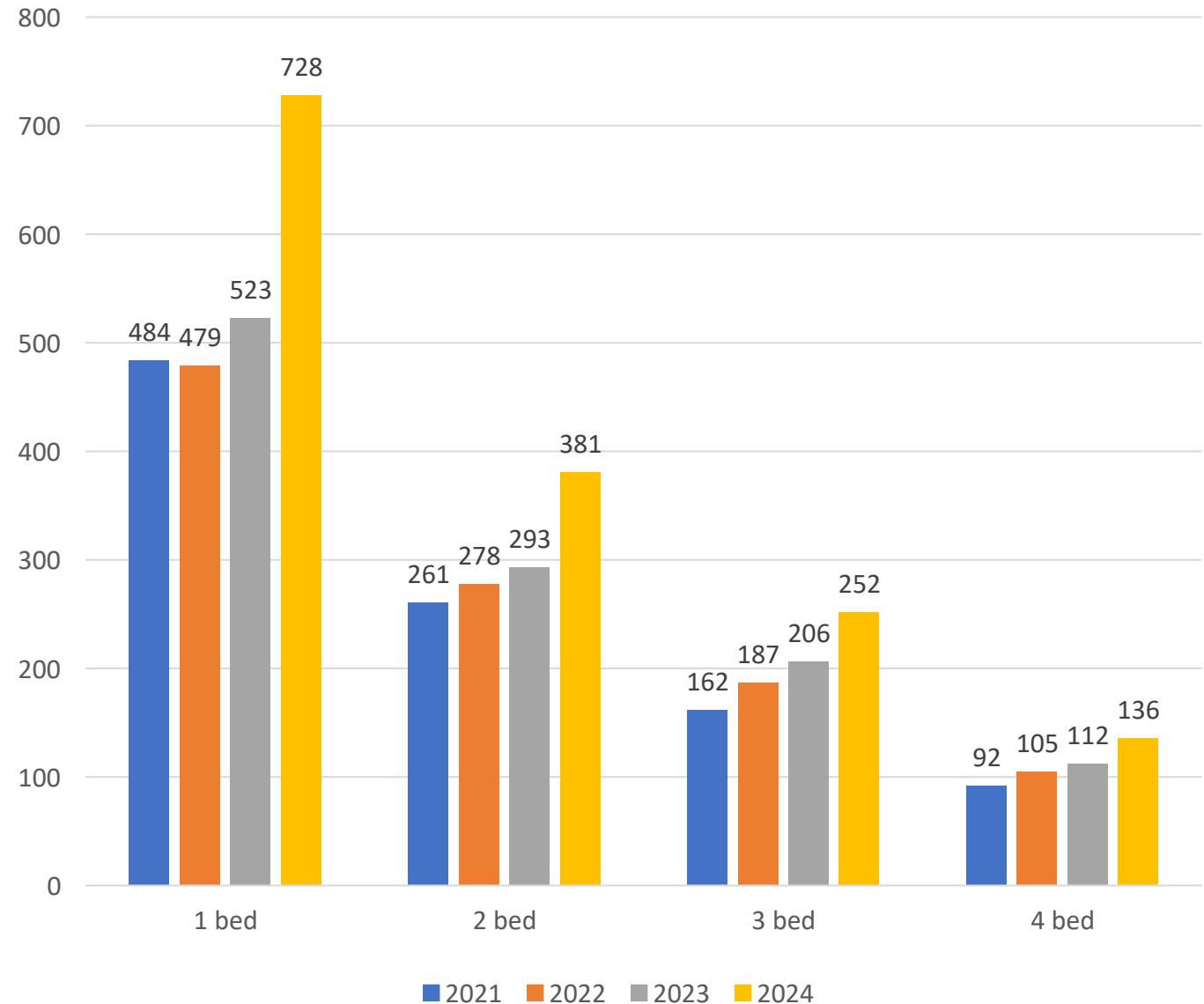
5.3% increase 5 and
under

England Avg = 5.0%



Changing Demands

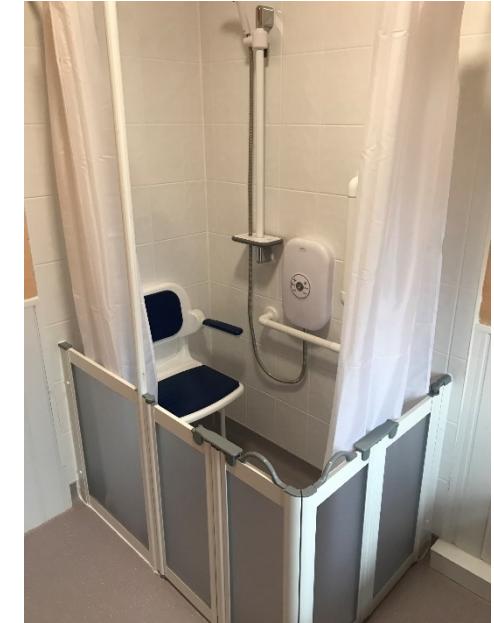
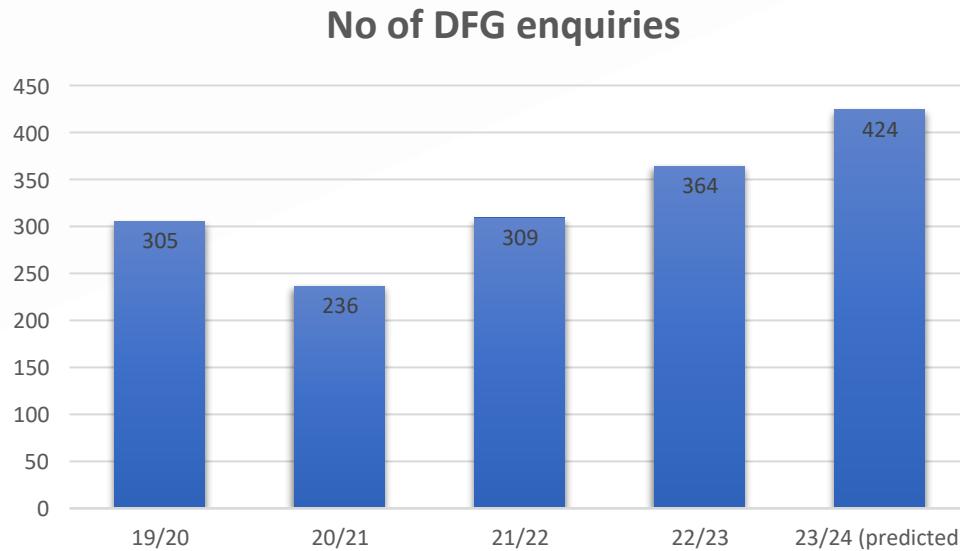
- Homelessness and Rough Sleeping challenges.
- Pressure on temporary accommodation.
- Changing use of Section 106 Planning Agreements.
- Refugees, Asylum Seekers and
- Domestic violence.
- Care Leavers and Ex Military.
- Distorted supply and demand.



Meeting Housing Needs of Disabled People

- Increase in older population
- Increase in number of people requiring adaptations to their properties
- More complex and costly adaptations needed
- Resistance by some RPs to allow adaptations in General Needs stock

3



Housing Conditions

- 14% of houses in Teignbridge have a Category 1 hazard
- 8% have a hazard relating to excess cold (poor/no heating or insulation)
- 9% of Teignbridge population living in fuel poverty
- Rural areas - Hard to treat and hard to heat housing
- 30% of properties have a low EPC rating of E, F or G
- 11.4% of the private rented stock have an EPC rating of F or G and should not be let

Figure 8: Number and percentage of Teignbridge's *private sector stock* falling into each of the EPC ratings bands (based on SimpleSAP), compared to England (EHS) figures *N.B. England figures report band A and B together*

	Teignbridge		2018 EHS England
	Count	Percent	Percent
(92-100) A	0	0.0%	1.2%
(81-91) B	503	0.8%	
(69-80) C	13,555	22.5%	28.9%
(55-68) D	28,004	46.4%	51.7%
(39-54) E	11,358	18.8%	13.6%
(21-38) F	5,131	8.5%	3.7%
(1-20) G	1,789	3.0%	0.9%

Cost to remedy Category 1 hazards: **£44,146,812**

Meeting Rural Housing Need

- Up to a quarter of housing need in rural areas including in the Dartmoor National Park.
- Important to aid the sustainability of rural communities.
- Unmet need places added pressure on towns and homelessness.
- Private rents are unaffordable in rural areas.
- Smaller rural housing schemes are more challenging and expensive to deliver.
- Even with proposed Local Plan allocations there is still a shortfall for rented rural affordable homes.
- However, Manifesto commitment to deliver a small rural scheme in every Town and Parish where there is evidenced need.
- Recent survey has identified desire from T&PC's to work with us to deliver rural schemes.
- Desire to maximise use of Rural Exception Sites and CLTs
- We have a recent track record of rural delivery with our partners.

Recent Schemes in Denbury and Christow.

10 Rented and Shared Ownership Homes built on an Exception Site by Willow Tree Housing Association



18 Rented and Intermediate Homes on former Teignbridge land built to Passivhaus standard by Teign Housing.



Strategic challenges

- Lack of housing options to prevent and relieve homelessness causing financial pressures.
- Significant pressure on 1 bed accommodation and lack of supply.
- Reduced turnover of social housing stock.
- Need to make better use of existing stock.
- Over supply of over 55yrs restricted housing impacting on ability to meet those in highest housing need.
- More complex needs and lack of support.

The Ageing Population effect on need for Extra Care

- Teignbridge has had a 25.8% increase on over 65s from 2011 to 2021.
- We have a need for 438 Extra Care apartments by 2033
- So far we have delivered 50 compared with 77 Care Home bedspaces.
- No specific **Extra Care** allocations in our last Local Plan
- But three allocations in our submitted Local Plan.
- However, all are in urban extensions which raises a challenge....

The Challenge

Comments from one of our RP Partners

- A good EC scheme has a short walk to a small High Street, GP and Post Office.
- Extra Care needs good access to regular public transport.
- Fuelled by the media the target age group are sceptical of new communities preferring known surrounding for later life.
- New schemes have to have something to offer **now** not a promise of infrastructure in the future
- The older generation has not got the time to wait!
- Schemes of 50 can work but 60 plus is better.
- Extra Care needs to be the final piece of the zig saw in the building of new communities not the first piece.
- No RP took up the offer of Extra Care scheme at Cranbrook for the above reasons and turned down an offer of a site on the outskirts of Dawlish.

**Creating homes we
want to grow old in:**

A 15-point plan from the Housing and Ageing Alliance



42

The Way Forward.

Nationally. The Housing and Ageing Alliance Age UK, Independent Age, the National Housing Federation and Housing LIN have launched a 15 point plan stating that a national strategy is needed urgently to address the housing needs of our ageing population.

Locally. Teignbridge has updated its Local Plan and included 3 EC sites plus Schemes of 10 or more -30% M4(2) Accessible and adaptable dwellings Schemes of 20 or more -30% M4(2) Accessible and adaptable dwellings and 5% M4(3) Wheelchair user dwellings

Housing Bi-Annual Report

November 2024

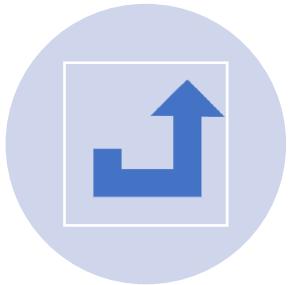
Homeless applications



615 homeless applications taken in 2023/2024



We have seen 22.2% increase on 22/23 figures in those who are already homeless and seeking temporary accommodation



This is 26.4% increase on 2021/22 demand



We have taken 349 applications so far this year and expect to take around 700 by end of financial year

Homelessness

45

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Total Placements	279	377	314	246	254	476	440	536*
B&B	162	280	212	148	165	388	343	400*
Unique Households	155	166	163	158	160	211	239	330*

Based on 2017/18 figures to estimated figures for 2024/25:

113% increase in unique households

92% increase on number of placements to manage

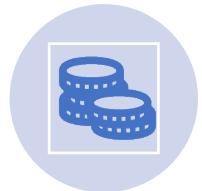
2024/25 lower number of homeless applications but more ending up in temporary accommodation due to lack of homes to prevent or relieve homelessness

Cost of Temporary Accommodation

94



Bed and Breakfast costs increased by almost 50% since 2022/23



Expected expenditure 2024/25 £895,619



Net cost to TDC expected 417k



Albany House and Luscombe provide surplus income to offset alternative more costly temporary accommodation costs.



Government announced 233million additional support for homelessness. Details on allocation not yet released.

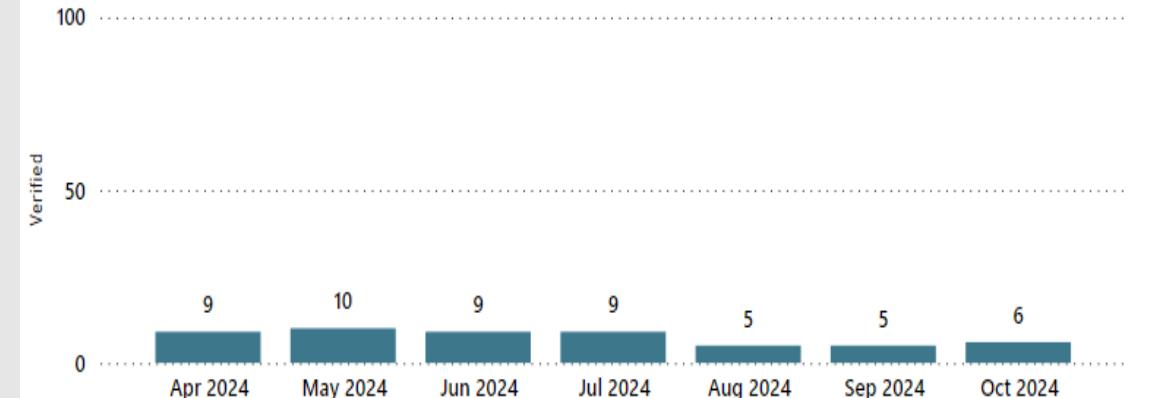


Additional staffing resources being considered for Housing team

Rough Sleepers

8 have been supported into accommodation in 2024/25

Verified Rough Sleepers



Housing | Rough Sleepers

219
Rough Sleepers Reported

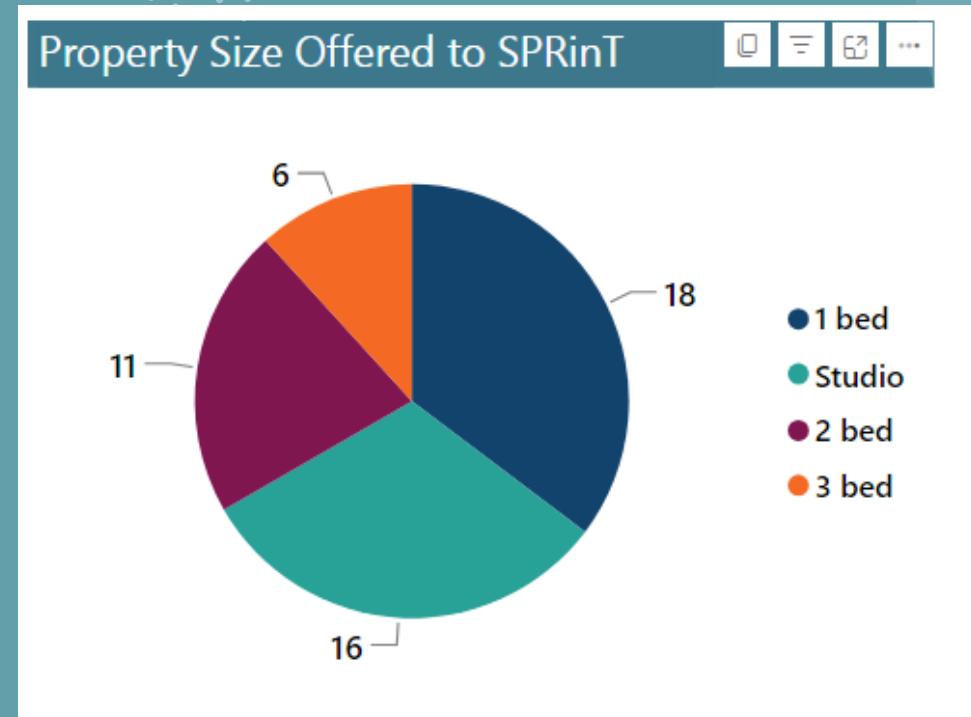
53
Verified Reports

How to notify us about rough sleepers

- Online via the national mechanism
- www.streetlink.org.uk
- All notifications of new rough sleepers are responded to within 2 working days by the Outreach Team
- In severe weather, this is a same day response
- Verified rough sleepers are those confirmed by the Outreach Team as being bedded down
- They seek to offer temporary accommodation, reconnection to other areas and housing pathways to verified rough sleepers in partnership with Together, Drug and Alcohol Services.
- This is funded through Rough Sleeper Initiative bid and ends March 2026

Private Rented Homes

- SPRiT – Supporting People Renting in Teignbridge
- Private rented access service securing affordable private rented homes for households that are homeless or threatened with homelessness
- In the last calendar year since relaunch, they have secured 32 homes
- This is approximately the housing offer for a third of homeless applicants moving out of temporary accommodation



Devon Home Choice

5



Over 1600 active applications



Around 400 applications awaiting assessment or further evidence to be assessed



51% of the register require 1 bedroom homes (828)



9.5% require 4 bed or larger (154)



20% are in urgent or high need for housing



Expecting numbers of active applications to increase before marginally falling once renewals restart

Adverts 2023/2024

15

- 295 total homes let
- 7 Four Beds
- 53 Three Beds
- 140 Two Beds
- 95 One Beds
- This includes homes advertised as direct matches and homes for people over 55 years of age



Comparison to 2021/22

54% increase in active applications

47% increase in 4bed+ need

73% increase in 1 bed need

25% increase in number of bids

Application assessment processing time currently
35 days on average – was 20 working days.

g) Assessment Delays



Many applications repeatedly updated their applications with further information or evidence for reassessment



Amount of supporting evidence increased which requires more staff time to assess



Higher number of email enquiries – on average 30 per day



Additional resource spent on managing adverts with preference to homelessness



Higher number of Band A application which require 48 hour response across Devon

What are we doing to reduce delays?

54



Overtime for existing staff to work on applications awaiting assessment



Additional staff member recruited (starts December 2024)



Reduced time spent on administration tasks to focus on incoming applications



Project work suspended



Emails being triaged by wider team and Customer Support to support DHC team



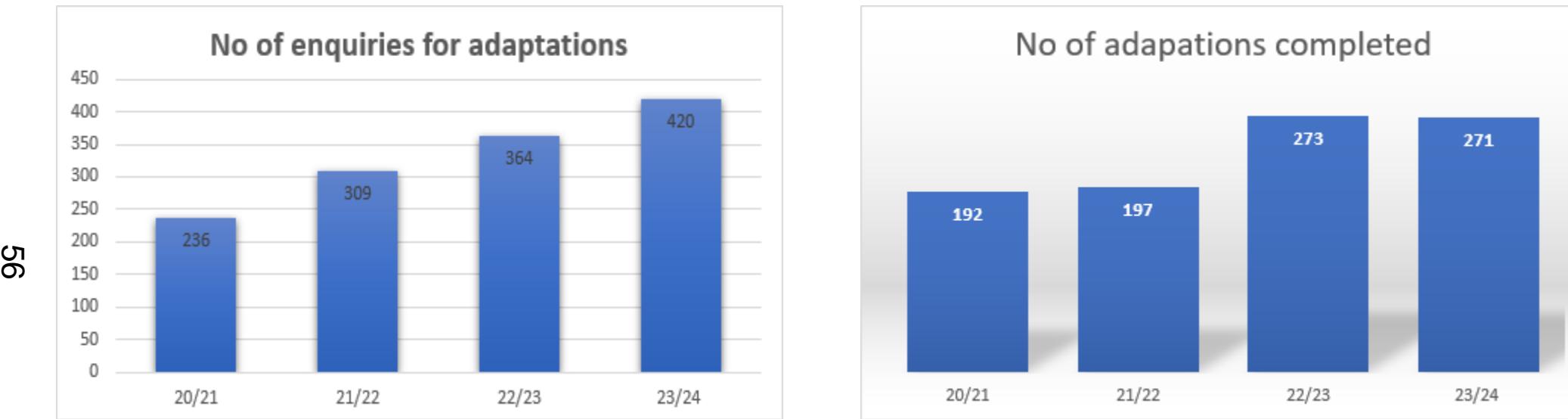
Training for partner agencies including Social Care, Mental Health Services and Occupational Health to try to ensure we get the right information first time

Common themes for applying for social housing

- Affordability of current home*
- Seeking additional security of tenure
- Relationship breakdown
- Property conditions/ energy efficiency
- Location – to be nearer to schools, employment, family
- Homelessness or threat of homelessness and unable to secure own private rented or alternative housing
- Higher number of households with children with additional needs seeking larger homes, security, cheaper homes or closer to support networks



Disabled Facilities Grants – Supporting to reduce housing need



Funded via Better Care Funding

Increasing demand (projected number of enquiries for 24/25 is 304)

£1.7M budget (24/25)

Improving Homes

5



Reducing category 1 and category 2 hazards in private rented sector through enforcement action



Improving energy efficiency of homes through local and national schemes such as Home Upgrade grant, ECOflex declarations and energy advice via community energy group



Providing loans via Lendology to support the improvement of properties (including owner occupiers and landlords)



Targeted support working with GP surgery to improve energy efficiency of homes occupied by residents with respiratory conditions

Affordable Housing Delivery

- 2479 new affordable homes delivered since 2005/2006.
- Average 130 per year with 67% being rented homes.
- Of which 396 in rural areas and 152 on rural exception sites.
- Delivery exceeded Local Plan target by 22% over past 11 years.
- T100 delivery has helped this with 67 homes in TDC ownership.
- Challenges are Housing Associations wanting to manage 1 beds and developers building 4 beds.
- Lack of adaptable and accessible homes which will be addressed by new Local Plan policies.



**Teignbridge District Council
Executive
6th January 2025
Part i**

Devon and Torbay Housing Advisory Group

Purpose of Report

This report seeks the appointment of Councillor Richard Buscombe, Portfolio Holder for Housing and Homelessness as Teignbridge District Council's representative on the Devon and Torbay Housing Advisory Group. (DTHAG)

Recommendation

That the Executive appoints Councillor Richard Buscombe to the Devon and Torbay Housing Advisory Group. (DTHAG)

Financial Implications

There are no financial implications to this report.

Martin Flitcroft.
Chief Finance Officer and Director of Corporate Services
Email: martin.flitcroft@teignbridge.gov.uk

Legal Implications

The DTHAG is an advisory group with no formal powers or decision-making responsibilities. It is a shadow board until the Combined County Authority is formally constituted.

The DTHAG will sit within the governance framework of the Devon and Torbay Combined County Authority. It will be established through a nomination process with one elected member representing each of the nine local housing authorities.

Paul Woodhead
Head of Legal and Democratic Services and Monitoring Officer.
Email: paul.woodhead@teignbridge.gov.uk

Environmental/ Climate Change Implications

There are no environmental / climate change implications to this report.

Report Author

Graham Davey, Housing Enabling and Development Manager
Email: graham.davey@teignbridge.gov.uk

Executive Member

Councillor Richard Buscombe, Portfolio Holder for Housing and Homelessness.

1. Background

1.1.The DTHAG will advise, influence, and inform the Devon and Torbay Combined County Authority (DTCCA) to support the delivery of the housing aspects of the devolution deal. The group will also have a role in recommending annual priorities, securing investment, and designing appropriate programmes to address the housing needs of communities across the Devon and Torbay area.

1.2.It is important that Teignbridge's strategic housing challenges and ambitions are clearly articulated through the work of the Devon and Torbay Housing Advisory Group and captured as part of the DTCCA Action Plan.

1.3.If agreed, the appointed Member will attend at least four DTHAG meetings per year. Additional meetings can be requested by the Chair or Vice-Chair to discuss issues of significant importance or for urgent decisions. Task and Finish Groups may also be established to facilitate progress on specific themes and issues as required.

1.4.Devon County Council will continue to provide the secretariat while in shadow form, but once the CCA is formally constituted, the ongoing secretariat responsibilities will need to be agreed by the DTCCA Board.

2. Report details

2.1.Strategic conversations about housing delivery across Devon have been taking place through the Devon Housing Task Force. This is a Member-led cross- party group representing Devon's local authorities looking at housing supply and demand challenges across the County. The council has been a member of the Task Force since it was established in May 2022. In September 2023, the Task Force set up the independent Devon Housing Commission, in partnership with the University of the Exeter.

2.2.The formation of the DTHAG follows a key recommendation of the Devon Housing Commission, namely:

The Commission recommends the CCA should establish a successor body to the Devon's Housing Task Force to provide ongoing monitoring of progress toward the Housing Strategy's goals.

2.3.The Devon and Torbay Housing Advisory Group Board (DTHAG) is the "Voice of the housing authorities" within the governance framework of the (DTCCA).

2.4. The overarching objective of the DTHAG is to improve access to safe, secure, high-quality housing, across all tenure types, which enables our residents to lead happy and healthy lives, contributing positively to the communities of Devon and Torbay.

2.5. The detailed strategic and operational role of the DTHAG is to advise the DTCCA on matters pertaining to housing. A summary is set out below:

- To work with delivery partners and stakeholders to produce a shared investment pipeline delivering more social, affordable, and low Carbon homes.
- To evidence the role that housing can play in delivering improved outcomes across major strategic policy areas such as health, economic growth, social and environmental policy.
- To explore the common supply and demand side issues contributing to the Devon housing crisis in the social, affordable, and private housing markets and to consider the potential solutions that might be delivered by taking a collective, sub-regional approach.
- To receive the recommendations from the Devon Housing Commission and advise on ways to implement these.
- To understand community housing pressures and advise on ways to support, facilitate, and enable greater take up and proliferation of community-led solutions.
- To advise the board on measures that could assist in addressing housing solutions for Devon's care leavers and other vulnerable groups.
- To strengthen the voices of individual housing and planning authorities; to empower and add value.
- To share examples of best practice and opportunities to learn from others at scheme or system level.
- To consider strategic alignment of investment options in respect to additional revenues generated by the implementation of the second homes additional council tax charge.
- To support the CCA board in any other related areas in order to deliver its ambition and aspiration on matters relating to housing.

2.6. It is important that the council continues to be involved in discussions about strategic housing through the DTHAG.

3. Alternative option.

3.1. The alternative option is that Executive does not nominate a Member to sit on the DTHAG. Failure to nominate a Member may result in the council's housing ambitions and challenges not being represented in the DTCCA Action Plan.

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**Teignbridge District Council
Executive
6 January 2025
Part i**

INITIAL FINANCIAL PLAN BUDGET PROPOSALS 2025/26 TO 2027/28

Purpose of Report

To consider the initial financial plan proposals 2025/26 to 2027/28 to be published for comments over the next six weeks

Recommendation(s)

The Executive Committee is recommended to resolve that comments be invited on these budget proposals

Financial Implications

The financial implications are contained throughout the report. The main purpose being to formulate the initial budget proposals for both revenue and capital budgets and medium term financial plan covering the years 2024/25 to 2027/28.

Martin Flitcroft – Chief Finance Officer & Director of Corporate Services
Email: martin.flitcroft@teignbridge.gov.uk

Legal Implications

The Executive is required under the budget and policy framework procedure rules in the constitution (section 7(a) and 7 (b)) to agree and recommend a budget to Council each year. See section 9 of the report.

Martin Flitcroft – Chief Finance Officer & Director of Corporate Services
Email: martin.flitcroft@teignbridge.gov.uk

Risk Assessment

The risks involved in not setting a balanced budget are highlighted throughout the report. The major risks are in 3.9, 4.13, 4.15 and 4.26 with reference to uncertainties as to income projections following the current economic conditions, future funding – particularly business rates retention and New Homes Bonus and if an alternative funding stream to replace New Homes Bonus is provided when this is scrapped. A

programme of identifying savings or increased income is required to meet the budget gaps for future years if additional funding is not provided from Government.

Martin Flitcroft – Chief Finance Officer
Email: martin.flitcroft@teignbridge.gov.uk

Environmental/ Climate Change Implications

The revenue budget supports the funding of a Climate Change Officer and associated revenue budget and capital projects are highlighted which contribute towards our climate change objectives in appendix 6 – capital programme. Additional temporary staffing resources are proposed within the revenue budget to assist with the implementation of various works to meet our climate change aspirations.

David Eaton – Head of Neighbourhoods
Email: david.eaton@teignbridge.gov.uk

Report Author

Martin Flitcroft – Chief Finance Officer & Director of Corporate Services
Email: martin.flitcroft@teignbridge.gov.uk

Executive Member

Councillor John Parrott – Executive Member for Resources

Appendices/Background Papers

App 1 – Budget timetable 2025/26
App 2 – Council tax base 2025/26
App 3 – Council tax calculator 2025/26
App 4 – Summary revenue plan 2024/25 onwards
App 5 – Fees and charges summary
App 6 – Capital programme 2024/25 – 2027/28
App 7 – Financial Plan 2025 - 2030
Budget and settlement files
The Constitution

1. PURPOSE

- 1.1** To consider the initial financial plan proposals 2025/26 to 2027/28 to be published for comments over the next six weeks.
- 1.2** These proposals include draft revenue and capital budgets for the three years 2025/26 to 2027/28. The main issues taken into account are:
 - The level of council tax and the proposal to increase it by £5.87 (2.99%).

- Reducing central funding and the need to make ongoing efficiencies using invest to save where possible.
- Maintaining 100% council tax support
- The ongoing impact of post pandemic activity and economic conditions on income streams and changing Government funding.
- Continuing to react to the climate change emergency by maintaining ongoing budgets for a climate change officer and associated spending in revenue and provision in the capital programme, including ongoing provisions for corporate decarbonisation schemes as per 5.5.
- A £2 million provision for employment sites funded by borrowing.
- Continuing funding for a Scrutiny Officer to assist Members with the Scrutiny function and working groups and other temporary resources for facilitating the Modern 25 work.
- Authority for Executive to exceed the approved overall revenue budget by up to £200,000 per 4.25.
- Support for housing including the Teignbridge 100 (see 5.3) whilst backing business and bringing people and organisations together for local neighbourhood planning.
- Infrastructure delivery plan investment funded by community infrastructure levy (CIL) and external sources where available (see 5.4); continuation of grant-funded South West Regional Coastal Monitoring Programme as per 5.6.
- Town centre investment in infrastructure and employment as per 5.7
- Revenue contributions to capital being increased from £500,000 to £1,500,000 per annum
- Increasing the 'invest to save' reserve to £500,000
- Councillors community fund set at £1,000 each
- Paying a further £1,000,000 off our pension deficit liability in 2024/25 to reduce on going contributions and reduce the budget gap year on year from the 'in year' surplus reported to Executive in November 2024
- Providing additional 5% funding to voluntary group grants
- The level of general reserves necessary for the council as per 4.22 – recommended at £2.5 million for 2025/26.
- Estimated revenue budget gap of £3.6 million in 2026/27 and £3.5 million in 2027/28 and ongoing gaps (before use of remaining earmarked reserves) and action required to address this from established working groups informing Overview & Scrutiny on work to reduce the gap (see 4.26).

1.3 To note the council tax base 2025/26 approved by Audit Scrutiny Committee on 18 December 2024 as shown at appendix 2.

2. SUMMARY

2.1 Recent budgets have taken account of reducing government grant over the period of the last comprehensive spending review. We have received the provisional local government finance settlement for 2025/26 which in accordance with the policy statement issued on 28 November 2024 is a settlement for one year. The 4% funding increase guarantee grant continues but at 0%, the 'Services Grant' and 'Rural services delivery grant' cease and

are re-purposed into a new 'Recovery grant' aimed at the most deprived for which we receive nothing. The Services Grant allocation for Teignbridge was £0.024 million this year and rural service delivery grant £0.065 million. New Homes Bonus (NHB) is extended for one more year but with no legacy payments. We will receive £1.8 million in 2025/26 for extended producer responsibility (EPR) funding for packaging in relation to waste collection, managing and recycling payable by producers and redirected by Government to local authorities. This requires some specific obligations in relation to waste collected and can be used to increase revenue contributions to capital for the next two years to carry out capital works to the bulking station/depot to align with new statutory requirements (see capital – section 5 below). Council tax thresholds are maintained at the higher of 3% or above £5 (see 4.5 for full explanation). 100% business rates retention was promised in earlier consultations but with the transfer in of some funding obligations. Government had suggested introducing 75% business rates retention however this appears to be scrapped now. We will continue to work as a Business rates pool with the rest of Devon. New homes bonus legacy payments have reduced over a number of years. The reduction was from 6 years to 5 years in 2017/18 and then to 4 years from 2018/19. An initial baseline reduction of 0.4% was also set for 2017/18 reducing the Bonus further. No further modifications were made in 2018/19 through to 2024/25. For 2025/26 New Homes Bonus continues for a further year. Government had indicated its intention to cease New Homes Bonus in future years with further consultation to take place next year about any future replacement. See also 4.15 below.

- 2.2** We have benefitted from previous savings plans and restructuring efficiencies are still producing cost reductions. This budget also benefits from the Strata partnership. We are using the Modern 25 agenda as part of the recovery plan to identify savings through service reviews following the successful Business Efficiency Service Transition (BEST) 2020 reviews and Better 2022 initiatives in earlier years.
- 2.3** The economy still remains turbulent due to a number of factors including international developments and the uncertainties continue about future demand, supply and outcomes now that we have left the European Union and potential recessionary economic conditions and cost of living impacts. Teignbridge saw significant losses in income – in particular from fees and charges, rental income has also seen significant reductions. Some good recovery has taken place in specific income streams.
- 2.4** General increases in most off street parking charges are proposed to cover inflation and in particular the continuing higher business rates from revaluations which mainly falls on car parking. The proposed charge for Sunday parking has been increased from £1.20 to £2 (see also 4.3 below).
- 2.5** Business rates are revalued nationally. There is transitional relief so that reductions and increases will take five years to work through. Our on-going investment in Newton Abbot will enhance its vitality and viability within the town centre.

2.6 The main aims of the capital programme are to reduce our impact on climate change, become carbon neutral, create affordable homes and jobs. The capital programme to 2027/28 also includes infrastructure delivery plan projects, which are vital to the development and accessibility of the area, funded by CIL and external sources where available.

Investment in housing (the Teignbridge 100) continues. On 4 November 2024, a further £142,455 was allocated to progress the site at Sherborne House car park to tender stage to locate a suitable development partner to deliver 23 truly affordable council homes. A provisional budget of £6.8 million over 3 years is included for delivery. Further details will be brought to Full Council in due course. The purchase of council homes supported by Local Authority Housing Fund continues. Investment in efficient heating systems for housing clients and other support measures such as disabled facilities continue, funded from Better Care grant.

There are provisions for further corporate decarbonisation measures, including energy efficiency measures at Dawlish and Newton Abbot leisure centres and a pool cover for Teignmouth Lido. This follows spending on infrastructure for Battery Electric Vehicles as part of the fleet replacement, supporting local businesses with green business grants. The £3.7 million refurbishment of Broadmeadow Sports Centre which includes a second phase of decarbonisation is underway, partly funded from Public Sector Decarbonisation Fund grant. South West Coastal Monitoring continues, fully funded from Environment Agency grant.

Provision is also included for town centre investment, including the refurbished Market Hall in Newton Abbot and employment infrastructure. This aims to stimulate growth in the local economy and ensure it is an attractive and well-connected environment for local businesses. Investment in IT is provided, enabling the Modern 25 project to progress. £7.3 million provision is made for waste and recycling projects such as the redevelopment of the waste transfer station, replacement of the recycling sortline and Simpler Recycling requirements. These are vital to enabling the continuance of this statutory service.

Prudential borrowing supports a number of projects where alternative funding is not available and a return on capital can be demonstrated.

3. BACKGROUND

3.1 The budget and policy framework procedure rules in the Constitution set out the process for developing annual budgets and their approval by Council. Thus there is a budget timetable in the Executive forward plan which includes Overview and Scrutiny consideration of the financial plan proposals. The detailed **timetable** is shown at **appendix 1**. The Council is responsible for the adoption of its budget including approving the appropriate level of council tax.

3.2 Previous budgets took account of reductions in government grant. An ambitious programme of **savings** was identified reducing costs and increasing

income. **Revenue support grant** was cut by £1.0 million in 2015/16, just under an additional £0.9 million in 2016/17 and a further reduction of £0.75 million in 2017/18. In 2018/19 the reduction was just under £0.5 million leaving revenue support grant at just under £0.4 million. We received nothing in 2019/20 to 2022/23. In 2023/24 we received £245,000. For 2024/25 we are receiving £261,000 but this is mainly due to the transfer in of council tax admin and annex grants previously paid separately up to the end of 2022/23. For 2025/26 we will receive £288,010.

- 3.3 Income streams continue to recover post the pandemic. Capital schemes providing positive net income have also been reflected within the medium term financial plan.
- 3.4 **Modern 25**, continuing review of Business Plans and O&S scrutiny working groups are the key options for exploring reduction in budgets and also to evaluate the pressures of investment that might be required to deliver those savings. The savings that can be made to date have been built into the budgetary figures.
- 3.5 Our ten year Strategy (which has been reviewed) takes us to 2030. This sets the tone for contributing to civic life and ensuring public services focus on 'place and person' while remaining accountable, fair and value for money. At the heart are the Teignbridge overarching projects that guide our activities, where we focus our resources and how we shape services to deliver real progress for the district.
- 3.6 There are a number of minor amendments to the council tax support scheme. These have minimal impact on the budget. The scheme already makes provision for an uplift in income band thresholds so we can protect claimants from receiving reduced levels of support as a result of an uplift in their state benefits if necessary. A budget survey was planned and has been put on the website and publicised to encourage feedback. In particular it will be brought to the attention of **businesses**, the residents' panel and Teignbridge relationship groups.
- 3.7 The current council tax for Teignbridge is £196.41 per year for an average band D property. The 2024/25 **tax base** or effective number of properties for calculating council tax income is 50,939. Thus current year council tax income for the district is estimated at £10.0 million as shown in **appendix 2 - the recommended council tax base 2025/26**. A table of values for various increases in council tax is shown at **appendix 3 - the council tax calculator**.
- 3.8 Of the current total average annual £2,394.70 council tax collected per property, Teignbridge keeps just over 8% or just over £3.78 per week for its services. 72% goes to County, 11% to the Police, 4% to the Fire Authority and 5% to parishes and towns for their local precepts.
- 3.9 Significant government funding and cost changes affecting us for current and future years are as follows:

Pay increases for current and future years. A one year deal to employees as tabled by the National Employers for Local Government Services for 2024/25 for a flat rate of £1,290 up to spinal column point 43 and 2.5% for all grades above that has been approved and has been reflected in the update to the current year's salary budgets. There is no agreed increase for next year however an assumption of 3% for next year and thereafter had been built into the financial plan proposals together with any implications arising from the payline review. With further increases to the minimum wage and cost of living pressures likely to continue the assumption has been maintained at 3% for 2026/27 and for 2027/28 and thereafter.

The increased costs for employers national insurance are not fully covered by Government funding.

The actuarial valuation of the Devon pension for 31 March 2022 has increased the primary employers contribution rate by 3% to 19.6% from 1 April 2023. These extra costs are partly offset by a reduction in our past deficit contributions (secondary rate) which reduced this year by £146,000 compared to 2022/23. **£70,000 of this reduction is due to paying off £1 million of the deficit in 2022/23.** We also repaid a further £500,000 in 2023/24 and £1,000,000 in April 2024 to reduce the overall deficit and drive down the past deficit contributions and provide ongoing returns for future years;

Increased leasing costs for the new refuse fleet.

Homelessness bed & breakfast costs continue to increase year on year.

Repairs and maintenance/improvement costs to existing asset portfolio.

Costing pressures for voluntary groups supporting communities via grant funding and proposals to increase specific grants provided by 5%.

The continuing uncertainty on reforms to New Homes Bonus paying only legacy payments reducing receipts and the proposal to potentially cease New Homes Bonus after 2025/26 and whether there will be an alternative source of housing funding and what that level of funding will be going forward;

The outcome of any future consultation on the changes to business rates.

A delayed reset of the baselines for the business rates retention scheme is now assumed in 2026/27 following Government intentions to consult in 2025 and the impact on the business rates retained for 2026/27 and thereafter. It is assumed there will be some damping in 2026/27 however it is not clear how this will be implemented or the level of damping and timeframe of provision.

Higher running costs to maintain delivery of the refuse and recycling service in relation to the leasing costs of the various vehicles.

Other budget pressures anticipated and included are for the impacts of inflationary pressures and general activity levels. Any other gap can be met by use of earmarked reserves (with any additional shortfall in year being investigated and further savings being made in year).

We have progressed work to find **savings** to alleviate these budget pressures and these include the following:

Providing additional contributions to the pension fund to reduce on going deficit contributions in future years as noted above.

Exploring the best options for investment of our cash deposit funds to increase the interest we receive in our cash flow management activities.

Reviewed quick wins and smaller budgetary spends and adjusted accordingly.

Progressing items identified in the Modern 25 programme reported to Members in October 2024.

Incorporating new/updated letting arrangements, reprofiling other contributions and spends to align with costs being incurred.

Funded substantive positions from grant funding received by Government e.g. homelessness.

Introducing charges to deal with pest control.

Increasing leisure income.

There has been significant vacancy management savings arising helping with in year pressures.

3.10 The Executive has had two **monitoring** reports this financial year on 10 September 2024 and 4 November 2024. These have updated current year budgets and also future year forecasts.

4. REVENUE FINANCIAL PLAN

4.1 **Appendix 4** to this report is the draft budget scenario for the next three years. The effects of budget variations in 2024/25 already approved by Executive and Full Council are included.

4.2 Proposed **fees and charges** draft income totals for each service are shown at **appendix 5**. Detailed recommended fees and charges will be available on the website early in January via the members' newsletter. There are general changes for most charges to reflect more recent inflationary increases in costs for these services with some areas being altered to reflect better alignment to cost recovery and/or comparable charges/market rates elsewhere. 'Jam Packed' Leisure membership fees which have previously been frozen increase from £39 per month to £40 per month. There are general increases in other leisure charges.

4.3 Changes to car parking charges are mainly inflationary and again to cover increases in costs due to inflation. The charge for Sunday parking of £1.20 has been proposed to increase to £2. This will also help towards increases in running costs and in particular rates increases arising from the revaluations that mostly affects car parks. The main changes have been to increase charges generally across the majority of car parks including permits. Car parking will continue to be free after 6 pm.

4.4 The successful opt in green waste subscription after having previously been frozen at £55 increases to £60 for 2025/26.

4.5 The **Localism Act** introduced the power for the Secretary of State to set principles each year under which council tax increases are determined as excessive. This can apply to Teignbridge, County, Fire, Police, or towns and parishes. For the current year limits continue to be set for all but towns and

parishes with a referendum being triggered if districts had an increase of 3% and above, AND above £5.

- 4.6 In all such cases Teignbridge has to make the arrangements to hold a **local referendum** for residents. Costs can be recovered from the relevant precepting authority. The Government has previously expected town and parish councils to demonstrate restraint when setting precept increases. They will be looking for clear evidence of how the sector is responding to this challenge, mitigating increases by the use of reserves where they are not earmarked for other purposes or for 'invest to save' projects which will lower ongoing costs. The policy statement issued on 28 November 2024 again confirmed there would be no restrictions for towns or parishes.
- 4.7 The extra income from any increase in **council tax** is shown at **appendix 3** and this additional amount would be recurring in future years. The proposal is to increase council tax in Teignbridge by 2.99% or £5.87 to £202.28. **This is the annual charge for an average band D property and the increase equates to 11p a week. A 2.99% increase has been assumed for 2026/27 and 2027/28. The band A equivalent increase for 2025/26 is £3.91 which equates to less than 8p per week.**

The Teignbridge element of the council tax bill goes towards funding the services we provide. We recycle your household waste, take away your rubbish, clean your streets, make sure your food is safe, work with others to reduce crime, decide planning applications, create and attract new jobs, consider licensing applications, support people in need with housing and council tax reduction schemes, and support voluntary organisations.

We work with a whole range of organisations to do things such as support public transport and greener travel – for example cycle routes, protect the environment, look after your street signs, administer council tax for over 65,000 households, look after homeless families, work with partners to provide housing, deliver new jobs and bring prosperity to our beautiful area.

We organise elections, improve housing conditions for vulnerable households, promote better energy efficiency, deal with stray dogs, graffiti and fly-tipping; provide renovation grants for unfit properties, deal with noise complaints, provide car parks, check out bonfire nuisances among many others.

In one way or another, the work we do looks after just under 135,000 people across 260 square miles of land, stretching from the moor to the sea.

- 4.8 Council tax **freeze grants** have ceased with the last one being received in 2015/16. This was equivalent to a 1% increase in council tax but assumed no council tax support reduction so amounted to £78,000.
- 4.9 **Settlement funding** of business rates retention baseline to the Council from Government is £3.6 million for the current year.

4.10 We had a **four year funding deal** which ended in 2019/20 and one year settlements between 2020/21 and 2022/23. We received a further one year settlement for 2023/24 and some clarity for elements of 2024/25. For 2024/25 we had yet another one year settlement with no clarity about any longer term funding stability. For 2025/26 we have received a one year settlement but proposals to consult on future funding in 2025 and multi year funding settlements to be provided for 2026/27. A reset of this year is likely to eliminate gains established from growth and altering business rates retention. Some damping is assumed.

4.11 The **business rates retention** 50% funding system started on 1 April 2013. Rules for charging and rateable values are still set nationally by Government and the Valuation Office respectively. The system includes top ups, tariffs, levies and safety nets. The latter is to protect income to some extent within overall reducing national funding levels. The system is more complicated as Government has introduced small and rural business rates relief. The cost of this through loss of rates retention income to Teignbridge is generally covered by separate specific grant.

4.12 Within Devon it has been beneficial for authorities to form a **rates pool** to avoid any payment of levy from Devon to the Government. With historic assumptions of moderate business growth in the area significant savings have been achieved increasing over the years. The pool also spreads the risk of any business downturn in an authority over all members of the pool and encourages economic prosperity across authority boundaries. The Devon pool became a 100% business rate pilot for 2018/19 following its successful submission and reverted back to a rates pool thereafter. It is anticipated that whilst business rates income may stall/decline going forward the benefits of being in a pool for 2025/26 still exist and so an application for this has been submitted.

4.13 Teignbridge's position is better than the rates baseline because of estimated growth in business rates. We have also gained from pooling and this has been shown together with previous growth in the revenue summary as estimated rates retention and pooling gain. A reset of baselines is now likely to be 2026/27 and projections suggest this will have a negative impact on funding levels. We await the outcome of how the funding changes and any correspondence or consultation will be explored in the next twelve months.

4.14 **New homes bonus** is also part of core funding and is top sliced from settlement grant. It is based on additional property brought into occupation in the previous year with a higher amount for affordable housing. Teignbridge is estimated to receive £0.35 million for 2025/26.

4.15 Government reformed the new homes bonus reducing the length of payments from 6 years to 4 years. Since these original reforms payments were reduced further by elimination of any legacy payments and funding is for one year only. Government had intimated that it will cease New Homes Bonus after 2021/22 and replace with an alternative source of Housing funding. The spending review delay has allowed New Homes Bonus to continue for at least one

further year in 2025/26 and to review and cease this funding in future years. No details are available to clarify what this will mean in terms of future funding and whether it will provide similar funding levels to that received under New Homes Bonus or nothing at all. Government had allowed it freedom to change the baseline previously however for 2025/26 this will be left unaltered at 0.4%.

4.16 Council tax benefit was replaced by **council tax support** from 1 April 2013. As the support reduces the tax base there is less council tax income for county, fire, police, and towns & parishes. The cost was around 90% funded by government grant initially but then transferred into main grant and not identified separately. The 10% shortfall was covered at Teignbridge, in the first year by one minor change to benefit, technical reforms, and use of transitional grant.

4.17 In 2020/21 we moved to an income banded scheme. This was due to the existing scheme not being compatible with the roll out of Universal Credit and with the aim to simplify administration and support the most vulnerable. In 2021/22 we made a minor change to ensure claimants were protected from any adverse impacts arising from measures introduced by the Government to support claimants through the Covid 19 crisis. No major changes to the scheme were made for 2022/23 apart from amending the income threshold for claimants in Band 1 to protect existing claimants currently receiving 100% within this band from receiving a reduction in support to 75% as a result of receiving a small increase in state benefits. For 2023/24 and 2024/25 we again used existing provisions within the scheme to uplift the income bands to accommodate national increases in primary benefits and are proposing to do the same for 2025/26. We are also proposing to incorporate the current Care Leavers Council Tax discount into the scheme to make it easier to recoup costs from our major preceptors; and to introduce flexibilities in how we administer the Minimum Income Floor and simplify the administration of qualifying childcare costs. Financial impact of these proposals is nominal.

4.18 Teignbridge currently receives £285,000 for administering **housing benefit**. **Universal Credit** started for Teignbridge from 9 November 2015 for new single job seekers and we went live with the full service in September 2018. There has been specific help from the department for work and pensions in connection with the transition but the current funding agreement ended in 2017.

4.19 The statutory minimum **National Living Wage** increased to £11.44 in April 2024 and will be £12.21 in April 2025 to employees aged over 21. Continued exploration of apprenticeships and training will be encouraged to utilize available apprenticeship levy funding.

4.20 The **actuarial valuation** of the **Devon pension fund** effective from 1 April 2020 set Teignbridge contributions for future years. These were made up of a basic amount which increased from 14.6% to 16.6% for future service accrual plus an increasing cash sum to reduce the past service deficit. The amended cash sum payment started in 2020/21 at £1,254,000 increasing to £1,347,000 for 2022/23. We agreed to pay the past deficit contributions up-front to obtain

a significant discount of 4.5%. The future service accrual contributions increased from 16.6% to 19.6% from 1 April 2023 however the past service deficit contributions have decreased to £1,090,000 in 2023/24 increasing to £1,140,000 in 2024/25 and £1,180,000 in 2025/26. We have also paid £500,000 off the pension deficit liability in 2023/24 and £1,000,000 in April 2024. This will generate further savings in future year's past service deficit payments at the next valuation. A further £1,000,000 is proposed to be paid in 2024/25 which will deliver additional savings of up to £70,000 every year.

4.21 Forecasts of investment income receivable have increased over the last year. The Bank of England's monetary policy committee (MPC) has reduced base rate twice during 24/25. From a starting point of 5.25% at the start of the year, the rate fell as follows:

August 2024	5.00%
November 2024	4.75%

The market view is that base rate is now likely to decline slowly as inflationary pressures ease, albeit at a slower rate than forecast before the October 2024 budget. The MPC stated that "a gradual approach to removing policy restraint remains appropriate". Rates are forecast to fall further in spring 2025 and to reach 3.75% by the end of 2025/26.

Forecast investment income for the current year is £1,931,881 with an average daily lend of £39.6 million up to the end of November. This represents an average interest rate of 4.88%. The SONIA (Sterling Overnight Index Average) rate for the first of the month as published in December is 4.70%, with the average for April to November being 5.07%, so this is in line with benchmark expectations.

It is anticipated that Council balances available for investment in 2025/26 will be lower due to capital expenditure of grants and developer contributions previously received. Based on the forecast rates above and estimated projected cash-flows, investment income is expected to reduce in 2025/26 to £1,179,500. This is dependent on the progress of capital projects and other cash-flow influences such as receipt of government grants and developer contributions, all of which are subject to change. Investment income is then forecast to fall to around £875,000 in 2026/27 as both interest rates and amounts available for investment reduce.

Over the last year, the Council has made use of its internal balances to rule out the need for external borrowing. With an underlying need to borrow (Capital Financing Requirement) of £22.6 million at the beginning of 2024/25 (estimated to be £24.2 million excluding vehicle leases by the end of the year) and assuming a combination of Public Works Loans Board (PWLB) 10-year and 25-annuity loans (adjusting for lost investment interest at 4.88%), this represents interest saved of around £32,760.

The PWLB has revised its borrowing conditions and CIPFA has revised its guidance so that loans are not available to finance investments which are primarily for financial yield.

4.22 The latest professional guidance on **reserves** issued in November 2008 recommends a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing and a contingency to cushion the impact of unexpected events or emergencies. Earmarked reserves can also be built up to meet known or predicted requirements. Teignbridge operates with a low level of reserves compared to many districts and will look to utilize earmarked reserves to balance any funding gaps in the medium term financial plan as appropriate. It is proposed that general reserves are increased from £2.4 million to £2.5 million to build in some resilience for inflationary pressures. There is also a proposal to increase the 'invest to save' reserve from £400,000 to £500,000 in line with the proposals from the Peer Challenge review.

4.23 There are no known significant contingent liabilities, provision has been made for other smaller potential liabilities. The current funding regime including rates retention, new homes bonus and council tax support carries a risk for us of likely more volatility in resources. We are more reliant on income generated from our own fees and charges as government funding reduces and some ongoing reduction in income in areas hit by the economic climate and outfall from the pandemic has created significant uncertainty on likely income receivable for the foreseeable future and predicting trends.

4.24 The Audit Commission December 2012 report 'Striking a balance' stated that reserves are an essential part of good financial management. They help councils cope with unpredictable financial pressures and plan for their future spending commitments. The proposed budget recommends general reserves to be increased from £2.4 million to £2.5 million being 12.9% of the net revenue budget in 2024/25 and 12.6% in 2025/26. This equates to 14.4% and 14.7% in the two subsequent years. General reserves are held to accommodate continuing future uncertainties and increasing reliance on generating our own income.

4.25 Historically the **Executive** has **authority** to exceed the approved overall revenue budget by up to £100,000 from general reserves to meet unexpected expenditure within the year. The aim is to replenish the reserves in the same year by making compensating savings as soon as possible. Following a review and approval of the doubling of the financial limits it was approved in February 2024 to increase this to £200,000. It is proposed that this level is maintained for 2025/26. All other decisions with regard to budgetary change will be approved by reference to virement rules in the financial instructions.

4.26 In conclusion these budget proposals show how Teignbridge can continue to prepare for the grant reductions and anticipated funding regime changes by continuing to make savings and generate income. **The revenue budget is funded over the medium term by savings found, additional income and principally from use of earmarked reserves built up to cover anticipated**

future reductions in funding however significant work is still required to identify the significant budget gaps which arise as shown in appendix 4 and will be ongoing. The budget gap is £3.6 million in 2026/27 and £3.5 million in 2027/28 before using earmarked reserves (line 14) built up to support the reduced funding. This is due to the additional pressures already mentioned above. There may be a bigger budget gap if an alternative housing funding is not forthcoming or lower than the assumptions made. The Chief Finance Officer (CFO) has a statutory duty to balance the budget each year and if this is not achievable at some point in the future it may be necessary for the CFO to issue a s114 notice. With no further work to address the gap it is anticipated that a s114 notice would have to be issued at the end of the 2027/28 financial year with earmarked reserves likely to be depleted in 2028/29. Right to buy receipts cease after 2024 increasing funding pressures on the capital programme. Further suggestions including the work with Ignite and the Modern 25 agenda will be worked up and costed to deliver savings to move towards balancing future budget years from 2027/28 alongside the ongoing investigation into commercial investment opportunities, alternative service delivery plans and review of our existing assets and their use and the work and findings from Overview & Scrutiny in relation to the MTFP. **The budget deficit for 2027/28 is likely to continue into future years and Members will be updated on progress with funding reforms/further Government funding /savings to determine how the funding gap can be closed in conjunction with work carried out by Overview & Scrutiny work on specific areas of the budget.**

The budget papers also include the updated Financial Plan at **Appendix 7** for approval at Full Council – the **Financial Plan 2025 to 2030**. The purpose of the plan is to define how the Council will structure and manage its finances over the next five years in order to deliver services and deliver savings, provide information around key funding streams, the inter relationship between revenue and capital and establish and adopt some key principles and proposals to be followed and worked through over the next two years via the work plan involving Overview & Scrutiny.

4.27 These proposals include a £5.87 band D increase in council tax next year and 2.99% in subsequent years and substantial capital investment over the next three years. They will be publicised and comments brought back to the Executive in February before making the final budget recommendation to Council for 25 February 2025.

5. CAPITAL PROGRAMME

5.1 The programme between 2025/26 and 2027/28 has the following funding sources: Sales of assets (capital receipts): the Council holds around £4 million. There is an element of risk in forecasting receipts from sales, which can be subject to lengthy legal and planning processes. If forecast sales do not materialise, capital expenditure plans will need to be re-assessed. 90%+ of capital receipts derive from Housing sources such as Right to Buy receipts. Due to Homes England regulations, which do not allow Right to Buy receipts

to be used directly in conjunction with Homes England grant, the funding of housing projects require careful structuring. Capital receipts from general fund asset sales are fully committed. Community Infrastructure Levy (CIL) accounts for £20.2 million, largely for infrastructure projects, with a further £1.5 million from Section 106. Government grants account for £15.4 million of funding over the 3 years from 2025/26 to 2027/28. This includes £6.6 million assumed towards housing grants and affordable housing with other grants towards decarbonisation, open space, coastal monitoring and regeneration Contributions from revenue were re-introduced in 2023/24, with £500,000 per budgeted for 2024/25. This has been increased to £1.5 million for 2025/26 and suggested £1.5 million for 2026/27 before reverting to £500,000 in 2027/28. This increase is funded from extended producer responsibility (EPR) funding for packaging in relation to waste collection and has been allocated to Waste & Recycling projects such as the provision for the waste transfer station redevelopment and sortline replacement. It should be noted that this revenue contribution to capital does not cover the full cost these projects. Waste and recycling along with several other projects rely either partly or entirely on borrowing, the financing costs of which impact revenue budgets. Additional borrowing over the 3 years is forecast to be £17.3 million. All projects involving borrowing are appraised to ensure the borrowing is affordable.

5.2 Government subsidy for housing disabled facilities grants through Better Care funding (received via Devon County Council) is assumed to continue at £1.4 million per annum. £1.8 million has been received in 2024/25, with the majority invested in grants towards the provision of disabled facilities and energy improvements.

5.3 A provision of £6.8 million has been made over the 3 years 2025/26 to 2027/28 for the construction of a social housing scheme in Sherborne House car park. The proposal is for a *Passivhaus* extremely energy-efficient design, enabling residents to benefit from lower energy bills. Planning consent was granted in August 2024, with a further £142,455 approved at Executive on 4 November 2024 to progress the project to tender stage. This scheme will be brought back to Full Council for approval in due course. Estimated construction costs are based on a desktop study carried out by an experienced local housing company, with assumptions being updated as more detailed work is carried out. Due to Homes England funding constraints, it is currently assumed to be funded from a combination of Homes England and One Public Estate grant, S106 contributions and borrowing. This uses the balance of the funding allocated for Phase 1 of the Teignbridge 100 housing programme, in accordance with the priority Actions outlined in the Council Strategy for delivering affordable and social housing. To date, the programme has delivered:

- 7 units of housing allocated to local applicants in housing need at Drake Road and Well House, East Street, Newton Abbot
- 5 units of shared housing in Dawlish
- 5 units of rough sleeper accommodation in Dawlish, Teignmouth and Newton Abbot

- 4 homes for social rent in Chudleigh
- 18 homes for social rent under the government's Local Authority Housing Fund scheme, which in the short term provides accommodation for families with housing needs who have arrived in the UK via Ukrainian and Afghan resettlement and relocation schemes. Funding has been secured to enable purchase of a further 4 units. Longer term, the homes will provide a supply of affordable housing for local communities.

The pipeline covers a range of urban and rural sites, including the Dartmoor National Park, with work ongoing to identify further means of delivery, whether this is direct or by partnership with developers and housing associations. The aim is to deliver the full programme over time, with pipeline projects being brought forward for approval in due course as details are firmed up. Schemes can move up and down the priorities pipeline depending on a number of factors, including planning constraints and affordability.

Work also continues to deliver the previously approved custom-build housing scheme at Houghton Barton, for which £0.6 million of ring-fenced central government grant funding has been received.

A provisional budget line of £0.03 million per annum is in relation to periodic capital expense in relation to Teignbridge's social housing portfolio, for example replacement roofs, fabric improvements and replacement fixtures and fittings. Projects will be brought forward for approval as they occur. Funding is from revenue contributions to capital. Any surplus income from the properties will be earmarked for this purpose.

5.4 The infrastructure delivery plan investment over the next few years contributes to:

- Improvements to the A382 – a further £1.0 million in 2024/25 making a total contribution since 2020/21 of £6.1 million, funded from Community Infrastructure Levy (CIL). There is £1.5 million provision for transport hubs and public transport in 2025/26 and 2026-27, all funded from CIL.
- £1.3 million budgeted towards the final stages of the Dawlish link road and bridge in 2025/26, funded from CIL.
- Provision for Education in the wider Teignbridge area of £7.1 million between 2025/26 and 2027/28, funded from community infrastructure levy.
- £1.4 million is provided for the final stages of land acquisition, reinstatement and endowment towards ongoing maintenance at Ridgetop Countryside Park. This is funded from Housing Infrastructure funding via Devon County Council. There is provision of £3.0 million towards new countryside parks in 2026/27 and 2027/28 and £0.8 million for habitat mitigation between 2025/26 and 2027/28, funded from CIL. An additional £0.1 million is

anticipated to be contributed to the RSPB in relation to cirl bunting habitat, funded from Section 106 developer contributions.

- Sports and leisure provision of £3.7 million over the next 3 years, including £1.8 million for the remaining refurbishment and decarbonisation of Broadmeadow sports centre (approved by Full Council in July 2023). A provisional sum of £1.3 million is included for improvements to Dawlish leisure centre. Work continues on understanding the requirements to improve leisure provision post-Covid and this scheme will be brought back for approval as the business case is developed. Following recent improvements to play areas at Decoy and Ashburton Road in Newton Abbot and the Den in Teignmouth, provisions of £0.2 million are included for Powderham Park in Newton Abbot and Prince Rupert Way play area in Heathfield and other play area refurbishments.
- £1 million in CIL is allocated towards the Teign Estuary Cycle Trail, following approval at Full Council on 28 November 2023. £0.4 million in CIL is provisionally allocated to other cycle schemes over three years. £0.3 million of Garden Communities funding is being used towards the Ogwell Strategic Cycle Link.

5.5 Following successful bids for grant funding under the Public Sector Decarbonisation Fund (PSDF) for Forde House offices, Newton Abbot Leisure Centre, Broadmeadow Sports Centre and Teignmouth Lido, a third phase application was made in relation to further measures at Broadmeadow Sports Centre. This second phase comprises fabric improvements, insulation and installation of an air source heat pump. A £3.7 million scheme to include refurbishment was approved at Full Council on 23 July 2023. Funding is a combination of PSDF grant, S106 contributions, revenue contributions and borrowing. In addition, a further £0.97 million of energy efficiency measures are being implemented at Dawlish Leisure Centre (funded partly from Sport England Swimming Pool Support Fund), Newton Abbot Leisure Centre and Teignmouth Lido, as approved by Full Council on 30 July 2024. The measures include replacement air handling units to increase heat recovery and control, improved pool water circulation pump controls to reduce energy wastage, hot water efficiency measures, heat and electricity sub-metering to aid monitoring and at Dawlish, solar photovoltaics to generate low-cost electricity on-site. At Teignmouth Lido, measures include the installation of a pool cover to reduce overnight heat loss.

In September 2023, Full Council approved the replacement of the vehicle fleet, with all suitable small, medium and large vans switching to Battery Electric Vehicles. £0.8 million was included in 2024/25 for the associated infrastructure improvements. The proposed project will reduce the Authority's Scope 1 Carbon Footprint by 58 tonnes CO₂ per annum and provide the infrastructure necessary to support the long term future needs of a battery electric fleet.

For projects not covered by grant funding, a further £0.5 million provision over 2025/26 and 2026/27 has been made for investment in carbon reduction measures covering the Authority's Scope 1 & 2 carbon footprint as part of the ongoing Carbon Action Plan, which is being developed by the Climate Change Officer. Likely provisions will target emissions arising from the Authority's top 15 sites by carbon emissions; provisions are likely to include: onsite renewable energy generation, renewable energy power purchase agreements, thermal fabric improvements and energy efficiency improvements.

A provision of £6 million between 2025/26 and 2027/28 is also made towards strategic energy infrastructure and low carbon, funded from CIL.

5.6 South West Coastal Monitoring (SWCM) is the largest of the National Coastal Monitoring Programmes in England, encompassing 2,450 km of coast between Portland Bill in Dorset and Beachley Point on the border with Wales. It is 100% funded by the Environment Agency. Since its inception in 2006 Teignbridge District Council have acted as the lead authority for the region. The Programme collects a multitude of coastal monitoring data, including topographic beach survey data, bathymetric data, LiDAR, aerial photography and habitat mapping and has a wave buoy and tide gauge network around the South West coast. The data feeds into a long term dataset showing changes to the beaches and coastline of the South West. It ensures that all Coastal Protection Authorities have the evidence to better understand the processes affecting the coast ensuring that coastal defence schemes are designed based on reliable information. In 2025/26 the programme will enter the fifth year of the current 6 year phase.

5.7 There is a £2 million provision for employment sites, funded from borrowing and developer contributions where applicable. It is anticipated this will be spent on schemes on council owned land, either to invest in new assets or to enhance and make best use of those already available. This will encourage new and existing businesses to set up, move in and stay in the area. The aim is to create better paid jobs and business expansion for a more resilient local economy. Where people can both work and spend leisure time locally, carbon emissions are also reduced. Individual projects will come back to committee as appropriate as business cases are developed.

£9.4 million is budgeted over 2024/25 and 2025/26 towards the Market Hall refurbishment and associated Future High Streets Funded works to help stimulate growth in the local economy and ensure it is an attractive and well-connected environment for local businesses. This is funded from a combination government grant and prudential borrowing.

£0.47 million is included over 2024/25 and 2025/26 for the creation of additional car parking at George Street, Teignmouth.

5.8 £0.19 million is included for a new financial management system between 2024/25 and 2025/26, which is required to meet the changing demands for financial information, reports and support. The new solution will create

efficiencies and have enhanced reporting capabilities allowing managers to access financial information themselves.

There is also a further £1.2 million in provisions for IT infrastructure projects, software upgrades and applications to enable more effective, digital ways of working between 2025/26 and 2027/28. These items form part of the Strata business plan, which will be brought forward for approval in due course.

5.9 An exercise is currently underway to identify likely major expenditure requirement in relation to the Authority's critical assets over the medium term. This will feed into the asset review process and will mean identifying funding resources and prioritising expenditure. There are known issues around the need to further improve waste management infrastructure (workshop, offices, storage, welfare) and assets in need of fabric and heating improvements. The current position is that general fund capital receipts and revenue contributions are fully committed until 2027/28.

6. COUNCIL TAX BASE 2025/26

6.1 The **council tax base** is the estimated number of band D equivalent properties in the district for next year less a small allowance for likely collection losses. The details are shown at section 1 of **appendix 2**. The council tax for each of District, County, Fire, Police and towns/parishes multiplied by the base gives the income or precept which the district pays to each authority. The District is responsible for collecting council tax.

6.2 The estimate for next year must be based on information available on the 30 November. It has to be approved by Audit Scrutiny Committee which has taken place on 18 December 2024 and notified to the major preceptors - County, Fire and Police between 1 December 2024 and 31 January 2025. Similarly towns and parishes also need the base for their area to calculate their council tax from their precept.

6.3 The initial data is extracted from the council tax records. This includes the deduction for council tax support which reduces the base. Finally an estimate is made of the growth in the number of dwellings to 2025/26 based on recent history and this has been calculated at 0.9%. Thus a total of 52,668.2 is the estimated number of band D properties for next year.

6.4 A collection rate of 97.9% has been assumed giving 51,562 for 2025/26. For Teignbridge this base means that at the current council tax level of £196.41 just over £10.1 million of income would be generated next year. This is 1.2% or £122,000 more than in the current year. Estimated 2025/26 income for all preceptors is shown at **appendix 2**, section 2 based on the current council tax.

6.5 All the council tax income goes into a collection account from which the precepts are paid. As the income is estimated a surplus or deficit can arise which has to be notified and shared out between the District, County, Fire and

Police. The district has to pay for any deficit or take any surplus relating to the towns and parishes. The aim is to minimise balances on the account.

6.6 Teignbridge has to estimate the surplus or deficit on the council tax collection fund on 15 January each year for the following budget year. A surplus of £3.0 million is currently estimated which has to be shared between the major preceptors in 2025/26 as per their current precepts. The District share is £381,905 allocated to next year's budget as shown in line 18 of appendix 4. Surpluses or deficits arise due to a number of factors including variations to previous year's assumptions in relation to the number of new houses built, the banding of these properties, the number claiming council tax support, collection rates, discounts, bad debts and provisions in relation thereto.

7. GROUPS CONSULTED

7.1 County, Fire and Police and the public are consulted about any changes to the council tax support scheme. 20 December 2024 marks the start of the publication period which includes Overview and Scrutiny meetings on 7 January 2025 and 4 February 2025. Parishes and town councils will also be advised of these financial proposals with a meeting on 19 December 2024.

7.2 A budget survey is planned which will be put on the website and publicised to encourage feedback. In particular it will be brought to the attention of businesses, the residents' panel and Teignbridge relationship groups. Responses will be reported to members for consideration with the final budget proposals by Executive on 11 February 2025 and by Council on 25 February 2025.

8. TIME-SCALE

The financial plan covers the years 2024/25 to 2027/28. Final consideration of the budget by Council is due on 25 February 2025. At that time the council tax resolution is also approved which covers the total council tax including County, Fire, Police and towns & parishes.

9. LEGAL / JUSTIFICATION

The Executive is required under the budget and policy framework procedure rules in the constitution (section 7 (a) and 7 (b)) to agree and recommend a budget to Council each year.

10. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)

Call in does not apply as the final budget recommendations will be considered for approval by Council on 25 February 2025.

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Budget timetable 2025/26

	October	November	December	January	February
Government (Chancellor) Autumn Spending Round Statement	30th				
Provisional council tax base numbers to towns/parishes	31st				
Local Government Financial Policy Statement		28th			
Audit Scrutiny approve council tax base			18th		
Provisional local government settlement			18th		
Town/parish initial budget/precept meeting			19th		
Executive papers sent out - initial budget proposals			20th		
Start of formal six weeks consultation period			20th		
Budget survey emailed to businesses			20th		
Executive - agree initial financial plan proposals				6th	
Overview & Scrutiny - consider Executive's financial plan				7th	
Final settlement expected					31st
Deadline for business rates retention estimate to government, county and fire					31st
Police and Crime Panel consider precept and approve					31st
Overview & Scrutiny - consider Executive's final financial proposals					4th
Executive - agree final financial plan proposals, including budget monitoring					11th
County Cabinet 10.30am budget meeting					14th
Devon County Council 2.15pm - set county precept and council tax					20th
Fire Authority - set fire precept and council tax					17th
Council meeting - consider financial proposals and council tax resolution					25th
Reserve county budget meeting 10.30 am if required					26th
Close council tax accounts and start bills print unless delayed if council tax not set					26th
Reserve Council budget meeting if required					27th

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Section 1

Council Tax Base adjustment for Council Tax Support (CTS) and estimated growth						
	Estimated 25/26 Band D Number	24/25 Council Tax £	Estimated Income £	Estimated Collection Rate %	Estimated Net Income £	Estimated 25/26 Base
Full band D at November 2024	56,514.7	2,394.70	135,335,750			
less CTS at November 2024	-4,316.3	2,394.70	<u>-10,336,240</u>			
Starting point based on Nov 2024	52,198.4		124,999,510			
Anticipated growth at 0.9%	469.8	2,394.70	1,125,030			
Total (rounded)	52,668.2	2,394.70	126,124,540	97.9%	123,475,520	51,562

Section 2

2025/26 Expected Council Tax (CT) Income at Current Council Tax Levels compared with 2024/25				
Preceptor	Estimated CT Base Number	24/25 Council Tax £	Expected income £	
2025/26 expected income (rounded)				
Towns and parishes	51,562	108.44	5,591,380	
District	51,562	196.41	10,127,290	
County	51,562	1,715.67	88,463,380	
Fire	51,562	99.68	5,139,700	
Police	51,562	274.50	14,153,770	
Total (rounded) shows a 1.2% increase in expected income		2,394.70	123,475,520	
2024/25 expected income (rounded)				
Towns and parishes	50,939	108.44	5,523,830	
District	50,939	196.41	10,004,930	
County	50,939	1,715.67	87,394,510	
Fire	50,939	99.68	5,077,600	
Police	50,939	274.50	13,982,760	
Total (rounded)		2,394.70	121,983,630	

To show the extra Council Tax in 2025/26 that would be collected for varying increases by percentage and value.

Teignbridge Band D Council Tax 2024/25 (excluding parish precepts)		£196.41
Approved Council Tax Base 2025/26 (at 97.9% collection rate)	[a]	51,562

Varying increases in Council Tax for 2025/26			Total Band D Council Tax 2025/26	Increase in Council Tax income for 2025/26	[b] Total Council Tax income 2025/26
%	Per Year	Per Week	Per Year	Per Year	Per Year
£	£	£	£	£	£
0.00	0.00	0.00	196.41	0	10,127,290
				No council tax freeze grant	0
				Total income	10,127,290
0.26	0.52	0.01	196.93	26,810	10,154,100
0.51	1.00	0.02	197.41	51,560	10,178,850
1.00	1.96	0.04	198.37	101,060	10,228,350
1.02	2.00	0.04	198.41	103,130	10,230,420
1.32	2.60	0.05	199.01	134,060	10,261,350
1.53	3.00	0.06	199.41	154,690	10,281,980
2.00	3.93	0.08	200.34	202,640	10,329,930
2.04	4.00	0.08	200.41	206,250	10,333,540
2.55	5.00	0.10	201.41	257,810	10,385,100
2.99	5.87	0.11	202.28	302,670	10,429,960

Note:

- [a] Council Tax Base of 51,562 for 2025/26 approved by Audit Scrutiny on 18 December 2024
- [b] Total Council Tax income is calculated by multiplying the Band D Council Tax by the recommended Council Tax Base of 51,562
- [c] No council tax freeze grant. Referendum limit proposed by government as higher of 3% or above £5 for Band D.

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Revenue Budget Summary

Appendix 4

Revenue Budget	2024-25 Forecast	2024-25 Latest	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
	£	£	£	£	£
EXPENDITURE					
1 Employees	26,932,610	27,250,490	27,490,880	27,677,190	28,463,260
2 Property	5,873,850	6,257,770	5,722,840	5,831,170	5,944,690
3 Services & supplies	6,919,850	9,007,640	7,411,540	7,739,640	7,921,390
4 Grant payments	19,334,800	22,108,800	19,427,650	17,427,650	15,427,650
5 Transport	1,082,810	990,830	966,430	1,001,960	1,041,040
6 Leasing & capital charges	2,365,490	2,267,090	2,706,420	2,877,830	2,866,270
7 Contributions to capital	500,000	719,710	1,500,000	1,500,000	500,000
8 Total expenditure	63,009,410	68,602,330	65,225,760	64,055,440	62,164,300
INCOME					
9 Sales	-807,690	-1,237,990	-1,032,830	-1,074,140	-1,117,110
10 Fees & charges	-11,928,260	-12,438,950	-12,924,520	-13,441,500	-13,979,160
11 Grants - income	-19,542,500	-23,055,320	-21,316,430	-19,316,430	-17,316,430
12 Property income	-3,699,950	-3,868,960	-4,016,200	-4,346,690	-4,477,090
13 Other income & recharges	-4,533,480	-6,178,160	-4,696,820	-4,824,100	-4,840,070
14 Transfer from (-) / to earmarked reserves	-3,551,730	-2,538,090	-1,410,050	-3,632,480	-3,480,340
15 Total income	-44,063,610	-49,317,470	-45,396,850	-46,635,340	-45,210,200
16 Total net service cost	18,945,800	19,284,860	19,828,910	17,420,100	16,954,100
Funding					
17 Council tax	-10,004,930	-10,004,930	-10,507,120	-11,079,500	-11,524,880
18 Council tax/community charge surplus(-) / deficit	-251,670	-251,670	-381,900	0	0
19 Revenue support grant	-261,270	-261,270	-288,010	0	0
20 Rates baseline funding	-3,634,240	-3,634,240	-3,664,280	-3,699,600	-3,734,580
21 Estimated rates retention and pooling gain	-2,800,410	-3,184,760	-3,413,720	-141,000	-194,640
22 New homes bonus	-650,240	-650,240	-351,710	0	0
23 Alt housing funding/damping/returned surplus/cap	0	0	0	-2,500,000	-1,500,000
24 Other grants	-1,343,040	-1,363,940	-1,222,170	0	0
25 Budget gap (-) to be found	0	0	0	0	0
26 Total funding	-18,945,800	-19,351,050	-19,828,910	-17,420,100	-16,954,100
27 -Surplus/shortfall	0	-66,190	0	0	0
28 General reserves at end of year	2,400,004	2,500,330	2,500,330	2,500,330	2,500,330
29 General reserves as % of net revenue budget	12.7%	12.9%	12.6%	14.4%	14.7%

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Draft Proposed Fees and Charges Income 2025/26

Service	Actual 2023/24	Probable 2024/25	Proposed 2025/26	Dept total 2025/26	Department
	£	£	£	£	
Building Control	- 985,043	- 1,295,120	- 1,385,780	-	1,385,780 Building Control
Street Naming	- 4,949	- 7,830	- 7,830	-	1,087,400 Development Management
Retail Market	- 101,201	- 83,620	- 11,290	-	21,440 Economy & Assets
Electoral Registration	- 2,201	- 2,160	- 2,160	-	2,160 Electoral Services
Dog Control	- 512	- 200	- 200	-	
Pest Control	- -	- 2,870	-	-	
Health & Food Safety	- 6,786	- 6,990	- 7,490	-	
Health Licence Fees	- 22,360	- 27,820	- 26,580	-	
Litter Clearance	- 1,500	- 4,740	- 4,200	-	
Nuisance Parking	- -	- -	- -	-	
Private Water Supply Sampling	- 2,851	- -	- 2,000	-	40,470 Environmental Health
Amenity & Conservation Sites	- 2,202	- 2,690	- 4,020	-	
Cemetery Fees	- 185,940	- 194,190	- 202,560	-	
Shaldon Golf	- 80,721	- 71,550	- 75,800	-	
Tennis Courts	- 1,339.81	- 3,110.00	- -	-	
Sports Pitches	- 18,900	- 20,780	- 24,750	-	307,130 Green Spaces & Active Leisure
Housing	- 8,488	- 4,850	- 8,430	-	8,430 Housing
Legal Fees	- 42,260	- 46,400	- 48,510	-	48,510 Legal
Broadmeadow Sports Centre	- 61,267	- 81,240	- 47,130	-	
Dawlish Leisure Centre	- 222,240	- 228,360	- 224,650	-	
Leisure Memberships	- 1,434,857	- 1,558,000	- 1,675,280	-	
Newton Abbot Leisure Centre	- 502,807	- 562,070	- 540,980	-	
Outdoor Pools	- 52,024	- 51,550	- 54,260	-	2,542,300 Leisure
Gambling Act 2005	- 18,299	- 22,650	- 20,550	-	
Hackney Carriage	- 86,402	- 81,750	- 107,540	-	
Licensing Act 2003	- 131,783	- 144,490	- 130,480	-	258,570 Licensing
Car Parks	- 4,527,426	- 4,880,080	- 5,380,020	-	5,380,020 Parking
Beach Huts	- 19,047	- 20,020	- 17,460	-	
Boat Storage	- 4,724	- 4,400	- 4,750	-	
Leisure Events	- 210	- 200	- 200	-	22,410 Resorts
Council Tax	- 232,757	- 423,430	- 232,000	-	232,000 Revenue & Benefits
Local Development Framework	- -	- 50	- -	-	Spatial Planning
Abandoned Vehicles	- 1,445	- 1,290	- 1,500	-	
Commercial Waste / Household Refuse	- 1,476,919	- 1,550,560	- 1,573,180	-	
Composting	- -	- 50	- 50	-	
Toilets for Disabled	- 176	- 110	- 110	-	
Vehicle Workshop	- 12,202	- 12,760	- 13,060	-	1,587,900 Waste, Recycling & Cleansing
Grand Totals	- 11,280,237	- 12,438,950	- 12,924,520	- 12,924,520	

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**TEIGNBRIDGE DISTRICT COUNCIL
CAPITAL PROGRAMME 2024-25 to 2027-28**

Code /bid no.	Asset/Service Area		Description	Provision?	C/f ?	53,314	36,764	29,444	20,001	8,976	Council Strategy					
						ORIGINAL	LATEST	LATEST	LATEST	LATEST						
						BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	6. Investing in prosperity					
						2024-25	2024-25	2025-26	2026-27	2027-28						
						£'000	£'000	£'000	£'000	£'000						
KL1	Broadband		Contribution to Superfast Broadband subject to procurement arrangements (RS) (2024/25) subject to satisfactory assurances of funds being spent within Teignbridge area.	No		250	250				6. Investing in prosperity					
Provision	Climate Change		Provision for Carbon Action Plan (PB)	Yes		439	-	260	260		10. Action on climate					
KY2	Climate Change		Broadmeadow Sports Centre Decarbonisation Phase 2 and Refurbishment (GG, PB, S106, RS)	No	✓	3,501	1,767	1,767			10. Action on climate					
Provision	Climate Change		Energy infrastructure and low carbon (CIL)	Yes	✓	-	-	2,000	2,000	2,000	10. Action on climate					
KY7	Climate Change		Leisure Site Measures (S106)	No	✓	50	62	100			10. Action on climate					
KY4	Climate Change		Dawlish Leisure Centre Energy Efficiency Measures (GG;PB)	No			197	197			10. Action on climate					
KY8	Climate Change		Newton Abbot Leisure Centre Energy Efficiency Measures (PB)	No			258	258			10. Action on climate					
KY9	Climate Change		Teignmouth Lido Energy Efficiency Measures (PB)	No				57			10. Action on climate					
KY1	Climate Change		UK Shared Prosperity Fund/Heart of the SW LEP including Green Business Grants (GG)	No	✓	562	573				10. Action on climate					
KR1	Coastal Monitoring		SW Regional Coastal Monitoring Programme. (GG,EC)	No	✓	2,210	1,865	1,840	2,312		9. Strong communities					
KR6	Coastal Monitoring		Coastal asset review (GG)	No		219	-	219			9. Strong communities					
KG2	Cycle paths		Teign Estuary Trail (CIL)	No		525	-	-	100	450	7. Moving up a gear					
Provision	Cycle paths		Provision for Cycling (CIL)	Yes		450	-	50	150	150	7. Moving up a gear					
KG7	Cycle paths		Garden Communities: Ogwell Strategic Link (S106; Revenue GG)	No			22	30			7. Moving up a gear					
KX7	Dawlish		Dawlish link road and bridge (GG, CIL)	No	✓	1,300	2,814				7. Moving up a gear					
Provision	Dawlish Leisure Centre		Provision for Dawlish Leisure Centre Improvement Plan (S106; PB).	Yes				660	661		8. Out and about and active					
Provision	Habitat Regulations		Provision for Habitat Regulations infrastructure measures (CIL)	Yes	✓	88	-	601	88	88	4. Great places to live & work					

Code /bid no.	Asset/Service Area		Description	Provision?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
						BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
						2024-25	2024-25	2025-26	2026-27	2027-28	
						£'000	£'000	£'000	£'000	£'000	
Provision	Heart of Teignbridge: Employment		Provision for employment sites (PB)	Yes		2,000	-		2,000		6. Investing in prosperity
KX8	Heart of Teignbridge		A382 Improvements (CIL)	No	✓			-	1,000		7. Moving up a gear
KW1	Heart of Teignbridge		Highweek Scout Hut improvements (S106)	No	✓				175		4. Great places to live & work
KW8	Heart of Teignbridge		Houghton Barton land (EC)	No	✓			37			4. Great places to live & work
KW8	Heart of Teignbridge		Houghton Barton land (GG)	No		585	385	200			4. Great places to live & work
KW4	Heart of Teignbridge		Mineral Rights (S106)	No		85	-	85			4. Great places to live & work
JW/JV	Housing		Discretionary - Disrepair Loans & Grants (CR)	No		24	24	24	24	24	1. A roof over our heads
JW/JV/JD	Housing		Better Care-funded grants re: Housing loans and grants policy, including Disabled Facilities (GG)	No	✓	1,400	2,016	1,400	1,400	1,400	1. A roof over our heads
JV3	Housing		Warm Homes Fund (Category 1 Gas and Category 2 Air Source Heat Pumps) (GG)	No		13	-				1. A roof over our heads
JA/B	Housing		Local Authority Housing Fund: Refugee Accommodation (GG; PB)	No	✓		886				1. A roof over our heads
JC	Housing		Local Authority Housing Fund: 2024/25 (GG; PB)	No			1,160				1. A roof over our heads
Provision	Housing		Teignbridge 100: Provision for Sherborne House (GG; PB; S106)	Yes		6,795	-	2,471	3,706	618	1. A roof over our heads
JX5	Housing		Teignbridge 100: Social/Affordable housing - Sherborne House (PB)	No	✓	-	330				1. A roof over our heads
Provision	Housing		Social Housing Capital Replacements (Roofs/Fabric improvements/Heating/Furniture, fixtures & fittings etc) (RS)	Yes		30	30	30	30	30	1. A roof over our heads
KV8	IT - Capital contribution		Ongoing contributions towards Strata (RS)	No		41	41	41	41	41	Vital, Viable Council
KA3	IT - Capital contribution		End User Computing: Replacement laptops and staff (CR; RS)	No		36	36	68	68		Vital, Viable Council
KA4	IT - Capital contribution		Bookings (CR)	No		14	-				Vital, Viable Council
KA5	IT - Capital contribution		Contact Centre telephony (CR)	No		14	14	73			Vital, Viable Council
KA6	IT - Capital contribution		Core telephony (CR)	No		14	-				Vital, Viable Council

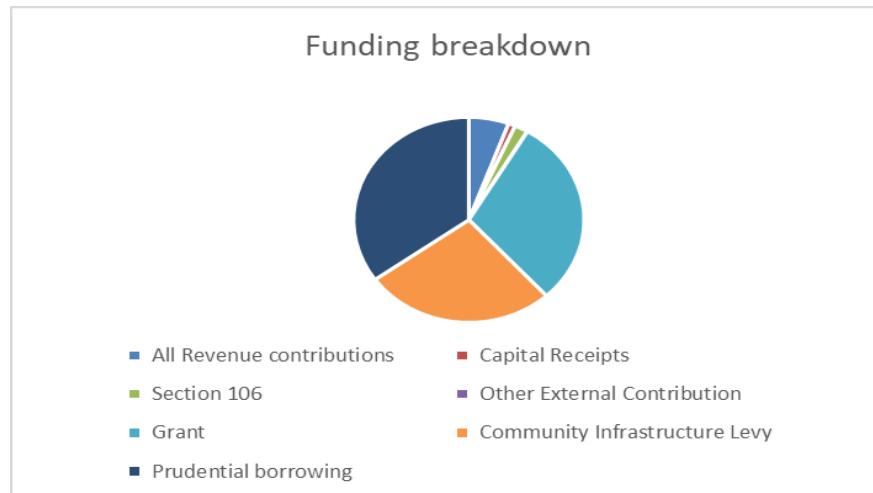
Code /bid no.	Asset/Service Area		Description	Provision?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
						BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
						2024-25	2024-25	2025-26	2026-27	2027-28	
						£'000	£'000	£'000	£'000	£'000	
Provision	IT - Capital contribution	Telephony (RS)	No					23			Vital, Viable Council
KA1	IT - Capital contribution	Sharepoint resource (CR)	No			16	28				Vital, Viable Council
Provision	IT - Capital contribution	Sharepoint wider rollout (RS)						68			Vital, Viable Council
KA2	IT - Capital contribution	iTrent Paid Time and Rostering (RS)	No				20				Vital, Viable Council
KA7	IT - Capital contribution	Chatbot (CR)	No			14	-				Vital, Viable Council
KA8	IT - Capital contribution	Car parks system (CR)	No			132	-	125			3. Going to town
KU2	IT - Capital contribution	Data Centre Relocation (CR)	No				-	27			Vital, Viable Council
KU3	IT - Capital contribution	NCSC Zero Trust (CR)	No	✓			25				Vital, Viable Council
KU5	IT - Capital contribution	Office 365 (CR)	No	✓			27				Vital, Viable Council
KV9	IT - Finance	Provision for Finance Convergence (CR; PB)	No	✓		62	50	135			Vital, Viable Council
Provision	IT - Property and Assets	SaM improvements (CR)	Yes			25	25				Vital, Viable Council
KU8	IT - communications	PSTN migrations (CR)	No			15	-				Vital, Viable Council
KU9	IT - Corporate	Anticipated Software Upgrade Costs 2023-2025 (CR)	No			11					Vital, Viable Council
KV5	IT - Corporate	Microsoft Power Apps (CR)	No	✓			27				Vital, Viable Council
Provision	IT - Revenue & Benefits	New Housing Benefit System (RS)	Yes						500		Vital, Viable Council
KU6	IT - Housing	Homelessness System Replacement (CR; Revenue GG)	No	✓			110				1. A roof over our heads
Provision	IT - Corporate	Health & Safety (CR)	Yes					21			Vital, Viable Council
Provision	IT - Corporate	iTrent Hosted (RS)	Yes					27			Vital, Viable Council
Provision	IT - Corporate	Azure Migration (RS)	Yes					41			Vital, Viable Council

Code /bid no.	Asset/Service Area		Description	Provision?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
						BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
						2024-25	2024-25	2025-26	2026-27	2027-28	
						£'000	£'000	£'000	£'000	£'000	
Provision	IT - Corporate	System upgrade costs (RS) Yes						27			Vital, Viable Council
Provision	IT - Corporate	Transformation costs (staff resource)(RS) Yes						47			Vital, Viable Council
KG1	Michaels Field	Replacement boiler (S106) No					25				8. Out and about and active
KF5	Newton Abbot Leisure Centre	Leisure Centre Gym Equipment (S106)	No			40	40	40	40	40	8. Out and about and active
KF7	Newton Abbot Leisure Centre	NALC Wetside boiler (S106) No					38				10. Action on climate
KM2	Newton Abbot Multi Storey Car Park	Lift Modernisation Work (RS)	No			80	110				3. Going to town
KL8	Newton Abbot Town Centre Regeneration	Newton Abbot Town Centre Improvements (GG)	No	✓			400				3. Going to town
KX1	Newton Abbot Town Centre Regeneration	Halcyon Rd (PB)	No			6,375	-				3. Going to town
Provision	Newton Abbot Town Centre Regeneration	Cattle Market Enabling Works (PB)	Yes			200	-				3. Going to town
KL7	Newton Abbot Town Centre Regeneration	Bradley Lane Enabling Works (PB)	No	✓			-	32			3. Going to town
KO3	Newton Abbot Town Centre	Future High Street Fund project: Market Improvements (GG, PB)	No	✓		4,413	2,000	4,958			3. Going to town
KO2	Newton Abbot Town Centre	Future High Street Fund project: Gateway to the Town Centre and Queen Street (GG)	No	✓			100				3. Going to town
KO5	Newton Abbot Town Centre	Future High Street Fund project: Bradley Lane site clearance (GG)	No				2,353				3. Going to town
KW5	Open Spaces	Cirl bunting land (S106)	No			277	180	97			4. Great places to live & work
KB3	Open Spaces	Stover Park improvements (S106)	No			20	20				4. Great places to live & work
Provision	Play area equipment/refurb	Provision for Powderham Newton Abbot play space equipment and wider park improvements (S106)	Yes			100	-	100			8. Out and about and active
Provision	Play area equipment/refurb	Prince Rupert Way, Heathfield (S106)	Yes			40	-	40			8. Out and about and active
Provision	Play area equipment/refurb	Provision for Teignbridge-funded play area refurb/equipment (CR)	Yes			80	-	80			8. Out and about and active
KS9	Public Conveniences	Changing Places (GG)	No				184				8. Out and about and active

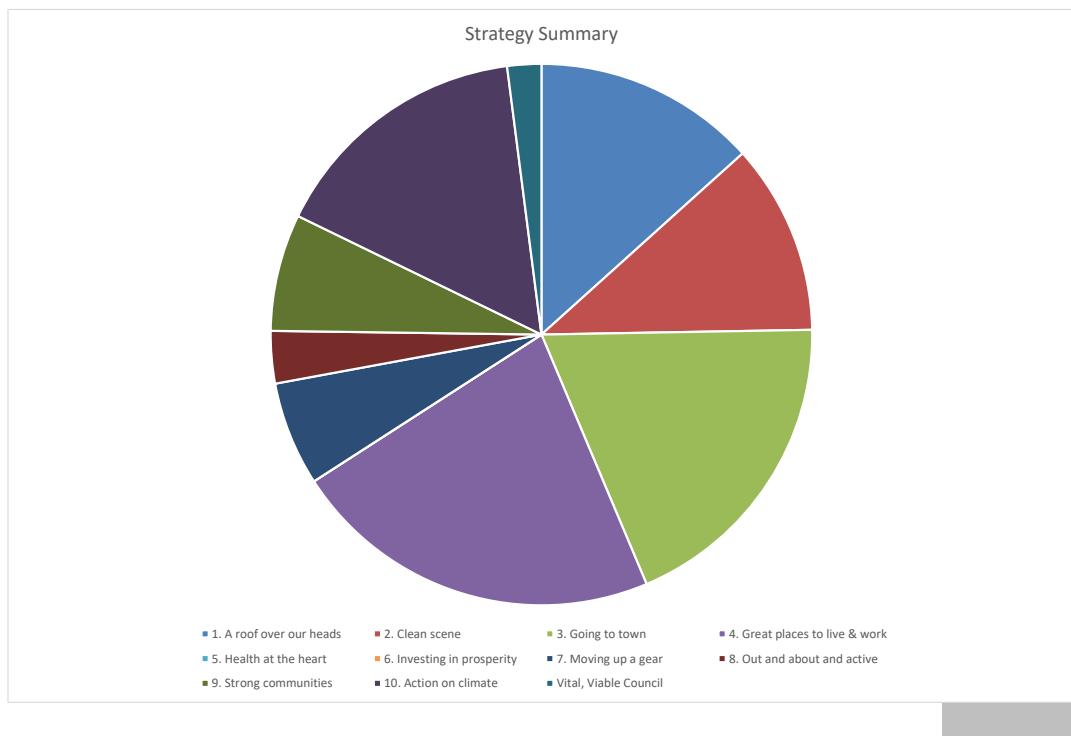
Code /bid no.	Asset/Service Area		Description	Provision?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
						BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
						2024-25	2024-25	2025-26	2026-27	2027-28	
						£'000	£'000	£'000	£'000	£'000	
KL3	Rural areas		Rural England Prosperity Fund (GG)	No	✓		163				6. Investing in prosperity
KB1	SANGS/Open Spaces		Ridgeway Countryside Park (South West Exeter SANGS) (GG)	No		1,367	30	1,337			4. Great places to live & work
Provision	SANGS/Open Spaces		New Countryside Parks (CIL)	Yes				-	1,500	1,500	4. Great places to live & work
Provision	Teignbridge		Provision for Education (CIL)	Yes		4,000	4,000	4,050	2,000	1,050	4. Great places to live & work
KX5	Teignmouth Town Centre		George Street Car Park (S106; PB)	No	✓	435	10	460			3. Going to town
KR2	Teignmouth		Beach Management Plan (GG)	No	✓		107				9. Strong communities
Provision	Teignmouth		Storage containers (RS)	Yes		14					9. Strong communities
Provision	Transport		Transport Hubs and Public Transport (CIL)	Yes		750		750	750		7. Moving up a gear
Provision	Waste Management		Provision for Bulking Station - replace telehandlers (PB)	Yes					110		2. Clean scene
Provision	Waste Management		Provision for Waste Transfer Station Redevelopment (RS; PB)	Yes				1,000	1,500		2. Clean scene
KS4	Waste Management		Waste Transfer Station redevelopment feasibility (RS)	No			88				2. Clean scene
KS3	Waste Management		Sortline Baler (PB)	No	✓		119				2. Clean scene
Provision	Waste Management		Provision for Bulking Station - replace Sortline (PB)	Yes				1,500			2. Clean scene
Provision	Waste Management		Provision for replacement card baler (2029) (CR)	Yes							2. Clean scene
Provision	Waste Management		Provision for Simpler Recycling Statutory Requirements (RS; PB)	Yes				350	35	35	2. Clean scene
KS5	Waste Management		Replacement recycling banks (RS)	No			45	45	45		2. Clean scene
KS1	Waste Management		Provision for Waste vehicles (Technically PB under new IFRS 16 accounting rules - in practice, funded from revenue).	No		13,274	12,757				2. Clean scene
Provision	Waste Management		Replacement vehicles (PB)	Yes				290	505	1,365	2. Clean scene
KS2	Waste Management		Fleet Decarbonisation Infrastructure (PB, RS)	No		769	756				2. Clean scene

Programme Funding					
All Revenue contributions	(1,619)	(1,807)	(1,449)	(1,795)	(291)
Capital Receipts	(3,445)	(388)	(486)	(24)	(24)
Section 106	(1,159)	(397)	(913)	(428)	(40)
Other External Contribution	-	(42)	-	-	-
Grant	(13,313)	(12,899)	(10,321)	(3,712)	(1,400)
Community Infrastructure	(7,113)	(5,300)	(8,451)	(6,588)	(5,238)
Prudential borrowing	(26,665)	(15,931)	(7,824)	(7,453)	(1,983)
Total	(53,314)	(36,764)	(29,444)	(20,000)	(8,976)
Balance of capital receipts		(4,143)	(3,672)	(3,668)	(3,664)

Code /bid no.	Asset/Service Area		Description	Provision?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
						BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
						2024-25	2024-25	2025-26	2026-27	2027-28	
						£'000	£'000	£'000	£'000	£'000	



Summary by Council Strategy priorities						
1. A roof over our heads			8,262	4,556	3,925	5,160
2. Clean scene			14,203	13,925	3,353	2,371
3. Going to town			11,635	4,973	5,575	-
4. Great places to live & work			6,422	4,652	6,545	3,588
5. Health at the heart			-	-	-	-
6. Investing in prosperity			2,250	413	-	2,000
7. Moving up a gear			3,025	2,836	1,830	1,000
8. Out and about and active			260	249	920	701
9. Strong communities			2,443	1,972	2,059	2,312
10. Action on climate			4,552	2,895	4,639	2,260
Vital, Viable Council			262	293	598	609
Totals			53,314	36,764	29,444	20,001
						8,976



Code /bid no.	Asset/Service Area		Description	Provision?	C/f ?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
						BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
						2024-25	2024-25	2025-26	2026-27	2027-28	
						£'000	£'000	£'000	£'000	£'000	

Key:

EC External Contributions
S106 S106 - Section 106 developer contribution
CIL Community Infrastructure Levy
GG Government Grant
CR Capital Receipts
RS Revenue Savings
PB Prudential Borrowing

C Project complete. Where this relates to payment of a contribution, indicates contribution has been paid.

 Climate Change project
✓ Budget carried forward from previous years
Bold Denotes a change in the programme



Teignbridge District Council

Financial Plan

2025 to 2030

1. About this Plan

Our Financial Plan looks at the position of the revenue budget and considers the General Fund ¹ position in terms of general reserves and earmarked reserves and the Capital Programme ² and the inter-relationship between the two.

The purpose of this Plan is to define how the Council will structure and manage its finances over the next five years in order to deliver services to residents and support the objectives detailed within the Council Plan.

The Financial Plan also links with other key plans and documents of the Council including Service Plans, Asset Management and Disposal policies, the Digital Strategy we are developing, Procurement and Treasury Management. Input will also be provided through the Overview & Scrutiny Committees review of budget priority and savings work and the Council's Senior Leadership Team.

The Financial Plan comprises of two parts;

➤ **Part 1 - The Medium Term Financial Plan (MTFP) (page 3)**

This is a key element of the budget setting process. The MTFP provides a financial model and forecast of the cost of providing services over a rolling five year period, together with an estimate of the financial resources that are likely to be available to the Council. The process is designed to provide an early warning of any potential deficit in the required level of resources and interaction with earmarked reserves if available to smooth funding where appropriate.

As well as considering the revenue implications and the General Fund balance, the MTFP also reviews the affordability of the Council's capital investment programme, matching forecast funding against planned capital spending over a five year horizon. The capital programme is easier to control as individual schemes can be approved or not by Council to match resources available. Clearly this has its own implications in meeting the Council Plan objectives but does not have the same degree of organisation complexity as the General Fund involving significant staff numbers, team interaction and service delivery.

➤ **Part 2 – Financial Viability Process (FVP) (page 14)**

This part of the Financial Plan considers how the Council will attempt to balance its finances over the coming years to continue to provide service for its residents and customers. It ensures we are achieving Value for Money throughout the Council within each service; it evidences this and seeks improvement and savings where possible. The process involves review of service plans with a team of key staff from the Business Transformation Team, Finance and Performance to aid us in this process. They work with the relevant services to discover likely savings to pursue, viability, time scales and resources required to implement.

Depending on the outcome of this work and savings achieved, consideration will then need to be given as to whether service reductions are required to balance the books in order to achieve financial sustainability and viability.

Definition Note:

1. The General Fund records day to day revenue spending and income on the delivery of Council services.
2. Capital programme spending relates to purchases or enhancements of assets, expenditure that has benefit greater than a year and is over £20,000.



Part 1 - The Medium Term Financial Plan (MTFP)

2. Introduction

The development of a five year financial model is based upon a number of assumptions and perceived risks which clearly become more difficult to predict as the period covered lengthens. In recent years we have been subject to one year only financial settlements from Government, there have been fundamental funding reviews proposed, delayed and then cancelled on a number of occasions making even short term planning difficult. We now have a further one year settlement for 2025/26 with a plan from Government that central funding will be reviewed in 2025 with a view to reset the funding from 2026/27. Any plan built over a period greater than 5 years becomes more unpredictable as assumptions about future financial indicators lengthen.

In broad terms the model has been developed on the basis of 'reasonable and prudent' forecasts and assumptions in accordance with sound accounting practice.

3. Fundamental principles

Underpinning this plan, the following fundamental principles have been adopted:

- To secure the financial viability and stability of the Council in accordance with the Chief Finance Officers (CFO) responsibility to protect the Council's finances.
- Annually, a balanced revenue budget will be set with expenditure to be limited by the amount of available resources.
- Where a balanced revenue budget cannot be achieved in the short term use of earmarked funding reserves will be used to balance the budget but by exception.
- The General Fund balance will be maintained at the agreed adopted level as advised by the Chief Finance Officer.

- If earmarked reserves are not available to balance the budget resources will be redirected from low to high priority services to meet objectives set out in the Council Plan and maintain statutory functions.
- Council Tax increases will be kept within annually announced government guidelines to ensure a local referendum is not triggered.

In considering the capital budget, the Council will continue to follow the methodology of assessing schemes against their contribution to the corporate strategy, service improvement and long-term impacts on budget as well as deliverability within finite staff resources. The Council will also seek to maximise the use of its assets.

4. Financial background

The Government has cut core funding significantly for a number of years.

Additional support was provided during the Pandemic but this has now been withdrawn and the underlying funding for local authorities is historically low.

There are significant financial pressures to consider with recent higher inflation rates, interest rates, energy and food costs and potential recession threats with growth continuing to be very low. As a consequence the indications have been higher national pay awards and other direct cost implications mainly associated with contractor and partner costs. There has traditionally been low investment income received however this increased significantly with the increases in base rate but has an adverse impact on borrowing costs for capital schemes. Profiling debt can smooth out some of these short term change in rates. Ambitions remain to pursue our carbon reduction programme and improve services through further investment. This all brings significant financial challenges and a requirement for us to act more commercially to generate more income.

These factors have shaped the finances of the Council over recent years and placed it in a continuous difficult position of setting balanced budgets.

The Council needs to address its continuing budget gaps on the revenue budget and mitigate use of funding earmarked reserves which could be redirected to other activities. Member support is key to achieving this objective.

The Council has facilitated and encouraged business and housing growth in the district to deliver its ambitions and benefited in additional government funding through New Homes Bonus and extra Business Rate income which to date has put the Council in a stronger financial position than a number of other councils. This has enabled continued significant investment in non-statutory services to benefit the district. The Council has also embarked on and continues to pursue building its own housing to facilitate moving towards its affordable housing target aspirations.

5. Medium Term Financial Plan

The base for the MTFP is the 2024/25 approved budget and the current cost of ongoing services, adjusted to take account of a range of unavoidable costs such as pay increases, inflationary pressures, the implementation of any approved changes to the budget and any costs arising from new legislation and associated regulations or changes in resident

demand. The updated MTFP takes account of any forecast variations in the level of both investment and fee income.

The Plan also considers and makes reasonable assumptions about the likely incomes from council tax and central government funding.

The MTFP is designed to model likely outcomes and to aggregate the sum of all potential financial inputs, to determine whether the Council will have sufficient resources to achieve its objectives, or indeed whether action is required to bridge a funding gap.

In formulating these calculations a number of assumptions have been made and a range of external influences considered. The various risks and pressures are detailed at the end of the Plan with commentary on their potential impact. The consequence of the pandemic was a significant risk but high inflation and other economic factors and their impact on our finances and the public is now the central concern.

Appendix A to the Financial Plan contains the best estimates of the 5-year costs and incomes.

A similar exercise has been undertaken in respect of future capital expenditure, detailing the anticipated level of resources required, together with potential funding sources available to the Council to support its planned programme of works and where there are revenue implications these have been acknowledged within the Plan.

6. MTFP – Revenue Position

The position on General Fund services is extracted in the table below in section 8 and shows the current year 2024/25 for comparison and forms the basis from which future assessments have been made. The 2024/25 position is the set budget from February 2024 and then the latest position for 2024/25, the implications effecting this budget are considered going forward.

Some key areas to note in this calculation:

Service Budgets - This position is calculated based on current service provision adjusted where there are known resident demand changes, contract agreements or legislative requirements. This position does not include any growth in service or staffing to the Council's current service level with the exception of:

- Inclusion of a further £1.0 million as a one off to pay an element of the pension fund deficit in 2024/25 and reduce future deficit funding contributions.
- Additional temporary resources to deliver significant projects, service reviews, business/systems improvements etc and for the Modern 25 work.
- The 2024/25 budget for staff salaries was based on an assumed 4% increase. The final offer of a flat sum payment of £1,290 per employee (based on a full time individual) up to

SCP43 and 2.5% above that has been approved and implemented. This equates to a net cost over the budgeted sum in the General Fund in excess of £30,000 for 2024/25 and thereafter for future years based on full employment. This additional cost has been added to the model.

- Each of the 3 owners of Strata are requiring additional support to meet the various work demands and objectives requiring IT support and development. This will lead to an increase in cost. The base budget will include the provisional sums known and be amended when the relevant approvals have been provided.

The Council's previous full set of budget papers [Agenda for Full Council on Tuesday, 27th February, 2024, 10.00 am - Teignbridge District Council](#) is a useful historical reference as it details significant information about the service provision currently provided; costs and income received for revenue (appendix 4 and appendix 5), staffing resources involved in each area (appendix 5) and the capital programme (appendix 7).

Government Funding General - The 2024/25 Local Government Finance Settlement was a one-year spending round only. This put on hold again planned reforms; changes to both the local government funding formula and the re-basing and implementation of a new business rate retention scheme.

The Government continued to follow previous years settlements and issue a settlement for one year only for 2025/26. The proposal moving forward is for funding reset to take place for 2026/27 following a consultation and review in 2025.

Understanding this funding position and the implication on other core funding mechanisms (Business Rate Growth and New Homes Bonus) is critical to determining the MTFP position but there is uncertainty.

The MTFP now assumes a fall to baseline & retention funding for the Council from 2026/27; taking away any growth in business rates (2025/26 budget £7.1 million (including pooling gain) and £3.8 million assumed for 2026/27 and the change in NHB from £0.6 million per annum in 2024/25 to £0.4 million in 2025/26 with an assumption of nothing thereafter. In terms of the possible reductions as stated the timing is unclear and the cliff edge in funding reduction has been assumed in the model as worst case because there is likely to be transitional funding introduced to smooth out the reductions for authorities like Teignbridge (this is referred to as 'damping' and some provisional estimated figures are now included to reflect a possible likely position but still very uncertain).

The Local Government Finance Settlement is announced normally late November/early December and for 2025/26 was announced on 18 December which makes planning

extremely difficult as councils initial budget processes are finalised at that point. The finance policy statement published on 28 November 2024 only outlined some of the key principles for 2025/26.

7. Business Rate income

This has been assumed under the existing arrangements; the 50% rate retention scheme. The Government had intended to introduce a 75% retention scheme but this has now been dropped with a review at some stage still being the Government's stated intention.

The MTFP assumes in 2025/26 the Council will be £3.414 million above the baseline funding level (retained growth) including pooling gains. This is considered reasonable based on current levels of income and projected growth. The Council does maintain a bad debt provision and a business rate funding reserve to mitigate annual fluctuations in rating assessments.

The greater, more fundamental risk is Government changing the regime and us losing the business rate growth in future years which has been built up. Because the timing and degree of risk is unknown the Council currently holds a Funding Reserve to cover these fluctuations and the existing gaps in the revenue budget which is not balanced. This will be used to continue to meet service costs in the budget in the short term if the worst case scenario happened. This would take place if the Government announce in any December Settlement that all growth income from business rates will be lost in the following year – highly unlikely especially without some transition protection but this reserve is available to give time to cut costs in an orderly manner to best protect the residents of Teignbridge should the worst happen.

8. Council Tax

The Government has for a number of years determined district councils can increase their council tax by £5 a year or up to 2% whichever is the greatest before triggering a local referendum. This is the level of income the Government assess is available to the Council and the MTFP applies this increase annually. The Government assumes that the Council will increase its Council tax by these limits when setting its allocation of other funding streams. The allowance for 2023/24 and thereafter was increased to 2.99% before a referendum is triggered and this continued for 2025/26 and is built into the model for future years (£5.87 for 2025/26).

9. New Homes Bonus (NHB)

Income retained in the General Fund to support revenue costs has been included in the annual budgets for a number of years but has reduced significantly and is currently £0.6 million. The scheme is supposedly ending in its current form with the annual amount

reducing; this gives £0.6 million available in 2024/25 which is then decreasing to £0.4 million for 2025/26 and then potentially not replaced so zero for 2026/27 onwards. There are still no guarantees about future years after 2025/26 or whether a replacement will be available.

A replacement for NHB was consulted on over four years ago with the Government wishing to sharpen the incentivising of housing growth in the most effective way, no announcement of a replacement scheme has been made so it is assumed the scheme will continue in its reduced form with just an annual sum paid based on one year's growth and then end after 2025/26. At the height of the scheme the Council was paid the annual growth sum for 6 years – in 2016/17 the Council received £3.848 million (the most received in any one year).

10. MTFP numbers

The MTFP financial data is provided annually in the budget papers as appendix 4. This provides the latest numbers for the current year and the following 3 years. Future years are extremely uncertain however an attempt to calculate our budget gaps extended to year 5 is shown below the 3 year projection replicated below.

Revenue Budget Summary						Appendix 4
Revenue Budget	2024-25	2024-25	2025-26	2026-27	2027-28	
	Forecast	Latest	Forecast	Forecast	Forecast	
EXPENDITURE	£	£	£	£	£	£
Employees	26,932,610	27,250,490	27,490,880	27,677,190	28,463,260	
Property	5,873,850	6,257,770	5,722,840	5,831,170	5,944,690	
Services & supplies	6,919,850	9,007,640	7,411,540	7,739,640	7,921,390	
Grant payments	19,334,800	22,108,800	19,427,650	17,427,650	15,427,650	
Transport	1,082,810	990,830	966,430	1,001,960	1,041,040	
Leasing & capital charges	2,365,490	2,267,090	2,706,420	2,877,830	2,866,270	
Contributions to capital	500,000	719,710	1,500,000	1,500,000	500,000	
Total expenditure	63,009,410	68,602,330	65,225,760	64,055,440	62,164,300	
INCOME						
Sales	-807,690	-1,237,990	-1,032,830	-1,074,140	-1,117,110	
Fees & charges	-11,928,260	-12,438,950	-12,924,520	-13,441,500	-13,979,160	
Grants - income	-19,542,500	-23,055,320	-21,316,430	-19,316,430	-17,316,430	
Property income	-3,699,950	-3,868,960	-4,016,200	-4,346,690	-4,477,090	
Other income & recharges	-4,533,480	-6,178,160	-4,696,820	-4,824,100	-4,840,070	
Transfer from (-) / to earmarked reserves	-3,551,730	-2,538,090	-1,410,050	-3,632,480	-3,480,340	
Total income	-44,063,610	-49,317,470	-45,396,850	-46,635,340	-45,210,200	
Total net service cost	18,945,800	19,284,860	19,828,910	17,420,100	16,954,100	
Funding						
Council tax	-10,004,930	-10,004,930	-10,507,120	-11,079,500	-11,524,880	
Council tax/community charge surplus(-) / deficit	-251,670	-251,670	-381,900	0	0	
Revenue support grant	-261,270	-261,270	-288,010	0	0	
Rates baseline funding	-3,634,240	-3,634,240	-3,664,280	-3,699,600	-3,734,580	
Estimated rates retention and pooling gain	-2,800,410	-3,184,760	-3,413,720	-141,000	-194,640	
New homes bonus	-650,240	-650,240	-351,710	0	0	
Alt housing funding/damping/returned surplus/cap	0	0	0	-2,500,000	-1,500,000	
Other grants	-1,343,040	-1,363,940	-1,222,170	0	0	
Budget gap (-) to be found	0	0	0	0	0	
Total funding	-18,945,800	-19,351,050	-19,828,910	-17,420,100	-16,954,100	
-Surplus/shortfall	0	-66,190	0	0	0	
General reserves at end of year	2,400,004	2,500,330	2,500,330	2,500,330	2,500,330	
General reserves as % of net revenue budget	12.7%	12.9%	12.6%	14.4%	14.7%	

The table below shows annual budget position over the 5 year period – see appendix A for more detail.

Table: MTFP Model – Annual budget shortfall

General Fund	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000	2030/31 £000	2031/32 £000	2032/33 £000	2033/34 £000
Budget Shortfall/(Surplus)	2,538	1,410	3,632	3,480	4,090	3,939	Not costed	Not costed	Not costed	Not costed



Shortfalls are covered by earmarked reserves. 2026/27 is when rebasing of business rates is expected creating a significant business rates funding reduction. Early identification of savings will ensure the funding reserve is not expended as this is required in the medium term to assist with ongoing variations. By using the model different scenarios can be shown to guide the annual budget setting process.

The Model identifies the pressures and influences on the Council's revenue budgets and highlights a shortfall between the Council's spending requirements and the amount of finance available. Actions will need to be taken to meet these shortfalls and the need to keep finding savings year on year is not to be underestimated.

11. MTFP Revenue - The Way Forward

The funding gap for 2025/26, 2026/27 and 2027/28 needs to be addressed working with SLT, SMT, senior officers and Members – ultimately eliminating the ongoing gap in 2026/27 when reset of funding is now likely to take place. Savings should be filtered into the budget process each year as part of the annual budget process but also in year as savings ideas are formulated, worked on and delivered.

A key area to explore is what savings/increased income can be achieved by working through service reviews and proposed savings options, this being before more fundamental decisions are made on whether there is a need to explore cutting services to the public. Working through service plans and Modern 25, eliminating quick wins, working more commercially will help towards achieving this goal. Clarifying the appropriate level of investment in IT to reconstruct our organisational structure will be vital and identify staff savings through automation of procedures. These are some initiatives that will help as well as the normal scrutiny through the budget process. This Plan also proposes that we work with the actions in the Financial Viability Process.

The Plan proposes a two stage approach which is linked to the uncertainty of Government funding for local authorities and possibly even the shape of local government going forward.

- Each year we will undertake service reviews to ensure we are delivering VFM, drive efficiencies to see what savings can be achieved and to form an evidence base that we have done what we can, challenging ourselves on cost effective delivery of services. This will also be combined with looking at suggestions from the Ignite report (now incorporated into Modern 25) and savings suggestions identified from review of previous unspent budgets and invest to save – such as IT investment to deliver more automation. A review of our assets including disposal, re-use etc will be explored and all commercial opportunities to generate more income.

- If the funding gap estimated in 2026/27 of £3.6 million materialises, which is dependent on Government direction, then efficiencies and income generation are not going to drive that level of savings and we will need to propose significant service reductions. But this comes at a point when we know how much we need to find and when, before radical service decisions are made. As stated we have an earmarked Funding Reserve in place to protect us against any immediate changes should Government carry out reforms without good notice and support existing revenue budget gaps.

This gap should not be ignored and what actions could be taken should be considered and formulated. If savings are not found over the next 3 years then the Funding Reserve will be depleted leaving insufficient funds to address future significant variations in funding or budget pressures. Early identification of savings and their introduction would allow unspent earmarked funding reserves to potentially be reallocated. There is also some uncertainty around some further funding in the form of 'damping'. It is difficult to determine the value of this funding with no guidance available but this could assist for a period of 24/36 months in 2026/27 and 2027/28 (and possibly 2028/29).

Key areas of budget proposals to be agreed are as follows and can continue to be monitored and developed through the Overview & Scrutiny work plan:

- a. **Approval of Council tax increases at the maximum allowed – £5 or 2.99% currently**
- b. **Agreement of our asset strategy and determining best use of our assets – disposal/transfer/re-use and re-model**
- c. **Pursuit of maximum asset disposal proceeds**
- d. **Exploring commercial investment opportunities including charging policy**
- e. **Maximising income from existing fees and charges**
- f. **Exploring new opportunities for setting fees and charges**
- g. **Reviewing the savings options from the Ignite work**
- h. **Investing in our IT provision to deliver more automation and efficiencies**
- i. **Review our policy for earmarked reserves and funding budget gaps**
- j. **Reviewing support for third sector grants and support**
- k. **Identifying other voluntary grants and future support**
- l. **Reviewing quick wins and budgets no longer required**
- m. **Periodic review of the capital programme and alignment to strategic priorities**
- n. **Agreement to continue to provide a revenue contribution to capital at £1,500,000 per annum in 2025/26 and 2026/27 and £500,000 for future years**
- o. **Determining adequate borrowing limits including headroom for the capital programme through approval of the appropriate treasury management indicators**
- p. **Councillors community fund budget**
- q. **Further payments to reduce the pension fund deficit**
- r. **Minimum level of general reserves – currently suggested to increase to £2.5 million and increase the 'invest to save' reserve to £500,000.**
- s. **Limit use of earmarked reserves to bridge budget gaps**
- t. **Considering new funding models**
- u. **Timeline for delivery of savings**
- v. **Working with Town and Parish councils re service provision**

12. Capital

The Council maintains a programme of capital expenditure designed to improve a wide range of community facilities and local infrastructure. The forward funding projections below only include rolling items and projects identified early by managers; **there will be proposals missing from this list** that will need to be considered for funding out of available resources as they come forward.

There will be a disparity between the Council's capital spending aspirations being greater than the amount of finance available. In producing these figures agreed principles have/will be applied:

- A capital bid process is in place whereby appraisal forms are completed for each scheme and an assessment methodology applied to prioritise expenditure within resources available. This prioritisation is overseen by the Corporate Projects Board.

MTFP Model – Capital Expenditure and Funding Position

Strategic Priority	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000
A roof over our heads	4,556	3,925	5,160	2,072	1,454
Clean scene	13,925	3,353	2,371	1,585	5,640
Going to town	4,973	5,575	-	-	-
Great places to live and work	4,652	6,545	3,588	2,638	2,588
Health at the heart	-	-	-	-	-
Investing in prosperity	413	-	2,000	-	-
Moving up a gear	2,836	1,830	1,000	600	552
Out and about and active	249	920	701	40	40
Strong communities	1,972	2,059	2,312	-	-
Action on climate	2,895	4,639	2,260	2,000	-
Vital, viable council	293	598	609	41	41
Total Capital Expenditure	36,764	29,444	20,001	8,976	10,315
Borrowing	(15,931)	(7,824)	(7,454)	(1,983)	(5,071)
Capital Receipts	(388)	(486)	(24)	(24)	(364)
Revenue contributions (includes specific sums)	(1,807)	(1,449)	(1,795)	(291)	(300)
Grants / external contributions	(12,941)	(10,321)	(3,712)	(1,400)	(1,400)
CIL	(5,300)	(8,451)	(6,588)	(5,238)	(3,140)
S.106	(397)	(913)	(428)	(40)	(40)
Total Funding	(36,764)	(29,444)	(20,001)	(8,976)	(10,315)

The Programme expenditure includes those schemes already approved by Council and rolling items and provisions. **Bids will come through the annual budget process giving a different picture to that given above and there will be choices to make in order to keep expenditure within resources available.**

The above has been produced using the latest budget monitoring position and it is clear from observation that periodically the programme needs to be re-profiled with the budget managers. There are a number of schemes which will not be delivered in part or full in the year the budget is allocated. From the view of the MTFP it's the overall position that can be considered taking all years into account.

The programme assumes £38.3 million of borrowing between 2024/25 and 2028/29 in addition to the current underlying need to borrow of £22.6 million. Cash flow monitoring and balance sheet review exercises indicate no immediate need to borrow externally over the next 2 - 3 years. This is dependent upon the speed with which capital projects progress and is reviewed periodically alongside interest rate monitoring, so that when long-term external borrowing is required, it is undertaken in a controlled way in line with the Council's treasury strategy. This position has been factored into the revenue model in terms of costs of borrowing/lost external interest/minimum revenue provision etc. Any new borrowing will need to be considered in conjunction with existing borrowing commitments, maximum borrowing limits and a comfortable headroom for borrowing.

The above capital receipts line is based on the most recent activity and forecast information.

Key issues to consider for this Plan in terms of capital are:

- Only approved schemes and provisions from the February 2024 budget process and subsequent approvals brought to Members are included. The current position shows General Fund capital receipts largely being used by 2025/26. If any new projects or schemes do come forward, it is assumed they will attract sufficient funding and/or have a positive business case with a minimum return of 1%.
- Any scheme inclusion in the Programme over and above this core annual expenditure needs to be considered carefully for inclusion in future programmes. This happens on a case-by-case basis to determine if they meet corporate objectives. Business cases must evidence the required 1% return in the case of self-funded schemes or show delivery in conjunction with other agencies/partners. Some schemes will come with no funding but may still be necessary, for example IT improvements and asset refurbishments.
- The continuation of revenue contributions to capital and increasing to £1,500,000 per annum for two years will assist in supporting the capital programme and for any spends without a sufficient supporting business case. Revenue contributions are all committed until 2028/29.

The Way Forward – Capital programme

- There is a clear necessity for the continuation of the Corporate Projects Board to consider the allocating of capital resources against competing capital scheme bids.

- The programme needs to be populated with realistic expenditure estimates into the future; further work has been undertaken on Council assets costs and a review of our asset management policies and use of assets.
- The Project Management Guidelines will continue to be used to inform the capital bid process through detailed capital appraisal forms and Project Initiation Document (PID). There will be continued monitoring of progress on key projects through the Council's Corporate Projects Board.

➤ **Part 2 – Financial Viability Process (FVP)**

13. Aim of the FVP

This part of the Finance Plan considers how the Council will balances its finances over the coming years to continue to provide service for its residents and customers. We will ensure we are achieving Value for Money throughout the Council within each service, we will evidence this and seek improvements and savings where possible. We have key dedicated resources to aid us in this process and available to work with services.

Depending on the outcome of this work, and the savings achieved, as identified in 11 above we will then need to look at reductions in service delivery necessary to balance the books going forward to deliver financial viability and sustainability.

This will all be looked at against the backdrop of the risks and challenges that have implications for the Council's financial position in the medium term.

The major risks and pressures are:

- Changing government funding
- Inflation rates
- Interest rates
- Cost of living crisis and impact on services/income
- Existing budget gaps and limited earmarked reserves
- Staff resources
- Additional demands from Government

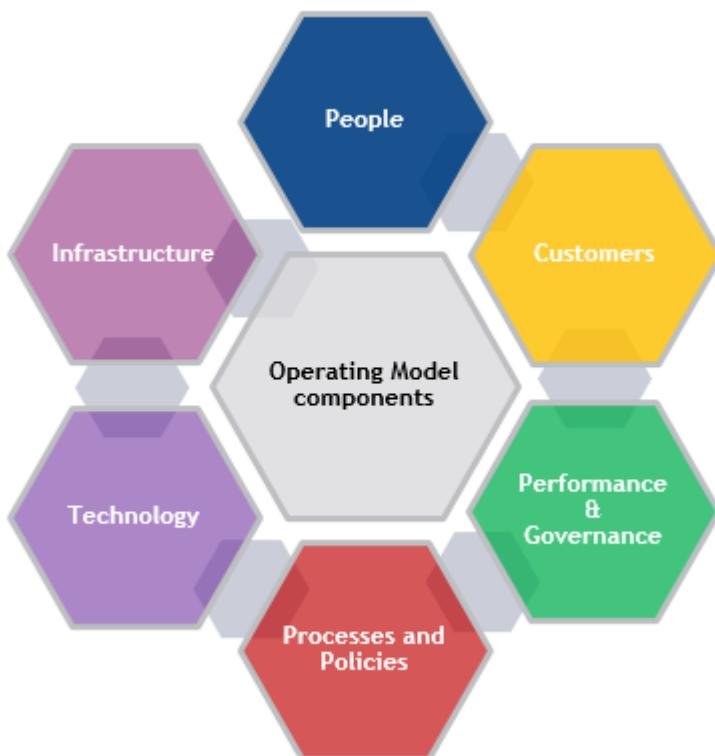
14. Modern 25 Programme

TDC accepted that to achieve the level of savings required, it needs to change the way things are done and alter its operating model, whilst ensuring that the customer is still at the heart of council services. Independent consultants were commissioned through a procurement process to work in partnership with Teignbridge Senior Leadership Team to deliver:

- A strategic alignment review
- Recommendations for a new Target Operating Model

The objective of the programme is to deliver a new operating model for the council. An operating model encompasses all aspects of the way the organisation delivers its core purpose and includes

- People and Organisation – the activities that our staff carry out and how they are managed and organised
- Technology and Infrastructure – the software, physical ICT infrastructure and physical assets that are in place to support how people carry out the council's work
- Ways of Working – the processes, policies, procedures, performance, governance, leadership and management that is in place
- Culture & Behaviours – Creating a work environment which supports delivery of strategic priorities and core services to our customers and an organisation that invests in its people
- Strategic Priorities – the strategic portfolio of programmes and projects that are in place to deliver the council's strategic priorities



From their recommendation we have developed our Modern 25 programme which aims to deliver a new operating model for the council delivering £2.6 million of phased benefit savings and implementing the changes across the whole council in line with agreed design principles. The organisation restructure has been approved and has now been significantly implemented and posts advertised and appointed. The programme focuses on delivery of 3 main workstreams

1. Customer and Service Design - Lead Tracey Hooper

This will digitalise services that the users of our services want and design support mechanisms for customers who need help to make a request or support service users who have complex needs.

Our services will be designed to be more sustainable through:

- Shifting our service users to less expensive digital channels in line with our current demand, through active promotion and nudges
- Designing services that are easy for users to access and make a request
- Maximising the value provided by our front line staff in helping residents with complex needs
- Creating excellent online information and guidance for our service users
- Proactively and passively keeping service users informed throughout their service journey

2. Technology and Digital - Amanda Pujol

This will define and develop the technology and digital requirements to support the new operating model by:

- Defining the key technologies that will support the new operating model and ways of working
- creating a roadmap for delivering these capabilities
- Defining the digital capabilities required and running a procurement exercise to fill the capability gaps
- Provide resources in skills to configure new digital capabilities and integrate them, in line with our technology roadmap

It is underpinned by our Digital Strategy adopted in 2021 built around six themes:

1. Customer access and service
2. Digital and mobile work force
3. Digital democracy
4. High-quality, accessible data
5. Digital and Net Zero
6. Responsive, resilient and secure infrastructure and systems

3. People and Organisational Design - Tim Slater

We have designed and developed a new council structure that supports the new operating Model for the delivery of services to our customers and the delivery of our strategic portfolio. This includes a review of current HR policies and procedures, including performance management, to support the implementation of the new operating model and define:

- The spans of control for managers and the scope of management responsibilities for changes to the organisational structure
- The creation and evaluation of new roles that have been created to support the delivery of the new operating model

- The programme will review HR policies and procedures, including performance management to support the implementation of the Target Operating Model
- The governance structures that will support performance management

4. Strategic portfolio - Martin Flitcroft

This will define and develop business cases, statements of works and specific individual projects to deliver against a revised strategic portfolio which is aligned with the Council's priorities and strategy. The programme will oversee:

- all implementation and change activities associated with the deliverables from the strategic portfolio projects
- Monitoring of projects progress as part of overall programme governance
- alignment of project outcomes with the new operating model

In order to deliver this programme of work there will be an upfront investment to provide additional temporary staffing resources and capital investment in digital infrastructure and systems. The new structure has resulted in a reconfiguration of services and new posts and roles being created. The Council is also undertaking a pay structure review which will result in a new pay scale and job evaluation process being developed and implemented to ensure the Council remains competitive and can attract the staff with the key skills to deliver the best service for residents in the District. Changes to the structure and potential investments are/will be incorporated into the revenue and capital budgets.

We are developing a Digital Strategy and we are now working with Strata and our other partner authorities to ensure the outcomes can be defined and delivered. The Strategy is built around six themes

Customer access and service
 Digital and mobile work force
 Digital democracy
 High-quality, accessible data
 Digital and Net Zero
 Responsive, resilient and secure infrastructure and systems

5. Performance Management Data: Lead – Jack Williams

It is crucial we use relevant data to inform our business decisions. Performance data needs to be readily available and used by managers, SLT, SMT and members to drive decisions and be clear where action is needed/not needed and how we are performing for our residents, identifying and resolving issues quickly. Importantly this needs to link with system thinking to ensure we measure the right things.

It is necessary to understand cost, performance and activities of services and undertake appropriate comparisons to be clear where we are providing Value for Money and where we are not. Help identify where improvements are needed or to determine we are comfortable and understand the variances.

We have a Performance and Data Analyst but also services have their own resources in this area and we need to share and oversee the whole.

6. Asset Management: Lead – Tom Phillips

In reviewing our services there are some services where asset management is relevant and areas it is not. There are key elements to be considered by services;

- a) Understanding the financial and non-financial performance of assets and using this to drive asset management decisions.
- b) Proactive asset management – Maximising the returns from assets and disposing of assets that have a poor financial / non-financial return and at market value where appropriate.
- c) Investing in assets only where there's a strong business case.
- d) Supporting wider objectives – Being clear where and how asset management is supporting wider objectives, such as benefitting the community, shaping the built landscape, supporting the Council in its service delivery and proactively supporting our commitment to tackling climate change.
- e) Encouraging asset transfer where appropriate.

There can be a quick analysis within each service to determine scope of opportunities.

7. Income Maximisation: Lead – Simon Arthurs

It is viewed that members are supportive of ensuring where fees and charges are made that these are set at appropriate rates and reviewed regular to keep pace with costs. It is also considered there is support to develop existing services areas where there is opportunity and customer demand for additional or enhanced services to be offered that can generate surpluses for the Council. An average 5% increase is proposed for 2025/26 with higher increases where appropriate. Any charges below an average for the service need to be increased accordingly and a more commercial view pursued for the charging of activities and services.

Again there can be a quick analysis within services to determine scope for opportunity.

EXTERNAL INFLUENCES AND KEY ASSUMPTIONS WITHIN THE REVENUE MTFP MODEL

- **Inflation**

Inflation rates are based on the latest available data.

Although the financial model is based upon what are believed to be a series of prudent assumptions, there is inevitably a risk that some or all factors applied could be inaccurate. The table below summarises the impact of any such inaccuracies that would have a detrimental effect upon the financial plan. Inflation in recent times has not been a high risk but currently rates have been higher and are now on a downward trajectory. Contract costs, pay rises and a pay review of salaries have caused / are likely to cause some of the biggest pressures for future years. With further above inflationary rises in the minimum wage, there will be an impact on the pay spine rates within local government.

Financial impact of changes in inflation assumptions 2025/26.

Factor	MTFP Predicted Inflation Costs £'000	Worse by 1% £'000	Worse by 2% £'000
Pay, N.I & Pension	687	229	458

- **Investment Returns**

The approach adopted, of budgeting for investment income remains prudent. Investment return predictions have been factored in with higher income in 2024/25 but reducing in future years.

- **Council Tax Income**

The MTFP had previously followed recent Government practice of allowing a £5 a year increase.

This was modified to reflect the change in percentage to 2.99% for 2023/24, 2.99% for 2024/25 (£5.70), 2.99% for 2025/26 (5.87) and future years.

Financial impact of changes in council tax levels (2025/26).

Level of council Tax increase	Predicted council tax income £'000	Loss of income in MTFP 2025/26 £'000
Council tax yield at £5 (2.55%) increase	(10,385)	45
Yield at 2.0%	(10,330)	100
Yield at 1.0%	(10,228)	202
Yield at 0.0%	(10,127)	303

This calculation shows a one year effect, this reduction would be lost each year going forward plus the opportunity to increase the level in future on a higher base.

- **New Homes Bonus**

The main risk is numbers being below the projections as new properties being built continues to recover from the pandemic plus constraints within the house building market. The Plan assumes significant reduction in income from previous years. We await Government consultation on any revised scheme and the implications on the MTFP but no projections can be made on this until Government outline any replacement scheme (if any).

- **Business Rate Income**

The risks associated with Business Rate income have been covered above including the Government's intention of business rates rebasing. A £3.414 million additional benefit has been budgeted in 2025/26 for additional rates above the Council's baseline (including pooling gain), this is the sum that will be budgeted and if the actual amount is less through a reduction in assessments or collection of income drops than the difference will be met from the earmarked Funding Reserve.

When the Government looks at rebasing then the Council has the earmarked Funding Reserve to be used to mitigate this for the year.

Revenue Budget Summary							Appendix A
Revenue Budget	2024-25 Forecast	2024-25 Latest	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
EXPENDITURE							
Employees	26,932,610	27,250,490	27,490,880	27,677,190	28,463,260	29,317,160	30,196,670
Property	5,873,850	6,257,770	5,722,840	5,831,170	5,944,690	6,061,620	6,182,060
Services & supplies	6,919,850	9,007,640	7,411,540	7,739,640	7,921,390	8,108,590	8,301,400
Grant payments	19,334,800	22,108,800	19,427,650	17,427,650	15,427,650	13,427,650	11,427,650
Transport	1,082,810	990,830	966,430	1,001,960	1,041,040	1,081,290	1,122,740
Leasing & capital charges	2,365,490	2,267,090	2,706,420	2,877,830	2,866,270	2,866,270	2,866,270
Contributions to capital	500,000	719,710	1,500,000	1,500,000	500,000	500,000	500,000
Total expenditure	63,009,410	68,602,330	65,225,760	64,055,440	62,164,300	61,362,580	60,596,790
INCOME							
Sales	-807,690	-1,237,990	-1,032,830	-1,074,140	-1,117,110	-1,161,790	-1,208,260
Fees & charges	-11,928,260	-12,438,950	-12,924,520	-13,441,500	-13,979,160	-14,538,330	-15,119,860
Grants - income	-19,542,500	-23,055,320	-21,316,430	-19,316,430	-17,316,430	-15,316,430	-13,316,430
Property income	-3,699,950	-3,868,960	-4,016,200	-4,346,690	-4,477,090	-4,611,400	-4,749,740
Other income & recharges	-4,533,480	-6,178,160	-4,696,820	-4,824,100	-4,840,070	-4,985,270	-5,134,830
Transfer from (-) / to earmarked reserves	-3,551,730	-2,538,090	-1,410,050	-3,632,480	-3,480,340	-2,133,810	0
Total income	-44,063,610	-49,317,470	-45,396,850	-46,635,340	-45,210,200	-42,747,030	-39,529,120
Total net service cost	18,945,800	19,284,860	19,828,910	17,420,100	16,954,100	18,615,550	21,067,670
Funding							
Council tax	-10,004,930	-10,004,930	-10,507,120	-11,079,500	-11,524,880	-11,988,170	-12,470,080
Council tax/community charge surplus(-) / deficit	-251,670	-251,670	-381,900	0	0	0	0
Revenue support grant	-261,270	-261,270	-288,010	0	0	0	0
Rates baseline funding	-3,634,240	-3,634,240	-3,664,280	-3,699,600	-3,734,580	-3,771,000	-3,809,000
Estimated rates retention and pooling gain	-2,800,410	-3,184,760	-3,413,720	-141,000	-194,640	-300,000	-450,000
New homes bonus	-650,240	-650,240	-351,710	0	0	0	0
Alternative housing funding/damping	0	0	0	-2,500,000	-1,500,000	-600,000	-400,000
Other grants	-1,343,040	-1,363,940	-1,222,170	0	0	0	0
Budget gap (-) to be found	0	0	0	0	0	-1,956,380	-3,938,590
Total funding	-18,945,800	-19,351,050	-19,828,910	-17,420,100	-16,954,100	-18,615,550	-21,067,670
-Surplus/shortfall	0	-66,190	0	0	0	0	0
General reserves at end of year	2,400,004	2,500,330	2,500,330	2,500,330	2,500,330	2,500,330	2,500,330
General reserves as % of net revenue budget	12.7%	12.9%	12.6%	14.4%	14.7%	15.0%	14.6%

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**Teignbridge District Council
Executive
6 January 2025**

Part i

Council Tax Reduction Scheme 2025-26

Purpose of Report

To provide an update to members on the current consultation for proposed changes to the Council Tax Reduction (CTR) Scheme and seek approval for the scheme to be recommended for adoption by Council for the year 2025-6.

The report includes proposed changes to the scheme and recommends using existing provisions within the scheme to uplift the income thresholds to reflect the Government's annual uprating of primary benefits.

Recommendation(s)

The Executive RECOMMENDS to Council to include the proposed changes to the Council Tax Reduction Scheme and approve for the year 2025-26 scheme that the income bands are changed in line with the annual uprating to primary welfare benefits.

Financial Implications

The financial implications are highlighted in section 3 and paragraphs 10.1 – 10.6. Council Tax Reduction scheme costs are considered as part of the council tax and council tax base numbers within the budgetary process

Martin Flitcroft – Chief Financial Officer and Director of Corporate Services
Email: martin.flitcroft@teignbridge.gov.uk

Legal Implications

The legal implications are highlighted in section 11 and paras 6.2 – 6.4.
Paul Woodhead – Head of Legal and Democratic Services and Monitoring Officer
Email: paul.woodhead@teignbridge.gov.uk

Risk Assessment

The changes are considered low risk. See section 13 of the report.

Nikki Rawley – Council Tax Lead
Email: nikki.rawley@teignbridge.gov.uk

Environmental/Climate Change Implications

There are no environmental or climate change implications associated with the recommendations of this report.

William Elliott - Climate Change Officer
william.elliott@teignbridge.gov.uk

Report Author

Nikki Rawley – Council Tax Lead - Customer and Digital, Revenue and Benefits.
Email: nikki.rawley@teignbridge.gov.uk

Executive Member

Cllr John Parrott – Executive Member for Corporate Resources
Email: john.parrott@teignbridge.gov.uk

Appendices/Background Papers

Appendix A – [Teignbridge CTR Scheme 202425](#)

Appendix B - [Microsoft Word - Discretionary Discount and Exceptional Hardship Relief Policy.docx](#)

Appendix C – add link to EIA once completed

1. Introduction/Background

- 1.1. Since 1st April 2020, Teignbridge adopted an income-banded Council Tax Reduction (CTR) Scheme for working age claimants. This represented a departure from the previous fully means-tested scheme which was complex and costly to administer, to a scheme designed to be simpler for customers to understand and quicker to administer.
- 1.2. Last year we conducted a detailed review of the income-banded scheme to judge how successful it has been. To make this meaningful we focussed on customers who did not receive the maximum 100% reduction and therefore had something to pay towards their Council Tax liabilities. This demonstrated that 92% of all claimants were keeping up with their payments compared to 94% of all payers across the district. This gave reassurance that the scheme is meeting its requirements and providing effective support to low income and vulnerable households.
- 1.3. The Scheme continues to provide up to 100% support and disregards certain incomes when calculating entitlement. In order to maintain work incentives it also includes a standard earnings disregard of the first £25 of earned income

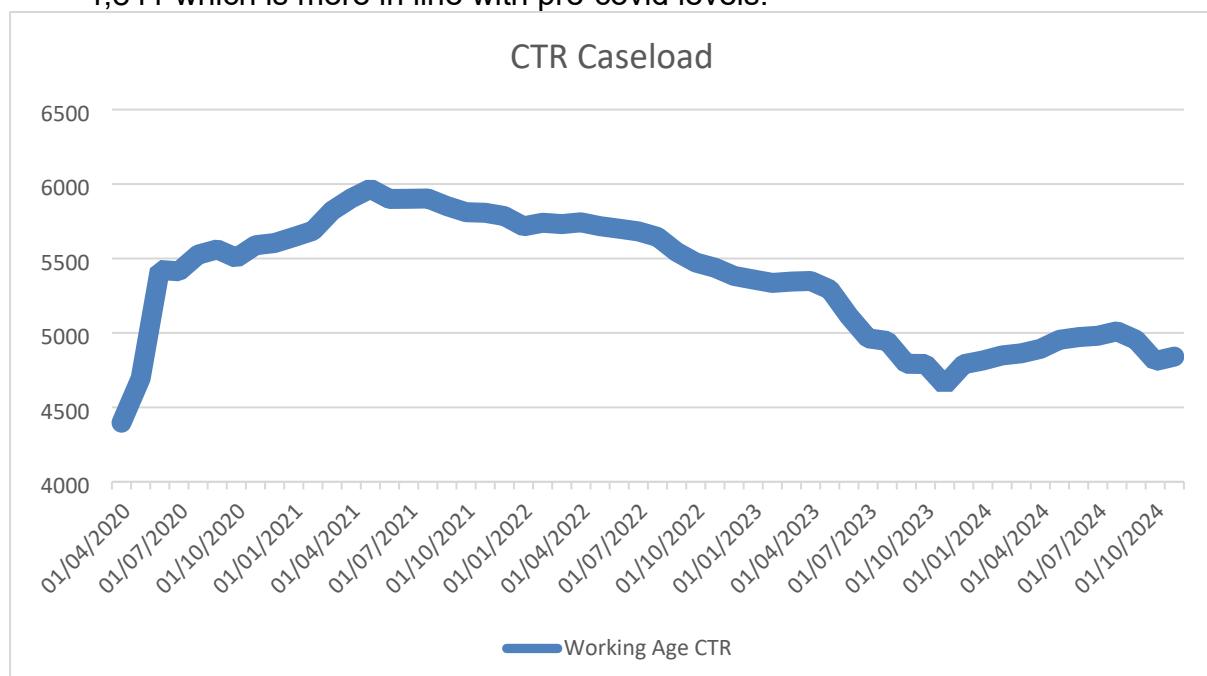
and a Return-to-Work Incentive, continuing to pay Council Tax Reduction for one month beyond the return to work date.

- 1.4. The main CTR scheme is underpinned by our Discretionary Discount and Exceptional Hardship Policy. The Exceptional Hardship element of the scheme operates as a safety net for households who receive only partial support from the main scheme and also provides transitional protection, where required, for households negatively affected by changes to the working age Council Tax Reduction scheme. Applications are considered on their merits and, as well as providing financial support in the form of a reduction in council tax liability, the policy provides for claimants to have access to budgeting and income-maximisation advice via our contracted Homemaker Service.

The review last year confirmed that the Exceptional Hardship scheme was operating as an effective safety net, providing additional support to claimants who may require help to meet their outstanding liabilities, or time to make changes to better afford them.

2. CTR caseload and latest position

- 2.1. As a result of the Covid-19 outbreak in 2020 we experienced an unprecedented increase in the number of working age CTR claimants. This was largely driven by the lockdown which saw a significant increase in Universal Credit claimants. Many of these claimants subsequently claimed CTR.
- 2.2. As can be seen from the chart below, our caseload peaked in April 2021 with 5,968 working age claimants receiving CTR. Since that time caseload has fallen by 19%. Current caseload (as at 1st November 2024) now stands at 4,841 which is more in line with pre-covid levels.



- 2.3. We conducted award reviews during 2023 and 2024. Customers who failed to provide information had their awards ended. Then over the ensuing months, many provide the information and reclaim. This can be demonstrated by the 'dips' in October 2023 and September 2024.

- 2.4. Pension age claim numbers have reduced over the last few years, with a 12.2% reduction in numbers over the period April 2020 (4,187 claimants) to November 2024 (3,677 claimants).
- 2.5. Currently there are several government initiatives that are targeting low income pensioners, encouraging them to claim pension credits and other welfare awards. It's likely that we could see an increase in awards for the prescribed pension age Council Tax Reduction scheme between now and April 2025.
- 2.6. From April 2025, state pension incomes are set to rise by 4.1% compared to 1.7% for working age HMRC and DWP incomes. For this reason we anticipate that we will see a number of our existing pension age claimants fall out of entitlement to the prescribed pension age scheme.

3. CTR Scheme Costs

- 3.1. CTR scheme costs fluctuate in response to caseload increases/decreases as well as annual increases in council tax. Total scheme costs for each year since 2019 are shown below:

	Total spend (working age & pension age schemes) £	% Cost to TDC (share of the CTAX bill)	£ Cost to TDC
Accounting year 2019/20	9,110,181.36	8.85	806,251.05
Accounting year 2020/21	10,448,093.58	8.75	914,208.19
Accounting year 2021/22	10,884,748.42	8.58	933,911.41
Accounting year 2022/23	10,479,815.29	8.55	896,024.21
Accounting year 2023/24	10,212,794.30	8.37	843,612.64
Accounting year 2024/25 Figures for whole year but taken on 20.11.24.	10,546,259.02	8.20	864,793.24

- 3.2. The cost of the scheme is shared between Teignbridge and the three major preceptors (County, Police and Fire). As at 20 November 2024, the cost to Teignbridge is £864,793.24 (8.2% of total cost). This compares with £843,612.64 (8.37% of total cost) as at end of 2023/24. An increase of £21,180.60.
- 3.3. Rises in Council Tax charges and the ongoing Cost of Living crisis could increase claimant numbers, both which increase in scheme costs.

The cost of delivering support under our Discretionary Discount and Exceptional Hardship Scheme remains relatively low and stable. These costs are shared across all major preceptors in proportion to their share of the collection fund. In 2023-24 total spend amounted to £13,018 with a cost to Teignbridge of £1,089.61 (8.37%). We spent a similar amount, £15,600 (£1,333 to Teignbridge) in 2022-23. As at 20.11.24, for 2024-25 the total spent is £4886.41 (our share at 8.2% equates to £400.69).

4. Review of CTR scheme

- 4.1. Last year we conducted an in depth review of the scheme and established that the banded scheme was delivering continued support to our low income and vulnerable households.
- 4.2. We continue to use our Exceptional Hardship Scheme as an indicator of whether the scheme is providing effective support. An in-depth review was carried out last year and numbers and spend this year are in line with previous years.
- 4.3. We can also use the number and nature of complaints and challenges to Council Tax Reduction decisions to demonstrate whether the scheme is working. These numbers remain relatively low and consistent.
- 4.4. Over the last 12 months the Department for Work and Pensions has migrated most legacy benefit customers to Universal Credit. For existing claimants, this prompts a review of their awards. For those on passported benefits, they would have been entitled to maximum, 100% working age Council Tax Reduction however their Universal Credit migration can reduce their awards.
- 4.5. The Exceptional Hardship applications confirm that customers may not view they have disposable income or can reasonably afford their changed liabilities however their household incomes and finances indicate they can.
- 4.6. We continue to provide additional needs based help to those experiencing significant financial hardship or in need of support as they make changes to their household budgets and afford their liabilities.

The intention of the Exceptional Hardship scheme is to act as a safety net for those whose needs the main scheme does not meet. This is considered a more cost effective and fairer approach than providing blanket support to a particular cohort or in relation to a particular characteristic when it is not required in the majority of cases.

5. 2025-26 Scheme proposals

- 5.1. Teignbridge's CTR scheme currently pays up to 100% support to those on the lowest incomes and has done so ever since the scheme was localised in 2013. Until 2023 we were the only council in Devon, and one of around only 32 nationally to do so. That picture is now changing with more councils increasing support including three Devon councils who with effect from 1st April 2023 approved an increase in support up to 100% (East Devon, Mid-Devon and North Devon).
- 5.2. Inflation had slowed but we are facing rising energy costs and continued concerns about the Cost of Living crisis. Many households, particularly low income households, are struggling to make ends meet. It is recommended therefore that support continues at the maximum 100% level of support for those on the lowest incomes.
- 5.3. The scheme has in-built provision (paragraph 6 of schedule 1)to keep in line with Consumer Price Index(CPI) increases where required, primarily to ensure annual increases in primary welfare benefit rates can be accommodated within the existing banding levels. The Government intends to uplift benefits in line with CPI as at September 2024, this being 1.7%. To safeguard support it is

recommended to use the existing provisions within the CTR scheme to uplift the income bands uplifted in line with this.

5.4. The uplifted income bands would be

- £0 to £94
- £94.01 to £181
- £181.01 to £270
- £270.01 to £360
- £360.01 to £449
- £449.01 to £539

5.5. The scheme also has in-built provision to incorporate the prescribed changes to pensioner claims which are set by Government. This is a statutory uplift.

6. Proposed changes for 2025-26

6.1. We propose making 4 changes that we are currently consulting on. The consultation will end on 10 December 2024 but is currently available on our website

[Proposed changes to the Working Age Council Tax Reduction \(WACTR\) - Teignbridge District Council](#)

6.2. **Proposal 1 - Care Leavers Discount.** On 16 1.2024, Full Council agreed to provide support to local care leavers. Using powers to grant discretionary reductions in liability under Section 13A(1)(c) of the Local Government Finance Act 1992, we offer Devon County care leavers a discount to their outstanding liabilities. The decision can be found in paragraph 9 [Agenda Template \(teignbridge.gov.uk\)](#)

6.3. This proposal creates a class of care leavers in accordance with paragraph 2(b) using our 13A(1)(a) powers that enable us to administer our local scheme. This proposal will have no impact on the level of award to the care leaver but will ease administration and potential cost burden on the Authority.

6.4. **Proposal 2 – Flexibility for applying the Minimum Income Floor (MIF) -** currently our scheme uses a MIF to determine the earned income of every self-employed person. The income is estimated on working an average of 35 hours a week, modelled on the MIF which was used when Universal Credit was originally introduced.

A high court case in 2023 against Croydon Borough Council, found that the MIF indirectly discriminated on grounds of disability as it failed to take into account that certain disabilities could impact on the number of hours an individual was able to work.

Currently Teignbridge has flexibility within our Exceptional Hardship Scheme to adjust the number of hours a disabled or care giver could work, estimating the MIF using those hours, providing support outside of the CTR scheme. However, this proposed change will more robustly fulfil our duties under the Equality Act 2010.

6.5. Universal Credit (UC) rules have evolved, building in flexibility for self-employed earners with physical or mental impairments or for those providing care. This would be a good time to update our approach and include it within the scheme.

6.6. If adopted, the scheme will allow us the discretion to adjust the number of hours used to calculate the Minimum Income Floor for any self-employed earner who

has a physical or mental impairments or is providing care, whether this is to an adult or child.

- 6.7. **Proposal 3 - Childcare costs disregards.** Paragraph 18 of our current scheme [Teignbridge CTR Scheme 202425](#) explains the circumstances when we reduce the net weekly earned income by the amount that's paid out for childcare. There are 17 subsections in paragraph 18 which are the same complicated legacy rules that were being used prior to 2013, when we introduced our local scheme
- 6.8. The proposal is to ensure the criteria is refreshed and simplified to reflect people's current circumstances whilst continuing to provide support to low-income households in the district who are likely to be in receipt of Universal Credit.
- 6.9. The complexity of the current rules makes them more challenging and time consuming to administer and less accessible to our customers. Propose to simplify the rules to mirror the approach adopted within Universal Credit and reduce the net weekly earned income by up to 85% of the amount of weekly childcare costs paid to approved childcare providers
- 6.10. **Proposal 4 – To introduce disregards for recent government compensation schemes that haven't previously been included.**
- 6.11. These include payments from the Post Office Compensation Scheme, Grenfell Tower inquiry and Infected Blood Scheme. This will mirror the disregards in the statutory pension age scheme.

7. Alternative Options

- 7.1. The Council could decide against adopting the scheme for 2024-25. In this scenario the regulations make provision for the 2024-25 scheme to become the default scheme for 2025-26.
- 7.2. Although not in itself a change to the CTR scheme, Council could decide not to use the existing provisions to increase the income band thresholds in line with the uplift in primary benefits. This would result in some claimants losing 25% of their Council Tax Reduction. As our scheme thresholds are largely aligned with these benefit rates, failure to increase the thresholds would effectively undermine one of the main intentions of the scheme
- 7.3. **Care Leavers discount**– We are committed to provide Care Leavers with the discount, and we could continue to deliver this using our Section 13A(1)© discretionary powers, which has a 100% cost implication to Teignbridge, unless Devon County agrees to contribute.
- 7.4. **Minimum Income Floor flexibility** - We continue our current approach using our Exceptional Hardship scheme, however this would be less robust and less likely to withstand challenge on equality grounds
- 7.5. **Childcare Costs** - We do not simplify the rules and align them to Universal Credit which will take more time to administer and explain these decisions
- 7.6. **Compensation payments** – we do not disregard these payments and disadvantage those who receive them

8. Justification

To ensure we continue to deliver support to low income and vulnerable households in our district, maintaining our commitment to Care Leavers, minimising costs to the Council, updating our approach and making the scheme more accessible and robust.

9. Consultation results so far

As at 4.12.24 we had received 396 responses to the consultation. We have invited local partnership organisations such as Citizens Advice and Teignbridge Community and Voluntary Services (CVS) to participate and the survey is open to anyone.

The interim results confirm each proposal has support and we have not been able to identify any specific themes against any of them.

Proposal	Number of responses to this proposal	Yes	No	Don't know
1. Care Leavers discount	218	77%	13%	10%
2. Minimum Income Floor (MIF) flexibility	208	67%	18%	15%
3. Update Childcare Costs approach	199	69%	19%	12%
4. Disregards for certain payments	195	78%	13%	9%

10. Implications, Risk Management and Climate Change Impact

- 10.1. **Financial** - The cost of the Council Tax Reduction (CTR) scheme falls on the collection fund with each preceptor meeting the cost in proportion to their precept share. For Teignbridge this share is around 8.2% of the total cost in 2024-25 and is factored into the council budget
- 10.2. The potential increase in income thresholds will help preserve entitlement at current levels so will be cost neutral. However there may be some upward movement into the next band for claimants close to the income band 'cliff edges' who are not on primary benefits but this is not expected to be significant.
- 10.3. Care Leavers discount - The scheme costs are shared across the preceptors, with Teignbridge responsible for 8.2% share. We have an understanding that this year's cost will be funded by Devon County Council, even though we are currently using our local discretionary powers. Moving this into scheme ensures that in future all preceptors will fund their share via the Collection Fund.
- 10.4. MIF flexibility - expected to be minimal as we are not reducing or increasing support but changing the provisions under which we provide support (moving from the Exceptional Hardship scheme into the CTR scheme).
- 10.5. Childcare Costs - this is expected to be cost neutral as it is a simplification of the rules and not anticipated to have a noticeable change to the level of award.
- 10.6. Disregard specific compensation payments - none anticipated.

11. Legal

- 11.1. In considering its Council Tax Reduction scheme, the Council must take into account the provisions of the Council Tax Reduction Schemes(Prescribed Requirements) (England) 2012 and subsequent amendments.
- 11.2. The scheme is delivered using the Council's powers under Section 13A(1)(a) Local Government Finance Act 1992.
- 11.3. Each financial year every billing authority in England is required to consider whether to revise or replace it's CTR scheme.
- 11.4. Certain procedural requirements must be satisfied before a billing authority can make any revisions including a requirement to consult persons who are likely to have an interest in the operation of the scheme. This is imposed by section 65 of the Local Government Finance Act 1992, which requires us to consult on all proposed changes to the scheme Hence the consultation that ends on 10 December 2024.
- 11.5. Decisions on the Council Tax Reduction scheme must be made by a meeting of Full Council before 11 March of the preceding financial year. Importantly, for operational reasons the scheme needs to be approved by Council ahead of the Council Tax annual billing process, ideally at its meeting on 14th January 2025.

12. Equality Impact

- 12.1. The proposed changes will ensure we continue to comply with our Equality Act obligations.
- 12.2. An Equality Impact Assessment has been carried out and there are no equality concerns arising from these proposals.
- 12.3. Appendix C.

13. Risks

- 13.1. Since the introduction of Council Tax Reduction schemes there have been a number of legal challenges against other local schemes. Most of these challenges have been in relation to the consultation undertaken when changes were made to schemes. This risk has been mitigated by the consultation over the period 29.10.24 to 10.12.24.
- 13.2. The proposed changes are considered low risk as they continue to deliver our existing commitments to low income and vulnerable Council Taxpayers, make the scheme more robust and align with existing welfare awards approaches.

14. Environmental/climate change impact - The proposal has no impact on environmental or climate change issues.

15. Conclusion

- 15.1. The banded scheme has now been in operation for more than 4 years. Collection rates do not appear to have not been adversely affected by its introduction and adopting the proposed changes will update current approaches to welfare awards and deliver support to our low income and vulnerable households. It will also provide stability and certainty for our existing claimants in the coming year.
- 15.2. The Exceptional Hardship scheme will continue to provide an effective safety net, delivering needs-based support to claimants who have lost out due to

changes to the scheme or whose specific circumstances and needs are not met by the main scheme criteria.

15.3. Council budgets are facing significant pressure but in view of the continued Cost of Living crisis and potential for economic recession it is important that we maintain support at 100% for our lowest income households and uprate our income bands in line with CPI.

Equality Impact Assessment



Assessment Of:	
<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Strategy <input type="checkbox"/> Function <input type="checkbox"/> Service <input type="checkbox"/> Other [please state]	<input type="checkbox"/> New <input type="checkbox"/> Already exists / review <input checked="" type="checkbox"/> Changing
Directorate: Customer Experience and Transformation	Assessment carried out by: Nikki Rawley
Service Area: Customer & Digital - Revenue & Benefits	Job Role: Council Tax Lead
Version 1 - Date Signed off By Director: Amanda 28.11.24	

Step 1: What do we want to do?

This assessment should be started at the beginning of the process by someone with a good knowledge of the proposal and service area, and sufficient influence over the proposal. It is good practice to take a team approach to completing the equality impact assessment. Please contact the Policy Officer early for advice.

1.1 What are the aims and objectives/purpose of this proposal?

Briefly explain the purpose of the proposal and why it is needed. Describe who it is aimed at and the intended aims / outcomes. Where known also summarise the key actions you plan to undertake. Please use plain English, avoiding jargon and acronyms. Equality Impact Assessments are viewed by a wide range of people including decision-makers and the wider public.

To inform the decision to adopt the 2024-25 Council Tax Reduction Scheme for 2025-26. The scheme was originally introduced in 2020-21 and, apart from some minor changes made to the scheme in 2021-22 to ensure it would align with emergency measures introduced by the Department for Work and Pensions, no further changes have been made to date.

1. For 2025-26 it is proposed to use the existing provisions within the scheme to protect claimants from a loss of support by increasing the income band thresholds in line with the annual uplift applied by central Government to all HMRC and DWP welfare awards. Intend to adjust the income bands by Consumer Price Index of 1.7%. This intends that no-one loses support as a direct result of the annual uprating in primary benefits for 2025-26.

We are proposing 4 new changes to the working age Council Tax Reduction (CTR) scheme.

2. **Proposal 1 – Care Leavers Discount.** This will create a class within the scheme that continues to deliver Council Tax discounts to qualifying Devon County Council Care Leavers for a reduction of 25%, 50% or 100%, depending on the number and status of the other liable residents.
3. **Proposal 2 – Flexibility for applying the Minimum Income Floor (MIF) to certain self-employed earners.** This will enable the scheme to vary the number of hours used to calculate the earned income of a self-employed person who has genuine reasons for not being able to work a minimum of 35 hours a week.
4. **Proposal 3 - Childcare costs disregards.** This will update and simplify the scheme. It will reflect approaches currently used in Universal Credit, which allows for up to 85% of approved childcare costs to be taken into account when calculating a net weekly earned income.

5. **Proposal 4 - To introduce disregards for recent government compensation schemes that haven't previously been included in the scheme.** These being payments from the Post Office Compensation Scheme, Grenfell Tower inquiry and Infected Blood Scheme. This will mirror the disregards in the statutory pension age scheme.

1.2 Who will the proposal have the potential to affect?

Service users The wider community Teignbridge workforce

1.3 Will the proposals have an equality impact?

Could the proposal affect access levels of representation or participation in a service, or does it have the potential to change e.g. quality of life: health, education, or standard of living etc.?

If 'No' explain why you are sure there will be no equality impact, then skip steps 2-4 and request review by your manager.

If 'Yes' complete the rest of this assessment.

Yes No [please select]

1. **Uplift to income bands – no equality impact.** The aim of the Council Tax Reduction Scheme is to provide a reduction in council tax liability to households in receipt of low incomes who will find it difficult to pay their council tax either in full or in part.

The amount of relief awarded is equal to either 25%, 50%, 75%, or 100% of the household council tax liability and is based on assessable income and household composition using a discount-based, income-banded approach. See below:

Current	With increase	Single no dependants	Couple no dependants	Single with one dependant	Couple with one dependant	Single with two or more dependants	Couple with two or more dependants
£0.00 to £92.00	£0.00 to £94.00	100%	100%	100%	100%	100%	100%
£92.01 to £178.00	£94.01 to £181.00	75%	75%	100%	100%	100%	100%
£178.01 to £265.00	£181.01 to £270.00	50%	50%	75%	75%	100%	100%
£265.01 to £354.00	£270.01 to £360.00	25%	25%	50%	50%	75%	75%
£354.01 to £441.00	£360.01 to £449.00	0%	0%	25%	25%	50%	50%

£441.01 to £530.00	£449.01 to £539.00	0%	0%	0%	0%	25%	25%	
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NB. Certain incomes are disregarded when calculating assessable income.

The current income-banded scheme has been in existence since 1 April 2020 and replaced the previous, fully-means tested scheme which was costly and complex to administer, as well as being difficult for claimants to understand. The current scheme retains support at 100% for passported claimants and those on the lowest household incomes. These increases will safeguard existing awards for all claimants, including those with protected characteristics. It does not have an equality impact.

- 2. **Care Leavers Discounts – Has a positive Equality impact.** The Council is currently delivering discounts to all qualifying care leavers. This proposal will maintain the same level of support from within the scheme and ensure a small number of Council Tax payers within a vulnerable group of young individuals is better able to afford their liabilities.
- **Flexibility for applying the Minimum Income Floor (MIF) to certain self-employed earners - Positive Equality Impact.** The Council currently uses provisions within its Discretionary Discount and Exceptional Hardship Policy to adjust the number of hours used to calculate the income of a self employed earner who cannot reasonably work 35 hours a week because of caring responsibilities or disabilities. The proposal moves this into the scheme and will affect parents of young children, carers and disabled and vulnerable customers, potentially increasing their Council Tax Reduction awards.
- 3. **Childcare costs disregards – Positive Equality Impact.** This will impact working parents with childcare costs for young children, regardless of any other protected characteristics.
- 4. **New disregards for recent government compensation schemes – Potential positive Equality Impact.** We don't anticipate many claimants will qualify for these specific payments and they may not qualify for a Council Tax Reduction award based on their other circumstances. It will include anyone with a protected characteristic.

To protect anyone from suffering financial hardship we operate a Discretionary Discount and Exceptional Hardship Policy. This acts as a safety net to the main scheme and allows for a merits-based assessment to be made and, where appropriate, for claimants to receive additional support via the Homemaker Service to improve their financial circumstances either by providing budgeting advice and/or exploring opportunities for claimants to maximise their income ensuring they access all the support available to them. The scheme requires officers to be mindful of the impacts of any protected characteristics when making any decisions.

Step 2: What information do we have?

2.1 What data or evidence is there which tells us who is, or could be affected?

Please use this section to demonstrate an understanding of who could be affected by the proposal. Include general population data where appropriate, and information about people who will be affected with particular reference to protected and other relevant characteristics (listed in 2.2).

Use one row for each evidence source and say which characteristic(s) it relates to. You can include a mix of qualitative and quantitative data - from national research, local data or previous consultations and engagement activities.

Outline whether there are any over or under representation of equality groups within your service - don't forget to benchmark to local population where appropriate.

For workforce / management of change proposals you will need to look at the diversity of the affected team(s) using available evidence such as the employee profile data. Identify any under/over-representation compared with Teignbridge's economically active citizens for age, disability, ethnicity, gender, religion/belief and sexual orientation.

Data / Evidence Source [Include a reference where known]	Summary of what this tells us
Information held on Open Revenues and on CTR applications	Database of claimant demographic including age, sex, children, disabilities
Consultation responses	Customer/stakeholder views of changes to the scheme re proposed changes to scheme
Exceptional hardship applications	Characteristics of claimants requiring additional support over and above that provided by the main scheme. May inform potential further changes to the scheme. Around 50% of applicants have a disability of which 33% receive an award. Around 67% of all awards are made to single people with no children.
Customer comments/complaints	Very little as numbers are so low to date but we encourage all feedback, which helps inform potential further changes to the scheme

2.2 Do you currently monitor relevant activity by the following protected characteristics?

<input checked="" type="checkbox"/> Age <input type="checkbox"/> Marriage and Civil Partnership <input type="checkbox"/> Religion or Belief	<input checked="" type="checkbox"/> Disability <input type="checkbox"/> Pregnancy/Maternity <input type="checkbox"/> Sex	<input type="checkbox"/> Gender Reassignment <input type="checkbox"/> Race <input type="checkbox"/> Sexual Orientation
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2.3 Are there any gaps in the evidence base?

Where there are gaps in the evidence, or you don't have enough information about some equality groups, include an equality action to find out in section 4.2 below. This doesn't mean that you can't complete the assessment without the information, but you need to follow up the action and if necessary, review the assessment later. If you are unable to fill in the gaps please state this clearly with a justification.

For workforce related proposals all relevant information on characteristics may need to be sought from HR (e.g. pregnancy/maternity). For smaller teams diversity data may be redacted. A high proportion of not known/not disclosed may require action to address and identify the information needed.

Data required for the assessment of Council Tax Reduction is calculated as part of the application process. Data from claims that were migrated to the new income-banded discount scheme from the outgoing fully means-tested scheme may be out of date as our response to the covid pandemic has inhibited our ability to review claims during the year. We have scheduled full reviews of claims as well as ensuring claims are accurate, which updates our equality data.

2.4 How have you involved communities and groups that could be affected?

You will nearly always need to involve and consult with internal and external stakeholders during your assessment. The extent of the engagement will depend on the nature of the proposal or change. This should usually include individuals and groups representing different relevant protected characteristics.

Please include details of any completed engagement and consultation and how representative this has been of Teignbridge's diverse communities.

Include the main findings of any engagement and consultation in Section 2.1 above.

If you are managing a workforce change process or restructure please refer to HR for advice on how to consult and engage with employees. Relevant stakeholders for engagement about workforce changes may include e.g. staff-led groups, trades unions as well as affected staff.

Local Citizens Advice and Community and Voluntary Services have been encouraged to participate in the public consultation which ends on 10.12.24, after 6 full weeks.

As at 18.11.24, the 221 consultation responses indicate

- 97% were Council Taxpayers
- 77% weren't receiving a reduction – so not considered to be on a low income
- Gender – 50% female, 34% male and 16% preferred not to say or described themselves in another way
- Age – 47% aged 16-59, 36% aged 60-74, 8% aged 75 or over (9% preferred not to say)
- Ethnicity – 20% preferred not to say, 1% Black British, 1% mixed Asian heritage, 4% other white and 74% white British.
- Religious beliefs – 24% preferred not to say, 35% Christian, 1% Muslim, 2% other and 38% none
- Sexual orientation – 27% preferred not to say, 2% bisexual, 4% lesbian or gay, 65% straight and 2% other.
- The consultation results as at 18.11.24 confirm significant support and no clear objections for each proposal. see table below

Proposal	Number of responses to this proposal	Yes	No	Don't know
1. Care Leavers discount	146	76%	14%	10%
2. Minimum Income Floor(MIF) flexibility	139	70%	18%	12%
3. Update Childcare Costs approach	133	70%	18%	12%
4. Disregards for certain payments	130	79%	13%	8%

2.5 How will engagement with stakeholders continue?

Explain how you will continue to engage with stakeholders throughout the course of planning and delivery. Please describe where more engagement and consultation is required and set out how you intend to undertake it. Include any targeted work to seek the views of under-represented groups. If you do not intend to undertake it, please set out your justification. You can ask the Consultation Officer for help in targeting particular groups.

We will continue to seek views of our customers as the consultation continues.
We monitor comments or complaints made by all parties.

Step 3: Who might the proposal impact?

Analysis of impacts must be rigorous. Please demonstrate your analysis of any impacts of the proposal in this section, referring to evidence you have gathered above and the characteristics protected by the Equality Act 2010. Also include details of existing issues for particular groups that you are aware of and are seeking to address or mitigate through this proposal.

3.1 Does the proposal have any potentially adverse impacts on people on the basis of their protected or other relevant characteristics?

Consider sub-categories (different kinds of disability, ethnic background etc.) and how people with combined characteristics (e.g. young women) might have particular needs or experience particular kinds of disadvantage.

Where mitigations indicate a follow-on action, include this in the 'Action Plan' Section 4.2 below.

GENERAL COMMENTS (highlight any potential issues that might impact all or many groups)	
PROTECTED CHARACTERISTICS	
Age: Young People Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
Potential impacts:	Opportunity to reduce or remit council tax liability
Mitigations:	Only the care leaver discount as it will have disproportionate impact as one of the qualifying criteria is that they must be aged between 18 and 25.
Age: Older People	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	None
Mitigations:	
Disability	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Opportunity to reduce or remit council tax liability. Proposal 3 - Certain disabled self employed earners will have their incomes reduced and potential increase in scheme entitlements.
Mitigations:	The proposal 3 will ensure we continue to comply with the Councils Equality Act obligations.
Sex	Does your analysis indicate a disproportionate impact? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Potential impacts:	Note that a higher proportion of lone parents are female. Opportunity to reduce or remit council tax liability. The proposed change to the childcare costs may impact positively impact on those that work and have child care costs.
Mitigations:	
Sexual orientation	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Opportunity to reduce or remit council tax liability
Mitigations:	
Pregnancy / Maternity	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Opportunity to reduce or remit council tax liability
Mitigations:	
Gender reassignment	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Opportunity to reduce or remit council tax liability
Mitigations:	
Race	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Opportunity to reduce or remit council tax liability
Mitigations:	
Religion or Belief	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Opportunity to reduce or remit council tax liability
Mitigations:	
Marriage & civil partnership	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Opportunity to reduce or remit council tax liability
Mitigations:	
OTHER RELEVANT CHARACTERISTICS	
Socio-Economic (deprivation)	Does your analysis indicate a disproportionate impact? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Potential impacts:	Positive impact on low income households - opportunity to reduce or remit council tax liability
Mitigations:	

Other group(s) Please add additional rows below to detail the impact for other relevant groups as appropriate e.g. Asylums and Refugees; Rural/Urban Communities, Homelessness, Digital Exclusion, Access To Transport	
Potential impacts:	
Mitigations:	

3.2 Does the proposal create any benefits for people on the basis of their protected or other relevant characteristics?

Outline any potential benefits of the proposal and how they can be maximised. Identify how the proposal will support our Public Sector Equality Duty to:

- ✓ Eliminate unlawful discrimination for a protected group
- ✓ Advance equality of opportunity between people who share a protected characteristic and those who don't
- ✓ Foster good relations between people who share a protected characteristic and those who don't

The scheme itself does not confer any particular benefit based on protected characteristics but seeks to provide support based on household composition and income. Certain incomes are disregarded recognising that these are intended to provide specific support rather than general purpose e.g. child benefit, personal independence payments etc.

The Care Leaver discount proposal will only impact qualifying young people aged between 18-25. However we are already giving this support from outside the scheme.

Proposals 3 and 4 could only impact those who are working and either have childcare costs and/or are self-employed and have a disability or caring responsibilities. The proposals simplify or improve existing provisions within the scheme or associated support.

Step 4: Impact

4.1 How has the equality impact assessment informed or changed the proposal?

What are the main conclusions of this assessment? Use this section to provide an overview of your findings. This content should be used as a summary in reports, where this full assessment is included as an appendix.

If you have identified any significant negative impacts which cannot be mitigated, provide a justification showing how the proposal is proportionate, necessary and appropriate despite this.

Summary of significant negative impacts and how they can be mitigated or justified:
None
Summary of positive impacts / opportunities to promote the Public Sector Equality Duty:
None

4.2 Action Plan

Use this section to set out any actions you have identified to improve data, mitigate issues, or maximise opportunities etc. If an action is to meet the needs of a particular protected group please specify this.

Improvement / action required	Responsible Officer	Timescale
Review of CTR claims to ensure changes have been reported and data is up to date	Nikki Rawley - Council Tax Lead	2025-26
Ongoing review of Exceptional Hardship applications, customer comments/complaints	Nikki Rawley Council Tax Lead Nigel Piller – Benefits Lead Officer	2025-26
Engagement with voluntary/community sector	Nikki Rawley - Council Tax Lead	2025-26

Improvement / action required	Responsible Officer	Timescale
	Nigel Piller – Benefits Lead Officer	
Review of Consultation results will finalise the proposed changes.	Nikki Rawley - Council Tax Lead	December 2024

4.3 How will the impact of your proposal and actions be measured?

How will you know if have been successful? Once the activity has been implemented this equality impact assessment should be periodically reviewed to make sure your changes have been effective and your approach is still appropriate. Include the timescale for review in your action plan above.

The banded scheme has been successfully operating since 2020, which has been demonstrated by comparable percentages between Council Taxpayers who do and those who do not receive a reduction and are up to date with their liabilities.
We use our complaints and formal dispute process to monitor the effectiveness of the scheme and these numbers are low.
The number and reasons for applications for Exceptional Hardship is another way we can benchmark the effectiveness of the scheme.

Step 5: Review & Sign-Off

EIA should only be marked as reviewed when they provide sufficient information for decision-makers on the equalities impact of the proposal. Please seek review and feedback from management before requesting it to be signed off. All working drafts of EIAs and final signed-off EIAs should be saved in G:\GLOBAL\EIA. Once signed-off please add the details to the 'EIA Register' of all council EIAs saved in the same directory.

Reviewed by Service Manager: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Instead was reviewed by:	Strategic Leadership Team Sign-Off:
Date:	Date: 28 Nov24