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2 February 2026

## EXECUTIVE

A meeting of the **Executive** will be held on **Tuesday, 10 February, 2026** in the **Council Chamber, Forde House, Brunel Road, Newton Abbot, TQ12 4XX** at **10.00 am**

PHIL SHEARS  
Managing Director

### **Membership:**

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

**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.

Please Note: The public can view the live streaming of the meeting at <https://teignbridge.public-i.tv/core/portal/home> with the exception where there are confidential or exempt items, which may need to be considered in the absence of the press and public

## **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 Tuesday 6 January 2026.
3. **Announcements (if any)**
4. **Declarations of Interest (if any)**

**5. 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.

**6. Executive Forward Plan**

To note forthcoming decisions anticipated [on the Executive Forward Plan](#)

**7. 2026/27 to 2028/29 Final Financial Plan Budget Proposals** (Pages 7 - 78)

To consider the attached report.

The comments made by the Overview and Scrutiny Committee on 13 January 2026 can be found at Minute 144 at then following link:

<https://democracy.teignbridge.gov.uk/documents/g3757/Printed%20minutes%2013th-Jan-2026%2010.00%20Overview%20and%20Scrutiny%20Committee.pdf?T=1>

**8. Teignmouth Lido**

(Pages 79 - 120)

To consider the attached report.

**9. Devon Home Choice Policy**

Report to follow

**10. For Information - Individual Executive Member Decisions**

[Executive Member Decisions](#)

**11. Local Government (Access to Information) Act 1985 - Exclusion of Press and Public**

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

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

**12. Teignmouth Lido**

(Pages 121 - 222)

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

**EXECUTIVE****6 JANUARY 2026**Present:

Councillors Buscombe, Hook, Keeling (Leader), Nuttall, Palethorpe (Deputy Leader), Parrott, G Taylor and Williams.

Members in Attendance:

Councillors Bullivant, Clearance, MacGregor and Rogers

Apologies:

Councillors Nutley

Officers in Attendance:

Phil Shears, Managing Director

Charlie Fisher, Democratic Services Manager and Deputy Monitoring Officer

Gordon Bryant, Head of Financial Services and Audit and Section 151 Officer

Tracey Hooper, Head of Customer and Digital

Nikki Rawley, Council Tax Lead Officer

Sue Heath, Audit and Information Governance Manager

Chris Morgan, Assistant Democratic Services Officer.

**202. MINUTES**

It was **PROPOSED** by Councillor Keeling and **SECONDED** by Councillor Palethorpe and

**RESOLVED**

that the minutes of the previous meeting on Tuesday 2<sup>nd</sup> December 2025 be agreed as a correct record and signed by the Chair.

**203. ANNOUNCEMENTS (IF ANY)**

Councillor Keeling thanked the Council's Refuse teams for their work over the Christmas and New Year Period. Councillor Williams spoke to this item and commended those teams and their work.

**204. DECLARATIONS OF INTEREST (IF ANY)**

None received.

**205. EXECUTIVE FORWARD PLAN**

The Executive Forward Plan was noted. Councillor Keeling highlighted a meeting later that day to discuss the Executive Forward Plan for 2026 with the Senior Management Team.

## **206. PUBLIC QUESTIONS (IF ANY)**

None received.

## **207. COUNCIL TAX REDUCTION SCHEME 2026/2027**

The Executive considered the report which provided an update to Members on the operation of the Council Tax Reduction Scheme and sought support for the continuation of the scheme for year 2026-27. The report proposed no change to the current working age Council Tax Reduction Scheme (WACTR) itself but highlighted the need to uplift the income thresholds within the bands to reflect any annual uprating in welfare awards or make allowances to disregard increases above the rate of inflation.

The report included appendices containing the Council Tax Reduction Scheme 2025/26, the Discretionary Discount and Exceptional Hardship Relief Policy, Exceptional Hardship information and an Equality Impact Assessment.

Councillor Parrott introduced the report, the rationale behind the report and the recommendations, highlighting the Council's continued up to 100% support scheme as leading policy in Devon and other Local Authorities.

Councillor Keeling spoke in support of the scheme as a priority for the administration despite the challenges to the Council's Budget and that it provided support for those who needed it. Councillor G Taylor spoke to this item in support of the recommendations.

It was **PROPOSED** by Councillor Parrott and **SECONDED** by Councillor Keeling and

### **RESOLVED**

That the Executive:

1. RECOMMENDS to Council that the Council Tax Reduction Scheme (attached as Appendix A) is adopted for the year 2026-27 with the income amounts uprated in line with annual uprating of welfare awards which are usually confirmed before the end of this calendar year.
2. RECOMMENDS to Council that delegated authority is given to the Council Tax Lead Officer to amend the income bands within the scheme to align with the uprated amounts, once confirmed by Government

*The reasons for the decision are included within the Report, along with alternative options considered (8.1).*

## 208. 2026/27 TO 2028/29 INITIAL FINANCIAL PLAN BUDGET PROPOSALS

The Executive considered the report which detailed the initial Financial Plan Proposals for 2026/27 to 2028/29. The Overview and Scrutiny Committee would consider these proposals at their meetings on Tuesday 13<sup>th</sup> January 2026 and Tuesday 3<sup>rd</sup> February. The Executive would meet on Tuesday 10<sup>th</sup> February to recommend the Final Financial Plan to Full Council for adoption on Tuesday 24<sup>th</sup> February.

The report and appendices included the budget timetable, the Council Tax Base, a Council Tax Calculator, a summary of the revenue budget plan from 2025/26, a summary of the fees and charges, the Capital Programme 2026/26-2028/29 and the Council's Financial Plan 2026-2031.

Councillor Parrott introduced the item and the recommendation. He thanked the work of the Chief Finance Officer and the Finance Team and highlighted the number of upcoming meetings where Members will consider the Budget proposals and the annual survey for residents. Councillor Parrott gave an overview of the main elements of the report including the Local Government Settlement, an overview of Council Services and the main highlights of the initial Budget Proposals including a 2.99% increase of Council Tax, the continued up to 100% Council Tax Reduction Scheme, an average 5.4% increase to Fees and Charges and the range of investments relating to parks, waste facilities, housing, leisure, infrastructure, climate change and support to the community and voluntary sector.

The Head of Financial Services and Audit highlighted that although the Local Government Settlement is a 3-year settlement, it represented a reduction in real terms cash for the Council but welcomed the certainty that a multi-year settlement provided.

Councillor Palethorpe asked for clarification regarding multi-year inflationary funding to voluntary group grants. The Head of Financial Services and Audit highlighted that the multi-year settlement provided certainty, but individual grants were subject to annual agreements.

Councillor Buscombe spoke to this item regarding Business Rates. The Head of Financial Services and Audit responded that this was the first year of the Business Rates reset and commented on the ending of the pooling arrangements in Devon.

Councillor Keeling thanked the work of the Executive Member and Officers involved in the proposals and highlighted the consultation meeting with Towns and Parishes on Thursday 18<sup>th</sup> December 2025.

It was **PROPOSED** by Councillor Parrott and **SECONDED** by Councillor Keeling and

**RESOLVED**

1. That comments be invited on these budget proposals.

*The reasons for the decision are included within the Report, including any alternative options considered.*

**209. REFERRAL FROM THE AUDIT COMMITTEE - GOVERNANCE IMPROVEMENT PLAN MONITORING REPORT**

The Executive considered the referral from the Audit Committee to review the Governance Improvement Plan Monitoring Report. The Audit Committee had considered the report at their meeting on Wednesday 17<sup>th</sup> December 2025 and agreed to refer the report to the Executive for their consideration and information. The Audit Committee wished to commend the report and highlight the progress within it.

Councillor Keeling introduced the item, and he and Councillor Palethorpe thanked the Audit Committee for their work and the Council's Audit and Information Governance Manager for her work. Councillor Hook highlighted the Decision-Making Flowchart, available on the Council's website, which gave a clear understanding of the role of the Executive and decision making.

Councillor Buscombe asked for clarification regarding the Councillor Role Profiles. Officers responded that this was a result of the work of the Constitution Review Working Group and draft examples were shared with Members. The Role Profiles were due to be on the agenda for Full Council on Thursday 15<sup>th</sup> January 2026.

The Executive noted the report.

**210. FOR INFORMATION - INDIVIDUAL EXECUTIVE MEMBER DECISIONS**

None.

The meeting started at 10.00 am and finished at 10.31 am.

Chairman

**Teignbridge District Council  
Executive  
10 February 2026  
Part i**

**FINAL FINANCIAL PLAN BUDGET PROPOSALS 2026/27 TO 2028/29**

**Purpose of Report**

To consider the final financial plan proposals 2026/27 to 2028/29 for recommendation to Council on 24 February 2026.

These proposals include recommended revenue and capital budgets for 2026/27 and planned in outline for 2027/28 and 2028/29.

**Recommendation(s)**

**The Executive propose a budget set out as in appendix 4 for revenue and appendix 7 for capital and**

**Resolve**

**That these proposals be considered together with any subsequent consultation comments for approval by Council as the final budget for 2026/27 and the outline plan for the subsequent years 2027/28 and 2028/29.**

**The proposed budget includes:**

- **The level of council tax and the proposal to increase it by £6.05 or 2.99% to £208.33**
- **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 economic conditions on income streams and changing Government funding**
- **Continuing to react to the climate change emergency by maintaining ongoing budgets for a climate projects officer and associated spending in revenue and provision in the capital programme, including ongoing provisions for corporate decarbonisation schemes as per 5.5**
- **A £3 million provision for employment sites funded by borrowing.**
- **Authority for Executive to exceed the approved overall revenue budget by up to £200,000 per 4.25**
- **Support for housing – the Homes4Teignbridge initiative including £7,243,317 for the Sherborne House Car Park social rented flats and further purchases supported by the Local Authority Housing Fund (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 maintained at £1,500,000 per annum for 2026/27 and £500,000 thereafter
- Councillors community fund set at £1,000 each
- Providing additional 4% inflationary funding to voluntary group grants
- The level of general reserves necessary for the council as per 4.22 – recommended at £2.6 million
- The Financial Plan 2026 – 2031 as updated for adoption (at Appendix 8) and to continue to facilitate Member progression of work plans by Overview & Scrutiny to address the budgetary position and deliver savings

## 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 2026/27 to 2028/29.

Gordon Bryant – Chief Finance Officer & Head of Financial Services & Audit  
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## 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.

Gordon Bryant – Chief Finance Officer & Head of Financial Services & Audit  
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## Risk Assessment

The risks involved in not setting a balanced budget are highlighted throughout the report. The major risks are in 3.9 and 4.26 and concern the underlying economic conditions and further impact of the funding review. A programme of identifying savings or increased income is required to meet the budget gaps for future years.

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## **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 7 – capital programme.

David Eaton – Head of Neighbourhoods  
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## **Report Author**

Gordon Bryant – Chief Finance Officer & Head of Financial Services & Audit  
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## **Executive Member**

Councillor John Parrott – Executive Member for Resources

## **Appendices/Background Papers**

App 1 – Budget timetable 2026/27  
App 2 – Council tax base 2026/27  
App 3 – Council tax calculator 2026/27  
App 4 – Summary revenue plan 2025/26 onwards  
App 5 - Revenue budget detail  
App 6 – Fees and charges summary  
App 7 – Capital programme 2025/26 – 2028/29  
App 8 – Financial Plan 2026 - 2031  
Budget and settlement files  
The Constitution

### **1. PURPOSE**

- 1.1** To consider the final financial plan proposals 2026/27 to 2028/29 for recommendation to Council on 24 February 2026.
- 1.2** These proposals include recommended revenue and capital budgets for 2026/27 and planned in outline for 2027/28 and 2028/29.

### **2. SUMMARY**

- 2.1** Recent budgets have taken account of reducing government grant over the period of the last comprehensive spending review. We have now received the provisional local government settlement for the next three years. This implements the long-awaited funding review and Business Rates reset. Teignbridge is unfortunately in the category of the most affected councils. We

are to receive protection that minimises the impact on the Core Spending Power to 95% of that in the current year. (In previous years, protection has been at 100% for the most affected councils). The fact that this is a lower percentage and the fact that this is over three years increases the impact on our ability to fund services. As anticipated, many funding streams have been cut or are now included within unringfenced funding. Teignbridge do not qualify for some of the new funding streams that the government have announced. New burdens are funded and the Extended Producer responsibility funding continues. Council tax thresholds are maintained at the higher of 2.99% or above £5 (see 4.5 for full explanation).

The revenue budget summary covers 2026/27 and the next two financial years. It is very possible that 2028/29 is the first year of the new unitary's operations which will replace the responsibilities of Teignbridge District Council. Until a formal decision is made, the budget assumes that TDC continues in its current form.

- 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 with service reviews following the successful Business Efficiency Service Transition (BEST) 2020 reviews and Better 2022 initiatives in earlier years.
- 2.3** The macro-economic situation is evolving. Inflation remains high and the economy struggles to grow or improve productivity. Teignbridge has experienced significant reductions in certain areas of rental income in recent years. We are now budgeting for returns on recent invest to save schemes.
- 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. (see also 4.3 below).
- 2.5** Business rates are revalued nationally every 3 years. With transitional arrangements phasing changes in bills over the life of the valuation period. Our on-going investment in Newton Abbot will enhance its vitality and viability within the town centre.
- 2.6** The capital programme to 2028/29 has been updated to align with the One Teignbridge Action Plan, which was adopted at Full Council on 23 October 2025. The main aims are to work with communities, support the local economy, care for the environment, create affordable homes and work with partners to bring forward infrastructure improvements.

### **Infrastructure**

Infrastructure delivery plan projects, which are vital to the development and accessibility of the area. These include highways and cycle path projects, funded by CIL and external sources where available.

£15.7 million of CIL funding is provided towards delivering additional education facilities to support new development. Projects will be brought back to Full Council in due course.

£1.3 million is earmarked for improvements to Dawlish leisure centre.

£800,000 is provided over 4 years for a Community Match Fund, to support town and parish projects which are in accordance with a Community Infrastructure Plan.

## **Housing**

Investment in housing (Homes4Teignbridge) continues. On 23 October 2025, the Sherborne House car park social rented flats budget was increased to £7,243,317. Homes England funding in support of the scheme was confirmed in early December 2025.

The purchase of council homes supported by the Local Authority Housing Fund continues, with a further provision of £1,000,000 in prudential borrowing to improve temporary accommodation arrangements and reduce the use and cost of bed and breakfast accommodation. Investment in other support measures such as disabled facilities continue, funded from Better Care grant.

## **Environment**

There are provisions to continue corporate decarbonisation measures, including energy efficiency measures at Dawlish and Newton Abbot leisure centres.

£8.4 million provision is made for waste and recycling projects, including £5.033 million approved for the waste transfer station redevelopment on 20 May 2025, waste management infrastructure, provision for the simpler recycling statutory requirements and replacement recycling banks. These are vital to enabling the continuance of this statutory service.

£1,367,000 is provided for the final phase of the Ridgetop Countryside Park, funded from Housing Infrastructure Fund grant. A further £1,550,000 towards new countryside parks is planned, funded from CIL – the initial £50,000 is in 2028/29. There is also £1,000,000 over 2027/28 and 2028/29 towards habitat regulations infrastructure measures, funded from CIL.

South West Coastal Monitoring continues, fully funded from Environment Agency grant.

## **Economy**

Provision is also included for town-centre investment, including the refurbished Market Hall in Newton Abbot, due to complete in 2026. There is a £3,000,000 provision for employment infrastructure, to create new spaces for jobs and local enterprise. These projects aim to stimulate growth in the local

economy and ensure it is an attractive and well-connected environment for local businesses.

The One Teignbridge Action Plan also sets out “**the way we will work**” including continuing to implement the Modern25 Programme. This is enabled by investment in IT.

For the programme as a whole, 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 The funding reset will reduce further the support provided by central government. As modelled by MHCLG, our Comprehensive Spending Power will fall in cash terms between 2025/26 and 2028/29 by 5%. In real terms, the reduction will be much greater than this. This comes on the back of reductions since 2015/16.
- 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. The "One Teignbridge" investment strategy is Teignbridge District Council's long-term plan, developed with residents, to improve services and tackle district-wide issues over the next five years (2025-2030), focusing on key areas like a cleaner environment (net zero, recycling), a strong local economy (jobs, town centres), supporting communities (health, facilities), and better infrastructure, with an Action Plan adopted in late 2025 to detail specific projects, timelines, and success measures. The capital programme has been updated to reflect these changes.

- 3.6 There are some 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 £202.28 per year for an average band D property. The 2025/26 **tax base** or effective number of properties for calculating council tax income is 51,562. Thus current year council tax income for the district is estimated at £10.1 million as shown in **appendix 2 - the recommended council tax base 2026/27**. 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 £2,512.83 council tax collected per property, Teignbridge keeps just over 8% or £3.89 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 flat rate deal of 3.2% to employees as tabled by the National Employers for Local Government Services for 2025/26 has been agreed and implemented and has been updated within 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 2027/28 and for 2028/29 and thereafter.

The increased costs for employers national insurance continues to be partly covered by Government funding.

The actuarial valuation of the Devon pension fund effective from 1 April 2026 has decreased employers contributions and the revised rates effective from the latest revaluation are detailed in 4.20 below.

Bed & breakfast costs for those at risk of being made homeless continue to be a significant pressure. Capital investment in more Teignbridge owned facilities are intended to reduce this ongoing cost. It continues to be an expensive and volatile budget area and needs to be carefully monitored.

Repairs and maintenance costs to existing asset portfolio are increasing and a significant provision has been made in 2026/27 to deal with urgent maintenance. Audit fees also continue to increase.

We continue to recognise the value of the work undertaken by voluntary and community groups. Support continues at an enhanced rate to reflect the impact of inflation.

Income budgets have been increased to reflect the rental streams attached to new capital projects.

As a consequence of the funding review, certain grants have been abolished, new ones have arisen and funding has also been transferred from ring-fenced to non-ringfenced. On balance, Teignbridge has been badly affected by these changes. The Business rates 'reset', whereby councils are no longer able to keep increases in business rates in their area, has also reduced the level of funding available. The net impact of these changes is that Teignbridge now qualify for the highest level of protection from the reduction in funding.

Government support will ensure that the Core Spending Power does not fall below 95% of that received in the current financial year in cash terms for the next three years. After inflation Teignbridge will see income fall by more than 10% in real terms over the 3 year period of the settlement.

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).

2026/27 is the first year where we have been able to build into the budget the results of the transformation and savings programmes such as Modern 25. This has made a major difference to the budget gap that is now present. There has also been progress in delivering savings and enhanced income streams in a variety of other ways. This includes increased leisure income, exploring options for investment of our cash deposits, new letting arrangements, and funding substantive positions from external grants. There have also been significant vacancy management savings arising in the current financial year.

**3.10** The Executive has had two **monitoring** reports this financial year on 9 September 2025 and 2 December 2025. These have updated current year budgets and also future year forecasts.

#### **4. REVENUE FINANCIAL PLAN**

**4.1** **Appendix 4** to this report is the revenue budget scenario for the next three years. The effects of budget variations in 2025/26 already approved by Executive and Full Council are included. Appendix 5 details the detail of revenue budgets on a service by service basis.

**4.2** Proposed **fees and charges** draft income totals for each service are shown at **appendix 6**. Detailed recommended fees and charges have been available on the website since early in January at this [link](#). 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 increase from £40 per month to £42 per month. There are general increases in other leisure charges.

- 4.3 Changes to car parking charges are mainly inflationary and again cover increases in costs due to inflation. The charge for Sunday parking has been proposed to increase to £3 for a full day, £2 for four hours, or £1.50 for two hours. This will also help towards increases in running costs and in particular rates increases arising from the revaluations that mostly affect 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, although we will continue to review this.
- 4.4 The successful opt in green waste subscription of £60 increases to £65 for 2026/27.
- 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 20 November 2025 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 £6.05 to £208.33. **This is the annual charge for an average band D property and the increase equates to less than 12p a week. A 2.99% increase has been assumed for 2027/28 and 2028/29. The band A equivalent increase for 2026/27 is £4.03 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 over 130,000 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 in subsequent years. For 2026/27 we have received a three funding settlement which provides useful certainty but at a much lower rate of support.
- 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 Business Rates system will be overhauled. Temporary reliefs end and permanent multipliers are introduced, alongside continued support for small businesses. Councils will receive Section 31 grants to fully reimburse mandatory reliefs.
- 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 has been estimated that with the reset for 2026/27 continuation of a business rates pool is not appropriate. There has therefore been an agreed view across Devon that the Devon pool will end.
- 4.13 Teignbridge's position is better than the historic 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. The Business rates reset has materially affected the amount of funding available from this source. Appendix 4 shows this in detail.

- 4.14 **New homes bonus** was 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 received £0.35 million for 2025/26. For 2026/27 this has now ended.
- 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. From 2026/27 New homes bonus has been discontinued and the funding available nationally has been rolled into RSG and redistributed using the new funding formulae.
- 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 For 2026/27 the MTFP Review Group and Executive Committee (on 2.12.25) recommended the removal of the 50% discount for uninhabitable properties. This is a discount that can be awarded for a maximum 12-month period when a property satisfies the commonly referred to 'uninhabitable' rules. The proposal is to remove this discretionary discount for properties that are undergoing or require major/ significant repairs or structural changes/work to make the property capable of being lived in.

The direct costs associated with the 50% discount are as follows:

Financial year	No of awards	Total	Teignbridge share 8%
		£	£
2025/26(projected to *)	120	79,756	6,380
2024/25	150	80,598	6,448
2023/24	153	63,712	5,097
projected to 31 March 2026 and therefore subject to change)			

Most customers who apply for the discount are those who have chosen to renovate a property and do not qualify for the discount but believe that they should be entitled to it. Removing the 50% discount does not affect the opportunity to apply for a statutory exception to any long-term empty premium and will continue to encourage empty homes to be brought back into use. Owners can apply to the Valuation Office Agency to have derelict properties removed from the valuation list and reduce liability to zero. Not all properties

that would currently qualify for the discount would be eligible to be removed from the valuation list.

The following Councils do not offer the 50% discount - North Devon, Torbay and Torridge. The following councils are considering reducing or removing the discount from 1 April 2026 - Mid Devon, South Hams, West Devon and East Devon.

If the Council wishes to adopt this change, it will involve revoking a decision that was made by Full Council on 15 January 2013 introducing the discount that applied from 1 April 2013. If agreed, the decision will be required to be published in the local newspaper.

- 4.18 Teignbridge currently receives £286,000 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 £12.21 in April 2025 and will be £12.71 in April 2026 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 2023 set Teignbridge contributions for future years. These were made up of a basic amount for future service accrual plus an increasing cash sum to reduce the past service deficit. 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 (from £1,347,000 in 2022/23) increasing to £1,140,000 in 2024/25 and £1,180,000 in 2025/26. We have now received the provisional figures for the actuarial valuation effective from 1 April 2026. The future service accrual has reduced to 16.8% and the deficit contributions increase to £1,280,000 in 2026/27, £1,330,000 in 2027/28 and £1,370,000 in 2028/29.
- 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 three times during 25/26. From 4.5% at the start of the year, the rate fell as follows:

08 May 2025	4.25%
07 August 2025	4.00%
18 December 2025	3.75%

Further cuts are anticipated, with the rate by the end of 2026-27 anticipated to be around 3.5%. The November 2025 Bank of England Monetary Policy Committee (MPC) meeting indicated that "the extent of further reductions

would ... depend on the evolution of the outlook for inflation. If progress on disinflation continued, Bank Rate was likely to continue on a gradual downward path". The Bank currently sees the 3.8% inflation rate of September as the peak, expecting inflation to settle around the 2% target in early 2027.

Forecast investment income for the current year is £1,593,559 and the Council's average lending rate to the end of November is 4.20%, compared to SONIA (Sterling Overnight Index Average), which was 3.97% as at the start of December 2025 and an average of 4.12% over the financial year to date. Average daily lend for the year is forecast at £37.98 million.

It is anticipated that Council balances available for investment in 2026/27 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 2026/27 to £1,195,228. 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 £1,112,798 in 2027/28 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 £35.353 million at the beginning of 2025/26 (estimated to be £38.898 million 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 4.2%), this represents interest saved of around £479,039 compared to if we had borrowed externally from the beginning of the year.

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 £2.5 million to £2.6 million to build in some resilience for inflationary pressures.
- 4.23** There are no known significant contingent liabilities, provision has been made for other smaller potential liabilities. The draft settlement has been announced and we have greater certainty over future years funding. The interpretation of the draft settlement has been worked through though we await receipt of the

final settlement. Any funding assumptions that change between now and the version presented to Council in late February will be highlighted to Members.

**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 £2.5 million to £2.6 million being 13.4% of the net revenue budget in 2025/26 and 12.4% in 2026/27. This equates to 13.1% and 13.2% in the two subsequent years. General reserves are held to accommodate continuing future uncertainties and increasing reliance on generating our own income.

**4.25** For many years 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 2026/27. 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 £1.0 million in 2027/28 and £1.2 million in 2028/29 before using earmarked reserves (line 14) built up to support the reduced funding. This is due to the additional and continuing pressures already mentioned above. 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. The budget deficit for 2028/29 is likely to continue into future years and Members will be updated on any further funding changes as they arise together with progress on 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 8** for approval at Full Council – the **Financial Plan 2026 to 2031**. 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 £6.05 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 24 February 2026.

## 5. CAPITAL PROGRAMME

**5.1** The programme is shown at **Appendix 7** and between 2026/27 and 2028/29 has the following funding sources: Sales of assets (capital receipts): the Council holds a forecast £3.4 million by the start of 2026/27. 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 £27.7 million, largely for infrastructure projects, with a further £1.3 million from Section 106. Government grants account for £9.91 million of funding over the 3 years from 2026/27 to 2028/29, mainly towards housing grants and affordable housing with other grant towards coastal monitoring. Contributions from revenue were re-introduced in 2023/24 after a break during the Covid pandemic. £1,500,000 is budgeted for 2026/27, reducing to £500,000 in 2027/28 and 2028/29. The increased 2026/27 contribution 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. It should be noted that this revenue contribution to capital does not cover the full cost of 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 £9.62 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 2025/26, with the majority invested in grants towards the provision of disabled facilities.

**5.3** A provision of £6.8 million has been made over 2026/27 and 2027/28 for the construction of a social housing scheme in Sherborne House car park. This is in addition to the £402,000 allocated to the planning and tender stages, bringing the total to £7.2 million.

The planning approved scheme will deliver a high-quality development comprising 13 x 1-bedroom flats and 10 x 2-bedroom flats. Of these, one 1-bedroom flat and one 2-bedroom flat will be fully wheelchair accessible

dwellings. The scheme has been designed to Passivhaus Plus standard meaning that, in addition to the homes being highly energy efficient, the development will generate enough renewable energy to operate the building throughout the whole year. This will contribute to the Council's net zero carbon ambitions. All residents will benefit from the health and wellbeing improvements associated with Passivhaus homes, with the climate-resilient design minimising future retrofit costs. All 23 homes will be owned by the Council as part of our affordable housing stock and will all be for Social Rent.

Funding is from a combination of Homes England and brownfield land release fund grant, S106 contributions, capital receipts and borrowing. This uses the balance of the funding allocated for Phase 1 of the Homes4Teignbridge housing programme. 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
- 26 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.
- 5 units of temporary accommodation in Kingskerswell

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 2026/27 making a total contribution since 2020/21 of £6.1 million, funded from Community Infrastructure Levy (CIL). There is £3.2 million for highway improvements and travel connections in 2026/27 and 2028-29, all funded from CIL.
- £0.6 million budgeted towards the final stages of the Dawlish link road and bridge in 2026/27, funded from CIL.
- Provision for Education in the wider Teignbridge area of £15.7 million between 2026/27 and 2028/29, 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 £1.55 million planned towards new countryside parks in 2028/29 and 2029/30. The initial £50,000 is shown in 2028/29. £1.0 million for habitat mitigation measures is shown between 2027/28 and 2028/29, 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.
- In sports and leisure, a provisional sum of £1.3 million is included for improvements to Dawlish leisure centre, due to be brought to Full Council once the business case is finalised. There is also £1.0 million of CIL earmarked towards a play parks improvement fund.
- £0.65 million in CIL is allocated towards the Teign Estuary Cycle Trail, following approval at Full Council on 28 November 2023. £1.0 million in CIL is provisionally allocated to other cycle schemes over three years, plus £0.1 million towards the next stage of the Ogwell Strategic Cycle Link.
- £0.8 million of CIL is budgeted towards a Community Match Fund. This is designed to support town and parish projects which are in accordance with a Community Infrastructure Plan.

**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, plus further measures recently completed at Broadmeadow Sports Centre, a further £0.92 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, 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.

For projects not covered by grant funding, a further £0.26 million provision in 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 Projects 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, ventilation and heat recovery projects and fleet electrification. This is funded from prudential projects, therefore business cases would need to demonstrate the minimum 1% return.

At Full Council on 20 May 2025, £5.033 million was approved for the waste transfer station redevelopment, funded from a combination of revenue contributions, borrowing and CIL. This is in order to comply with the Environmental Permitting (England and Wales) Regulations 2023, under which the Council must have a full permit to continue waste operations at the site. Key areas to be addressed are drainage, fire safety and infrastructure requirements.

- 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 2026/27 will be the final year of the current 6 year phase.
- 5.7** There is a £3 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 to create new spaces for jobs and local enterprise and support a more resilient local economy. Where people can both work and spend leisure time locally, carbon emissions are also reduced. Project reports will come back to committee as appropriate as business cases are developed.

The remaining Future High Streets fund budget of £7.3 million is in the current financial year, with works anticipated to complete in 2026. The refurbished Market Hall is designed 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 2025/26 and 2026/27 for the creation of additional car parking at George Street, Teignmouth.

**5.8** There is £1.147 million between 2026/27 and 2028/29 for IT infrastructure projects, software upgrades and applications to enable more effective, digital ways of working. These items form part of the Strata business plan, which will be brought forward for approval in due course.

## 6. COUNCIL TAX BASE 2026/27

**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 Committee which has taken place on 17 December 2025 and notified to the major preceptors - County, Fire and Police between 1 December 2025 and 31 January 2026. 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 2026/27 based on recent history and this has been calculated at 1.0%. Thus a total of 53,837.4 is the estimated number of band D properties for next year.

**6.4** A collection rate of 97.8% has been assumed giving 52,653 for 2026/27. For Teignbridge this base means that at the current council tax level of £202.28 just over £10.65 million of income would be generated next year. This is 2.1% or £220,000 more than in the current year. Estimated 2026/27 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 £4.0 million is currently estimated which has to be shared between the major

preceptors in 2026/27 as per their current precepts. The District share is £507,303 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. The initial budget proposals have been publicized and considered by Overview and Scrutiny on 13 January 2026. They also scrutinized these final plans on 3 February 2026. Parishes and town councils have been advised of these proposals. There has been a budget meeting with town and parish councils on 18 December 2025.
- 7.2** A budget survey 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. Responses will be reported verbally to this Executive and in the final Council budget report on 24 February 2026.

## **8. TIME-SCALE**

The financial plan covers the years 2026/27 to 2030/31. Final consideration of the budget by Council is due on 24 February 2026. 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 24 February 2026.

## Budget timetable 2026/27

	November	December	January	February
Provisional council tax base numbers to towns/parishes	4th			
Local Government Financial Policy Statement	20th			
Audit Scrutiny approve council tax base		17th		
Provisional local government settlement		18th		
Town/parish initial budget/precept meeting		18th		
Executive papers sent out - initial budget proposals		19th		
Start of formal six weeks consultation period		18th		
Budget survey emailed to businesses		18th		
Executive - agree initial financial plan proposals			6th	
Overview & Scrutiny - consider Executive's financial plan			13th	
Final Settlement expected			30th	
Deadline for business rates retention estimate to government, county and fire			30th	
Police and Crime Panel consider precept and approve			30th	
Overview & Scrutiny - consider Executive's final financial proposals				3rd
Executive - agree final financial plan proposals, including budget monitoring				10th
County Cabinet 10.30am budget meeting				11th
Fire Authority - set fire precept and council tax				16th
Devon County Council 2.15pm - set county precept and council tax				19th
<b>Council meeting - consider financial proposals and council tax resolution</b>				24th
Reserve county budget meeting 10.30 am if required				24th
Close council tax accounts and start bills print unless delayed if council tax not set				25th
Reserve Council budget meeting if required				26th

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**Section 1**

<b>Council Tax Base adjustment for Council Tax Support (CTS) and estimated growth</b>						
	Estimated 26/27 Band D Number	25/26 Council Tax £	Estimated Income £	Estimated Collection Rate %	Estimated Net Income £	Estimated 26/27 Base
Full band D at November 2025	57,393.6	2,512.83	144,220,360			
less CTS at November 2025	-4,089.6	2,512.83	<u>-10,276,470</u>			
Starting point based on Nov 2025	53,304.0		133,943,890			
Anticipated growth at 1.0%	533.4	2,512.83	1,340,340			
<b>Total (rounded)</b>	<b>53,837.4</b>	<b>2,512.83</b>	<b>135,284,230</b>	<b>97.8%</b>	<b>132,308,040</b>	<b>52,653</b>

**Section 2**

<b>2026/27 Expected Council Tax (CT) Income at Current Council Tax Levels compared with 2025/26</b>				
Preceptor	Estimated CT Base Number	25/26 Council Tax £	Expected income £	
2026/27 expected income (rounded)				
Towns and parishes	52,653	116.41	6,129,340	
District	52,653	202.28	10,650,650	
County	52,653	1,801.26	94,841,740	
Fire	52,653	104.68	5,511,720	
Police	52,653	288.20	15,174,590	
<b>Total (rounded) shows a 2.1% increase in expected income</b>		<b>2,512.83</b>	<b>132,308,040</b>	
2025/26 expected income (rounded)				
Towns and parishes	51,562	116.41	6,002,330	
District	51,562	202.28	10,429,960	
County	51,562	1,801.26	92,876,570	
Fire	51,562	104.68	5,397,510	
Police	51,562	288.20	14,860,170	
<b>Total (rounded)</b>		<b>2,512.83</b>	<b>129,566,540</b>	



To show the extra Council Tax in 2026/27 that would be collected for varying increases by percentage and value.

Teignbridge Band D Council Tax 2025/26 (excluding parish precepts)		£202.28
Approved Council Tax Base 2026/27 (at 97.8% collection rate)	[a]	52,653

Varying increases in Council Tax for 2026/27			Total Band D Council Tax 2026/27	Increase in Council Tax income for 2026/27	[b] Total Council Tax income 2026/27
%	Per Year	Per Week	Per Year	Per Year	Per Year
£	£	£	£	£	£
0.00	0.00	0.00	202.28	0	10,650,650
				No council tax freeze grant	0
				Total income	<b>10,650,650</b>
0.26	0.54	<b>0.01</b>	202.82	<b>28,430</b>	10,679,080
0.49	<b>1.00</b>	0.02	203.28	<b>52,650</b>	10,703,300
<b>1.00</b>	2.02	0.04	204.30	<b>106,360</b>	10,757,010
0.99	<b>2.00</b>	0.04	204.28	<b>105,300</b>	10,755,950
1.32	2.68	<b>0.05</b>	204.96	<b>141,110</b>	10,791,760
1.48	<b>3.00</b>	0.06	205.28	<b>157,960</b>	10,808,610
<b>2.00</b>	4.05	0.08	206.33	<b>213,240</b>	10,863,890
1.98	<b>4.00</b>	0.08	206.28	<b>210,610</b>	10,861,260
2.47	<b>5.00</b>	0.10	<b>207.28</b>	<b>263,260</b>	10,913,910
<b>2.99</b>	6.05	0.12	<b>208.33</b>	<b>318,550</b>	10,969,200

Note:

- [a] Council Tax Base of 52,653 for 2026/27 approved by Audit Committee on 17 December 2025
- [b] Total Council Tax income is calculated by multiplying the Band D Council Tax by the recommended Council Tax Base of 52,653
- [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	2025-26 Forecast	2025-26 Latest	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast
<b>EXPENDITURE</b>					
1 Employees	27,490,880	28,647,510	28,331,970	29,093,770	29,951,010
2 Property	5,693,430	5,875,590	6,139,050	6,002,330	6,133,090
3 Services & supplies	7,440,950	10,119,990	8,076,650	8,293,460	8,225,190
4 Grant payments	19,431,570	20,268,530	18,411,080	17,411,080	16,411,080
5 Transport	966,430	794,820	835,800	854,450	874,030
6 Leasing & capital charges	2,706,420	2,768,830	2,891,560	2,977,230	3,007,890
7 Contributions to capital	1,500,000	1,647,510	1,500,000	500,000	500,000
<b>8 Total expenditure</b>	<b>65,229,680</b>	<b>70,122,780</b>	<b>66,186,110</b>	<b>65,132,320</b>	<b>65,102,290</b>
<b>INCOME</b>					
9 Sales	-1,032,830	-812,290	-616,210	-819,140	-851,910
10 Fees & charges	-12,924,520	-13,452,050	-13,639,020	-14,464,580	-15,043,160
11 Grants - income	-21,319,570	-23,544,650	-21,319,690	-20,319,690	-19,319,690
12 Property income	-4,016,200	-4,156,100	-4,132,950	-4,321,940	-4,498,600
13 Other income & recharges	-4,700,740	-6,289,940	-4,371,840	-4,418,090	-4,423,280
14 Transfer from (-) / to earmarked reserves	-1,484,070	-2,524,430	-1,125,810	-951,480	-1,198,080
<b>15 Total income</b>	<b>-45,477,930</b>	<b>-50,779,460</b>	<b>-45,205,520</b>	<b>-45,294,920</b>	<b>-45,334,720</b>
<b>16 Total net service cost</b>	<b>19,751,750</b>	<b>19,343,320</b>	<b>20,980,590</b>	<b>19,837,400</b>	<b>19,767,570</b>
<b>Funding</b>					
17 Council tax	-10,429,960	-10,429,960	-10,969,200	-11,410,150	-11,868,830
18 Council tax surplus(-) / deficit	-381,900	-381,900	-507,300	0	0
19 Revenue support grant	-288,010	-288,010	-6,166,750	-4,998,290	-3,784,710
20 Rates baseline funding	-3,664,280	-3,664,280	-3,307,570	-3,383,440	-3,451,690
21 Estimated rates retention and pooling gain	-3,413,720	-3,104,830	-29,770	-30,450	-31,070
22 New homes bonus	-351,710	-351,710	0	0	0
23 Damping/returned surplus/cap	0	0	0	-15,070	-631,270
24 Other grants	-1,222,170	-1,222,170	0	0	0
25 Budget gap (-) to be found	0	0	0	0	0
<b>26 Total funding</b>	<b>-19,751,750</b>	<b>-19,442,860</b>	<b>-20,980,590</b>	<b>-19,837,400</b>	<b>-19,767,570</b>
<b>27 -Surplus/shortfall</b>	<b>0</b>	<b>-99,540</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>28 General reserves at end of year</b>	<b>2,500,140</b>	<b>2,600,000</b>	<b>2,600,000</b>	<b>2,600,000</b>	<b>2,600,000</b>
<b>29 General reserves as % of net revenue budget</b>	<b>12.7%</b>	<b>13.4%</b>	<b>12.4%</b>	<b>13.1%</b>	<b>13.2%</b>

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**All Services**

Managing Director/Director		2024-25	2025-26	2026-27
		Actual £	Outturn £	Budget £
<b>Corporate Services</b>				
A Pujol	Business Transformation Team	450,156	690,620	752,510
N Blaney	Communications	412,288	420,780	445,340
P Shears	Democratic Services	873,456	999,010	915,280
P Shears	Electoral Services	533,818	247,320	229,360
G Bryant	Finance	1,202,714	1,419,290	1,387,090
A Pujol	Human Resources	648,619	649,300	748,810
G Bryant	Internal Audit & Information Governance	222,687	252,230	282,020
P Shears	Legal	502,262	593,180	785,410
G Bryant	Procurement	39,019	41,880	44,410
P Shears	Strategic Leadership Team	502,296	500,030	506,010
		<b>5,387,315</b>	<b>5,813,640</b>	<b>6,096,240</b>

**Strategic Place**

N Blaney	Building Control	- 81,753	- 238,230	31,220
A Pujol	Customer Services	791,633	899,910	969,480
N Blaney	Development Management	961,888	818,460	810,800
N Blaney	Economy & Assets	226,135	461,060	570,210
A Pujol	Housing	1,155,218	2,025,240	2,146,170
N Blaney	Parking	- 3,582,139	- 3,724,790	- 4,065,690
A Pujol	Revenues & Benefits	1,243,861	1,369,630	1,472,070
N Blaney	Spatial Planning	891,365	837,780	794,840
		<b>1,606,209</b>	<b>2,449,060</b>	<b>2,729,100</b>

**Environment, Health & Wellbeing**

N Blaney	Community Safety	122,898	135,870	153,060
N Blaney	Environmental Health	1,243,471	1,532,320	1,463,520
A Pujol	Green Spaces & Active Leisure	1,124,032	1,200,270	1,224,360
A Pujol	Leisure	731,865	637,040	1,008,820
N Blaney	Licensing	- 38,639	- 38,440	- 64,460
A Pujol	Resorts	36,350	99,730	127,470
A Pujol	Waste, Recycling & Cleansing	7,712,158	6,858,800	7,612,490
		<b>10,932,135</b>	<b>10,425,590</b>	<b>11,525,260</b>

<b>Total all services</b>	<b>17,925,659</b>	<b>18,688,290</b>	<b>20,350,600</b>
<b>Financing Items</b>	1,480,971	- 992,480	- 870,010
<b>Totals per actual/budget papers</b>	<b>19,406,630</b>	<b>17,695,810</b>	<b>19,480,590</b>
<b>Contributions to Capital</b>	1,414,487	1,647,510	1,500,000
<b>Totals per actual/budget papers</b>	<b>20,821,117</b>	<b>19,343,320</b>	<b>20,980,590</b>

**Notes:**

There is a glossary of terms at the end of this appendix

Executive Member:	<b>Gary Taylor</b>								
Head of Service:	<b>Nigel Hunt</b>	2024-25		2025-26		2026-27			
Activity Area:	<b>Building Control</b>	FTE	£	FTE	£	FTE	£		
<b><u>EXPENDITURE</u></b>									
Employees	21.0	1,031,862	21.5	1,173,600	21.0	1,351,950			
Property		35,340		17,500		37,260			
Services & Supplies		153,668		147,590		145,520			
Grant Payments		-		-		-			
Transport		48,154		51,600		59,910			
Leasing & capital charges		-		-		-			
		<b><u>1,269,024</u></b>		<b><u>1,390,290</u></b>		<b><u>1,594,640</u></b>			
<b><u>INCOME</u></b>									
Sales		-		-		-			
Fees & Charges		- 1,112,901		- 1,385,780		- 1,308,620			
Property Income		-		-		-			
Grants - income		-		-		-			
Other income & recharges		- 237,876		- 242,740		- 254,800			
Transfers from earmarked reserves		-		-		-			
		<b><u>- 1,350,776</u></b>		<b><u>- 1,628,520</u></b>		<b><u>- 1,563,420</u></b>			
Service Cost		<b><u>- 81,753</u></b>		<b><u>- 238,230</u></b>		<b><u>31,220</u></b>			
Service cost - £'s per head of population		<b><u>- 0.61</u></b>		<b><u>- 1.72</u></b>		<b><u>0.23</u></b>			
Executive Member:	<b>Peter Williams</b>								
Head of Service:	<b>Michelle Luscombe &amp; Tracey Hooper</b>	2024-25		2025-26		2026-27			
Activity Area:	<b>Business Transformation Team</b>	FTE	£	FTE	£	FTE	£		
<b><u>EXPENDITURE</u></b>									
Employees	5.5	286,402	9.0	672,580	9.5	683,260			
Property		16,485		15,160		20,640			
Services & Supplies		147,836		112,900		48,440			
Grant Payments		-		-		-			
Transport		-		90		740			
Leasing & capital charges		-		-		-			
		<b><u>450,724</u></b>		<b><u>800,730</u></b>		<b><u>753,080</u></b>			
<b><u>INCOME</u></b>									
Sales		-		-		-			
Fees & Charges		-		-		-			
Property Income		- 567		- 570		- 570			
Grants - income		-		-		-			
Other income & recharges		-		5,880		-			
Transfers from earmarked reserves		-		103,660		-			
		<b><u>- 567</u></b>		<b><u>- 110,110</u></b>		<b><u>- 570</u></b>			
Service Cost		<b><u>450,156</u></b>		<b><u>690,620</u></b>		<b><u>752,510</u></b>			
Service cost - £'s per head of population		<b><u>3.34</u></b>		<b><u>4.98</u></b>		<b><u>5.43</u></b>			

Executive Member:	David Palethorpe	2024-25	2025-26	2026-27	
Head of Service:	Michelle Luscombe & Tracey Hooper	Actual	Outturn	Budget	
Activity Area:	Communications	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	5.0	228,094	5.0	260,600	5.0
Property		4,216		4,020	
Services & Supplies		148,715		88,250	
Grant Payments		153,450		159,710	
Transport		100		200	
Leasing & capital charges		-		-	
		<b><u>534,576</u></b>		<b><u>512,780</u></b>	
<b><u>INCOME</u></b>					
Sales		-		-	
Fees & Charges		-		-	
Property Income		-		-	
Grants - income		-		-	
Other income & recharges	-	122,287	-	42,000	-
Transfers from earmarked reserves		-		50,000	
		<b><u>- 122,287</u></b>		<b><u>- 92,000</u></b>	
Service Cost		<b><u>412,288</u></b>		<b><u>420,780</u></b>	
Service cost - £'s per head of population		<b><u>3.06</u></b>		<b><u>3.04</u></b>	
		<b><u>3.21</u></b>			
Executive Member:	David Palethorpe	2024-25	2025-26	2026-27	
Head of Service:	Michelle Luscombe & David Eaton	Actual	Outturn	Budget	
Activity Area:	Community Safety	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	2.0	112,565	2.0	112,850	2.0
Property		2,226		2,100	
Services & Supplies		10,021		10,020	
Grant Payments		84,296		41,730	
Transport		1,381		1,940	
Leasing & capital charges		-		-	
		<b><u>210,488</u></b>		<b><u>168,640</u></b>	
<b><u>INCOME</u></b>					
Sales		-		-	
Fees & Charges		-		-	
Property Income		-		-	
Grants - income	-	28,590	-	32,770	-
Other income & recharges	-	59,000		-	
Transfers from earmarked reserves		-		-	
		<b><u>- 87,590</u></b>		<b><u>- 32,770</u></b>	
Service Cost		<b><u>122,898</u></b>		<b><u>135,870</u></b>	
Service cost - £'s per head of population		<b><u>0.91</u></b>		<b><u>0.98</u></b>	
		<b><u>1.10</u></b>			

Executive Member:	Charles Nuttall	2024-25		2025-26		2026-27	
Head of Service:	Tracey Hooper	Actual		Outturn		Budget	
Activity Area:	Customer Services	FTE	£	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>							
Employees	18.5	629,402	19.0	740,400	20.5	808,680	
Property		15,008		11,090		12,080	
Services & Supplies		147,223		148,420		148,720	
Grant Payments		-		-		-	
Transport		-		-		-	
Leasing & capital charges		-		-		-	
		<b><u>791,633</u></b>		<b><u>899,910</u></b>		<b><u>969,480</u></b>	
<b><u>INCOME</u></b>							
Sales		-		-		-	
Fees & Charges		-		-		-	
Property Income		-		-		-	
Grants - income		-		-		-	
Other income & recharges		-		-		-	
Transfers from earmarked reserves		-		-		-	
		<b><u>-</u></b>		<b><u>-</u></b>		<b><u>-</u></b>	
Service Cost		<b><u>791,633</u></b>		<b><u>899,910</u></b>		<b><u>969,480</u></b>	
Service cost - £'s per head of population		<b><u>5.87</u></b>		<b><u>6.50</u></b>		<b><u>7.00</u></b>	
Executive Member:	John Parrott	2024-25		2025-26		2026-27	
Head of Service:	Charlie Fisher	Actual		Outturn		Budget	
Activity Area:	Democratic Services	FTE	£	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>							
Employees	3.0	682,843	3.5	692,820	3.5	716,320	
Property		6,980		6,210		6,760	
Services & Supplies		142,143		251,570		144,890	
Grant Payments		41,490		47,000		47,000	
Transport		-		1,410		310	
Leasing & capital charges		-		-		-	
		<b><u>873,456</u></b>		<b><u>999,010</u></b>		<b><u>915,280</u></b>	
<b><u>INCOME</u></b>							
Sales		-		-		-	
Fees & Charges		-		-		-	
Property Income		-		-		-	
Grants - income		-		-		-	
Other income & recharges		-		-		-	
Transfers from earmarked reserves		-		-		-	
		<b><u>-</u></b>		<b><u>-</u></b>		<b><u>-</u></b>	
Service Cost		<b><u>873,456</u></b>		<b><u>999,010</u></b>		<b><u>915,280</u></b>	
Service cost - £'s per head of population		<b><u>6.48</u></b>		<b><u>7.21</u></b>		<b><u>6.61</u></b>	

Executive Member:	Gary Taylor	2024-25	2025-26	2026-27	
Head of Service:	Ian Perry	Actual	Outturn	Budget	
Activity Area:	Development Management	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	30.0	1,787,775	27.5	1,688,640	30.5
Property		71,712		64,400	
Services & Supplies		449,761		371,520	
Grant Payments		-		-	
Transport		11,444		16,440	
Leasing & capital charges		-		-	
		<b><u>2,320,692</u></b>		<b><u>2,141,000</u></b>	
<b><u>INCOME</u></b>					
Sales		-		-	
Fees & Charges		- 1,021,370		- 1,167,430	
Property Income		-		-	
Grants - income		- 26,807		-	
Other income & recharges		- 310,627		- 91,200	
Transfers from earmarked reserves		-		63,910	
		<b><u>- 1,358,805</u></b>		<b><u>- 1,322,540</u></b>	
Service Cost		<b><u>961,888</u></b>		<b><u>818,460</u></b>	
Service cost - £'s per head of population		<b><u>7.14</u></b>		<b><u>5.91</u></b>	
					<b><u>5.85</u></b>
Executive Member:	David Palethorpe	2024-25	2025-26	2026-27	
Head of Service:	Tom Phillips	Actual	Outturn	Budget	
Activity Area:	Economy & Assets	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	30.0	1,184,908	30.5	1,555,370	31.0
Property		1,021,336		975,050	
Services & Supplies		1,114,623		823,140	
Grant Payments		90,263		213,360	
Transport		3,690		6,070	
Leasing & capital charges		-		-	
		<b><u>3,414,820</u></b>		<b><u>3,572,990</u></b>	
<b><u>INCOME</u></b>					
Sales		- 229		- 200	
Fees & Charges		- 87,705		- 49,840	
Property Income		- 2,227,780		- 2,032,350	
Grants - income		- 378,914		- 418,330	
Other income & recharges		- 494,057		- 589,610	
Transfers from earmarked reserves		-		21,600	
		<b><u>- 3,188,685</u></b>		<b><u>- 3,111,930</u></b>	
Service Cost		<b><u>226,135</u></b>		<b><u>461,060</u></b>	
Service cost - £'s per head of population		<b><u>1.68</u></b>		<b><u>3.33</u></b>	
					<b><u>4.12</u></b>

Executive Member:	Richard Keeling	2024-25	2025-26	2026-27	
Head of Service:	Phil Shears	Actual	Outturn	Budget	
Activity Area:	Electoral Services	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	2.0	113,501	2.0	111,960	2.0
Property		51,024		32,740	
Services & Supplies		544,323		456,610	
Grant Payments		-		-	
Transport		2,242		2,380	
Leasing & capital charges		-		-	
		<b>711,090</b>		<b>603,690</b>	
<b><u>INCOME</u></b>					
Sales		-		-	
Fees & Charges	-	2,802	-	2,160	-
Property Income		-		-	
Grants - income	-	7,580	-	1,100	-
Other income & recharges	-	166,891	-	353,110	-
Transfers from earmarked reserves		-		-	
		<b>- 177,273</b>		<b>- 356,370</b>	
Service Cost		<b>533,818</b>		<b>247,320</b>	
Service cost - £'s per head of population		<b>3.96</b>		<b>1.79</b>	
		<b>1.66</b>			
Executive Member:	David Palethorpe	2024-25	2025-26	2026-27	
Head of Service:	David Eaton	Actual	Outturn	Budget	
Activity Area:	Environmental Health	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	21.0	955,681	21.0	1,190,920	22.0
Property		63,747		63,510	
Services & Supplies		255,338		282,020	
Grant Payments		2,927		-	
Transport		24,010		29,240	
Leasing & capital charges		12,329		27,500	
		<b>1,314,032</b>		<b>1,593,190</b>	
<b><u>INCOME</u></b>					
Sales	-	4,938	-	6,000	-
Fees & Charges	-	45,311	-	40,470	-
Property Income		-		-	
Grants - income	-	2,215		-	
Other income & recharges	-	18,098	-	14,400	-
Transfers from earmarked reserves		-		-	
		<b>- 70,561</b>		<b>- 60,870</b>	
Service Cost		<b>1,243,471</b>		<b>1,532,320</b>	
Service cost - £'s per head of population		<b>9.22</b>		<b>11.06</b>	
		<b>10.56</b>			

Executive Member:	John Parrott	2024-25		2025-26		2026-27	
Head of Service:	Gordon Bryant	Actual	£	Outturn	£	Budget	£
Activity Area:	Finance	FTE		FTE		FTE	
<b><u>EXPENDITURE</u></b>							
Employees	19.0	1,035,473		20.0	1,295,450	21.0	1,272,770
Property		25,059			23,650		25,770
Services & Supplies		146,648			106,580		108,960
Grant Payments		-			-		-
Transport		253			90		320
Leasing & capital charges		-			-		-
		<b><u>1,207,433</u></b>			<b><u>1,425,770</u></b>		<b><u>1,407,820</u></b>
<b><u>INCOME</u></b>							
Sales		-			-		-
Fees & Charges		-			-		-
Property Income		-			-		-
Grants - income		-			-		-
Other income & recharges	-	4,719		-	6,480	-	20,730
Transfers from earmarked reserves		-			-		-
		<b><u>- 4,719</u></b>			<b><u>- 6,480</u></b>		<b><u>- 20,730</u></b>
Service Cost		<b><u>1,202,714</u></b>			<b><u>1,419,290</u></b>		<b><u>1,387,090</u></b>
Service cost - £'s per head of population		<b><u>8.92</u></b>			<b><u>10.24</u></b>		<b><u>10.01</u></b>
Executive Member:	Peter Williams	2024-25		2025-26		2026-27	
Head of Service:	Chris Braines	Actual	£	Outturn	£	Budget	£
Activity Area:	Green Spaces & Active Leisure	FTE		FTE		FTE	
<b><u>EXPENDITURE</u></b>							
Employees	10.5	428,217		11.0	486,350	9.5	484,350
Property		1,055,970			998,660		1,089,410
Services & Supplies		476,489			455,550		250,540
Grant Payments		1,796			4,850		4,850
Transport		9,012			11,200		11,280
Leasing & capital charges		-			-		-
		<b><u>1,971,484</u></b>			<b><u>1,956,610</u></b>		<b><u>1,840,430</u></b>
<b><u>INCOME</u></b>							
Sales	-	4,538		-	4,530	-	4,500
Fees & Charges	-	337,498		-	311,110	-	319,520
Property Income	-	199,956		-	208,090	-	200,370
Grants - income	-	31,060			-		-
Other income & recharges	-	274,399		-	142,140	-	91,680
Transfers from earmarked reserves		-		-	90,470		-
		<b><u>- 847,452</u></b>			<b><u>- 756,340</u></b>		<b><u>- 616,070</u></b>
Service Cost		<b><u>1,124,032</u></b>			<b><u>1,200,270</u></b>		<b><u>1,224,360</u></b>
Service cost - £'s per head of population		<b><u>8.34</u></b>			<b><u>8.66</u></b>		<b><u>8.84</u></b>

Executive Member:	Richard Buscombe	2024-25		2025-26		2026-27	
Head of Service:	Jon Lloyd-Owen	Actual	£	Outturn	£	Budget	£
Activity Area:	Housing	FTE		FTE		FTE	
<b><u>EXPENDITURE</u></b>							
Employees	32.0	2,017,146		31.5	2,442,410	27.5	2,283,670
Property		396,812			535,870		474,250
Services & Supplies		1,716,000			1,746,890		1,674,990
Grant Payments		2,020,256			1,706,890		1,146,220
Transport		22,093			20,090		21,400
Leasing & capital charges		-			-		-
		<b><u>6,172,307</u></b>			<b><u>6,452,150</u></b>		<b><u>5,600,530</u></b>
<b><u>INCOME</u></b>							
Sales	-	1,200		-	1,200	-	1,200
Fees & Charges	-	10,310		-	9,190	-	8,430
Property Income	-	1,607,682		-	1,531,320	-	1,530,050
Grants - income	-	3,191,030		-	2,520,020	-	1,810,000
Other income & recharges	-	206,867		-	152,610	-	104,680
Transfers from earmarked reserves		-		-	212,570		-
		<b><u>- 5,017,090</u></b>			<b><u>- 4,426,910</u></b>		<b><u>- 3,454,360</u></b>
Service Cost		<b><u>1,155,218</u></b>			<b><u>2,025,240</u></b>		<b><u>2,146,170</u></b>
Service cost - £'s per head of population		<b><u>8.57</u></b>			<b><u>14.62</u></b>		<b><u>15.49</u></b>
Executive Member:	John Parrott	2024-25		2025-26		2026-27	
Head of Service:	Tim Slater	Actual	£	Outturn	£	Budget	£
Activity Area:	Human Resources	FTE		FTE		FTE	
<b><u>EXPENDITURE</u></b>							
Employees	7.0	463,418		7.0	437,200	7.0	567,720
Property		19,274			20,270		19,820
Services & Supplies		165,142			191,630		161,070
Grant Payments		-			-		-
Transport		869			200		200
Leasing & capital charges		-			-		-
		<b><u>648,702</u></b>			<b><u>649,300</u></b>		<b><u>748,810</u></b>
<b><u>INCOME</u></b>							
Sales	-	83		-	-	-	-
Fees & Charges	-	-		-	-	-	-
Property Income	-	-		-	-	-	-
Grants - income	-	-		-	-	-	-
Other income & recharges	-	-		-	-	-	-
Transfers from earmarked reserves		-		-	-	-	-
		<b><u>83</u></b>			<b><u>-</u></b>		<b><u>-</u></b>
Service Cost		<b><u>648,619</u></b>			<b><u>649,300</u></b>		<b><u>748,810</u></b>
Service cost - £'s per head of population		<b><u>4.81</u></b>			<b><u>4.69</u></b>		<b><u>5.40</u></b>

Executive Member:	John Parrott	2024-25		2025-26		2026-27	
Head of Service:	Gordon Bryant	Actual	£	Outturn	£	FTE	£
Activity Area:	Internal Audit & Governance	FTE		FTE		FTE	
<b><u>EXPENDITURE</u></b>							
Employees	2.5	193,739		2.5	223,300	3.0	253,430
Property		9,806			9,260		10,080
Services & Supplies		19,142			20,230		19,070
Grant Payments		-			-		-
Transport		-			-		-
Leasing & capital charges		-			-		-
		<b><u>222,687</u></b>			<b><u>252,790</u></b>		<b><u>282,580</u></b>
<b><u>INCOME</u></b>							
Sales		-			-		-
Fees & Charges		-			-		-
Property Income		-			-		-
Grants - income		-			-		-
Other income & recharges		-		560	-		560
Transfers from earmarked reserves		-		-			-
		<b><u>-</u></b>		<b><u>560</u></b>		<b><u>-</u></b>	<b><u>560</u></b>
Service Cost		<b><u>222,687</u></b>		<b><u>252,230</u></b>		<b><u>282,020</u></b>	
Service cost - £'s per head of population		<b><u>1.65</u></b>		<b><u>1.82</u></b>		<b><u>2.04</u></b>	
Executive Member:	John Parrott	2024-25		2025-26		2026-27	
Head of Service:	Maxine Valentine	Actual	£	Outturn	£	FTE	£
Activity Area:	Legal	FTE		FTE		FTE	
<b><u>EXPENDITURE</u></b>							
Employees	9.0	443,670		9.0	577,740	9.0	731,990
Property		13,037			12,310		13,400
Services & Supplies		93,397			97,480		90,570
Grant Payments		-			-		-
Transport		16			150		150
Leasing & capital charges		-			-		-
		<b><u>550,120</u></b>			<b><u>687,680</u></b>		<b><u>836,110</u></b>
<b><u>INCOME</u></b>							
Sales		-			-		-
Fees & Charges		-	38,261		-	46,010	
Property Income		-			-		-
Grants - income		-			-		-
Other income & recharges		-	9,598		-	9,490	
Transfers from earmarked reserves		-		-	39,000		-
		<b><u>- 47,859</u></b>			<b><u>- 94,500</u></b>		<b><u>- 50,700</u></b>
Service Cost		<b><u>502,262</u></b>			<b><u>593,180</u></b>		<b><u>785,410</u></b>
Service cost - £'s per head of population		<b><u>3.73</u></b>		<b><u>4.28</u></b>		<b><u>5.67</u></b>	

Executive Member:	John Nutley	2024-25	2025-26	2026-27	
Head of Service:	James Teed	Actual	Outturn	Budget	
Activity Area:	Leisure	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	55.0	1,777,572	55.0	2,126,700	54.0
Property		1,330,281		1,143,330	
Services & Supplies		381,615		512,710	
Grant Payments		15,000		15,000	
Transport		4,272		4,150	
Leasing & capital charges		3,420		4,190	
		<b><u>3,512,161</u></b>		<b><u>3,806,080</u></b>	
<b><u>INCOME</u></b>					
Sales	-	6,572	-	10,140	-
Fees & Charges	-	2,595,390	-	2,938,910	-
Property Income	-		-		-
Grants - income	-		-		-
Other income & recharges	-	178,334	-	215,290	-
Transfers from earmarked reserves	-		-	4,700	-
		<b><u>- 2,780,296</u></b>		<b><u>- 3,169,040</u></b>	
Service Cost		<b><u>731,865</u></b>		<b><u>637,040</u></b>	
Service cost - £'s per head of population		<b><u>5.43</u></b>		<b><u>4.60</u></b>	
					<b><u>7.28</u></b>
Executive Member:	David Palethorpe	2024-25	2025-26	2026-27	
Head of Service:	David Eaton	Actual	Outturn	Budget	
Activity Area:	Licensing	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	3.0	150,095	3.0	145,950	3.0
Property		7,785		7,340	
Services & Supplies		64,760		66,570	
Grant Payments	-		-		-
Transport		14		270	
Leasing & capital charges	-		-		-
		<b><u>222,655</u></b>		<b><u>220,130</u></b>	
<b><u>INCOME</u></b>					
Sales	-	-	-	-	-
Fees & Charges	-	261,294	-	258,570	-
Property Income	-		-		-
Grants - income	-		-		-
Other income & recharges	-		-		-
Transfers from earmarked reserves	-		-		-
		<b><u>- 261,294</u></b>		<b><u>- 258,570</u></b>	
Service Cost		<b><u>- 38,639</u></b>		<b><u>- 38,440</u></b>	
Service cost - £'s per head of population	-	<b><u>0.29</u></b>	-	<b><u>0.28</u></b>	-
					<b><u>0.47</u></b>

Executive Member:	David Palethorpe	2024-25	2025-26	2026-27	
Head of Service:	David Eaton	Actual	Outturn	Budget	
Activity Area:	Parking	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	9.0	318,466	10.5	347,280	9.0
Property		877,637		930,820	
Services & Supplies		599,164		451,550	
Grant Payments		-		980	
Transport		3,559		4,290	
Leasing & capital charges		13,105		23,800	
		<b><u>1,811,931</u></b>		<b><u>1,758,720</u></b>	
<b><u>INCOME</u></b>					
Sales		-		-	
Fees & Charges		- 5,191,052		- 5,380,020	
Property Income		- 49,080		- 14,710	
Grants - income		-		-	
Other income & recharges		- 153,937		- 88,780	
Transfers from earmarked reserves		-		-	
		<b><u>- 5,394,069</u></b>		<b><u>- 5,483,510</u></b>	
Service Cost		<b><u>- 3,582,139</u></b>		<b><u>- 3,724,790</u></b>	
Service cost - £'s per head of population		<b><u>- 26.57</u></b>		<b><u>- 26.88</u></b>	
		<b><u>- 29.34</u></b>			
Executive Member:	John Parrott	2024-25	2025-26	2026-27	
Head of Service:	Gordon Bryant	Actual	Outturn	Budget	
Activity Area:	Procurement & Commissioning	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	1.0	57,321	1.0	75,170	1.0
Property		4,503		4,250	
Services & Supplies		14,428		15,770	
Grant Payments		-		-	
Transport		-		60	
Leasing & capital charges		-		-	
		<b><u>76,252</u></b>		<b><u>95,250</u></b>	
<b><u>INCOME</u></b>					
Sales		-		-	
Fees & Charges		-		-	
Property Income		-		-	
Grants - income		-		-	
Other income & recharges		- 37,233		- 53,370	
Transfers from earmarked reserves		-		-	
		<b><u>- 37,233</u></b>		<b><u>- 53,370</u></b>	
Service Cost		<b><u>39,019</u></b>		<b><u>41,880</u></b>	
Service cost - £'s per head of population		<b><u>0.29</u></b>		<b><u>0.30</u></b>	
		<b><u>0.32</u></b>			

Executive Member:	John Nutley	2024-25	2025-26	2026-27	
Head of Service:	James Teed	Actual	Outturn	Budget	
Activity Area:	Resorts	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	5.5	260,728	5.5	308,820	5.5
Property		101,365		75,350	
Services & Supplies		102,212		111,160	
Grant Payments		-		-	
Transport		2,543		2,440	
Leasing & capital charges		-		-	
		<b>466,848</b>		<b>497,770</b>	
<b><u>INCOME</u></b>					
Sales		-		-	
Fees & Charges	-	24,556	-	22,650	-
Property Income	-	396,590	-	348,150	-
Grants - income		-		-	
Other income & recharges	-	9,352	-	24,540	-
Transfers from earmarked reserves		-		2,700	-
		<b>- 430,498</b>		<b>- 398,040</b>	
Service Cost		<b>36,350</b>		<b>99,730</b>	
Service cost - £'s per head of population		<b>0.27</b>		<b>0.72</b>	
					<b>0.92</b>
Executive Member:	Richard Buscombe	2024-25	2025-26	2026-27	
Head of Service:	Tracey Hooper	Actual	Outturn	Budget	
Activity Area:	Revenues & Benefits	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	27.0	1,038,707	26.5	1,202,620	26.0
Property		93,853		85,130	
Services & Supplies		774,004		883,040	
Grant Payments		19,642,677		18,038,330	
Transport		172		1,150	
Leasing & capital charges		-		-	
		<b>21,549,412</b>		<b>20,210,270</b>	
<b><u>INCOME</u></b>					
Sales		-		-	
Fees & Charges	-	261,260	-	232,000	-
Property Income		-		-	
Grants - income		-19,762,862		-18,195,710	
Other income & recharges	-	281,429	-	386,030	-
Transfers from earmarked reserves		-		26,900	-
		<b>-20,305,551</b>		<b>-18,840,640</b>	
Service Cost		<b>1,243,861</b>		<b>1,369,630</b>	
Service cost - £'s per head of population		<b>9.23</b>		<b>9.89</b>	
					<b>10.62</b>

Executive Member:	Gary Taylor	2024-25	2025-26	2026-27	
Head of Service:	Michelle Luscombe	Actual	Outturn	Budget	
Activity Area:	Spatial Planning	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	8.5	536,463	8.5	600,160	9.5
Property		11,017		10,650	11,330
Services & Supplies		361,023		392,440	129,190
Grant Payments		-		40,680	-
Transport		739		260	2,300
Leasing & capital charges		-		-	-
		<b><u>909,242</u></b>		<b><u>1,044,190</u></b>	<b><u>846,340</u></b>
<b><u>INCOME</u></b>					
Sales		-		-	-
Fees & Charges		-		-	31,500
Property Income		-		-	-
Grants - income	-	17,877	-	60,680	-
Other income & recharges		-		41,710	-
Transfers from earmarked reserves		-		104,020	-
	<b><u>- 17,877</u></b>		<b><u>- 206,410</u></b>		<b><u>- 51,500</u></b>
Service Cost		<b><u>891,365</u></b>		<b><u>837,780</u></b>	<b><u>794,840</u></b>
Service cost - £'s per head of population		<b><u>6.61</u></b>		<b><u>6.05</u></b>	<b><u>5.74</u></b>
Executive Member:	Richard Keeling	2024-25	2025-26	2026-27	
Head of Service:	Phil Shears	Actual	Outturn	Budget	
Activity Area:	Senior Leadership Team	FTE	£	FTE	£
<b><u>EXPENDITURE</u></b>					
Employees	5.0	458,040	4.5	456,840	4.5
Property		19,049		17,520	19,090
Services & Supplies		23,086		24,060	19,720
Grant Payments		-		-	-
Transport		2,121		1,710	2,950
Leasing & capital charges		-		-	-
		<b><u>502,296</u></b>		<b><u>500,130</u></b>	<b><u>506,110</u></b>
<b><u>INCOME</u></b>					
Sales		-		-	-
Fees & Charges		-		-	-
Property Income		-		-	-
Grants - income		-		-	-
Other income & recharges		-		100	-
Transfers from earmarked reserves		-		-	-
	<b><u>-</u></b>		<b><u>- 100</u></b>		<b><u>- 100</u></b>
Service Cost		<b><u>502,296</u></b>		<b><u>500,030</u></b>	<b><u>506,010</u></b>
Service cost - £'s per head of population		<b><u>3.73</u></b>		<b><u>3.61</u></b>	<b><u>3.65</u></b>

Executive Member:	Peter Williams	2024-25		2025-26		2026-27	
Head of Service:	Chris Braines	Actual	FTE	Outturn	FTE	Budget	£
Activity Area:	Waste, Recycling & Cleansing	£	FTE	£	FTE	£	
<b><u>EXPENDITURE</u></b>							
Employees	185.0	7,359,968	184.0	8,104,220	185.5	8,306,200	
Property		670,058		725,170		797,390	
Services & Supplies		1,330,862		1,543,910		1,691,670	
Grant Payments		14,594		-		-	
Transport		704,460		638,930		654,050	
Leasing & capital charges		1,885,651		2,185,470		2,180,360	
		<b><u>11,965,594</u></b>		<b><u>13,197,700</u></b>		<b><u>13,629,670</u></b>	
<b><u>INCOME</u></b>							
Sales	-	968,675	-	790,220	-	597,420	
Fees & Charges	-	1,578,693	-	1,607,910	-	1,712,350	
Property Income	-	20,820	-	20,910	-	20,910	
Grants - income	-	18,297	-	2,167,720	-	2,362,720	
Other income & recharges	-	1,666,952	-	1,743,970	-	1,323,780	
Transfers from earmarked reserves	-		-	8,170		-	
		<b><u>- 4,253,436</u></b>		<b><u>- 6,338,900</u></b>		<b><u>- 6,017,180</u></b>	
Service Cost		<b><u>7,712,158</u></b>		<b><u>6,858,800</u></b>		<b><u>7,612,490</u></b>	
Service cost - £'s per head of population		<b><u>57.21</u></b>		<b><u>49.50</u></b>		<b><u>54.94</u></b>	

## **Glossary**

### Column Headings

2024-25 Actual – the actual cost of the service for last year

2025-26 Outturn – the likely cost of the service for this year

2026-27 Budget – the budget proposed for the service for next year

FTE – the budgeted full time equivalent average permanent staff numbers for the year  
The numbers ignore spend on agency staff/temporary staff and Members allowances

### Expenditure

Employees – includes staff related costs such as salaries, training, recruitment and employee insurance

Property – all property related costs including rent, rates, utilities, repairs, maintenance, cleaning and property insurance (including central offices and depot costs)

Services and Supplies – covers the purchase of goods and services including items such as printing, stationery, contractors, postage, telephones, specialist fees & Strata

Grant Payments – specific payments for grants and rent subsidies including rent allowances, council tax benefit, councillors' community fund and rural aid

Transport – includes fuel, vehicle repairs and maintenance, travel and subsistence costs

Leasing - includes cost of vehicles and equipment subject to lease and/or rental agreement

### Income

Sales – income from the sale of items including recycled materials

Fees & Charges – income generated from services where we charge a fee, including car parks, land charges, leisure, planning and building regulation

Grant Income – this identifies grants mainly toward specific costs such as rent allowances

Property Income – income related to property such as rent, rights and lettings

Other Income – income not covered by any of the above including contributions to costs

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Appendix 6 - Fees and Charges

Proposed Fees and Charges Income 2026/27

FMS Code	Service	Actual	Probable	Proposed	Dept total 2026/27	Department
		2024/25	2025/26	2026/27	£	
	Building Control	- 1,112,901	- 1,385,780	- 1,308,620	-	<b>1,308,620</b> Building Control
	Land Charges	- 217,389	- 218,630	- 218,630		
	Planning	- 768,864	- 936,470	- 890,000		
	Planning Admin	- 29,723	- 4,500	- 2,000		
	Street Naming	- 5,394	- 7,830	- 7,830	-	<b>1,118,460</b> Development Management
	Livestock Market	- 3,600	- 3,060	- 3,060		
	Old Forde House	- 10,774	- 490	- 410		
	Retail Market	- 73,332	- 46,290	- 46,290	-	<b>49,760</b> Economy & Assets
	Electoral Registration	- 2,802	- 2,160	- 2,160	-	<b>2,160</b> Electoral Services
	Dog Control	- 206	- 200	- 200		
	Pest Control	- 12,480	- -	- 28,000		
	Health & Food Safety	- 4,965	- 7,490	- 8,750		
	Litter Clearance	- 2,578	- 4,200	- 4,200		
	Residential Mobile Home Sites	- -	- -	- 15,000		
	Nuisance Parking	- -	- -	- -		
	Private Water Supply Sampling	- 3,564	- 2,000	- 3,500	-	<b>86,430</b> Environmental Health
	Amenity & Conservation Sites	- 4,255	- 4,020	- 4,430		
	Cemetery Fees	- 213,292	- 202,880	- 212,720		
	Tennis Annual Passes	- 12,281	- 3,550	- -		
	Shaldon Golf	- 85,240	- 75,910	- 78,800		
	Sports Pitches	- 22,430	- 24,750	- 23,570	-	<b>319,520</b> Green Spaces & Active Leisure
	Housing	- 10,310	- 9,190	- 8,430	-	<b>8,430</b> Housing
	Legal Fees	- 38,261	- 46,010	- 41,210	-	<b>41,210</b> Legal
	Dawlish Leisure Centre	- 222,364	- 227,590	- 216,610		
	Leisure Memberships	- 1,825,816	- 2,051,770	- 1,957,920		
	Newton Abbot Leisure Centre	- 463,287	- 558,160	- 479,180		
	Outdoor Pools	- 50,569	- 54,260	- 68,060	-	<b>2,756,610</b> Leisure
	Gambling Act 2005	- 19,874	- 20,550	- 19,550		
	Hackney Carriage	- 105,332	- 107,540	- 131,170		
	Licensing Act 2003	- 136,088	- 130,480	- 138,030	-	<b>288,750</b> Licensing
	Car Parks	- 5,191,052	- 5,380,020	- 5,659,810	-	<b>5,659,810</b> Parking
	Beach Huts	- 17,605	- 17,460	- 16,350		
	Boat Storage	- 6,644	- 4,990	- 6,760		
	Leisure Events	- 307	- 200	- 300	-	<b>23,410</b> Resorts
	Council Tax	- 261,260	- 232,000	- 232,000	-	<b>232,000</b> Revenue & Benefits
	Local Development Framework	- -	- -	- 31,500	-	<b>31,500</b> Spatial Planning
	Abandoned Vehicles	- 985	- 3,400	- 1,500		
	Commercial Waste / Household Refuse	- 1,561,033	- 1,591,290	- 1,695,650		
	Composting	- -	- 50	- -		
	Toilets for Disabled	- 8	- 110	- -		
	Vehicle Workshop	- 16,667	- 13,060	- 15,200	-	<b>1,712,350</b> Waste, Recycling & Cleansing
	<b>Grand Totals</b>	<b>- 12,568,402</b>	<b>- 13,452,050</b>	<b>- 13,639,020</b>	<b>-</b>	<b>13,639,020</b>

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**TEIGNBRIDGE DISTRICT COUNCIL**  
**CAPITAL PROGRAMME 2025-26 to 2028-29**

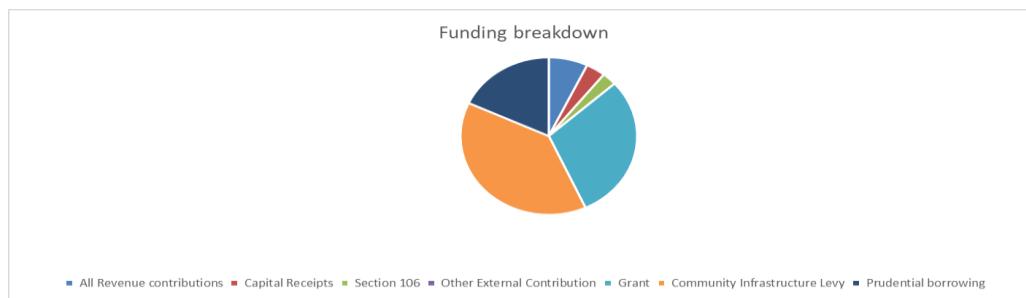
Code /bid no.	Teignbridge Action Plan Priority	Asset/Service Area	Description	Provision? C/f?	29,444	22,498	23,467	11,245	19,155
					ORIGINAL	LATEST	LATEST	LATEST	LATEST
					BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
					2025-26 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-29 £'000
KL1	Broadband	Central support services/IT	Contribution to Superfast Broadband subject to procurement arrangements (RS) (2024/25) subject to satisfactory assurances of funds being spent within Teignbridge area.	No V			250		Economy
Provision	Climate Change	Flood alleviation and environment	 Provision for Carbon Action Plan including fleet electrification, ventilation and heat recovery projects and renewable energy (PB)	Yes	260		260		Environment
KY2	Climate Change	Flood alleviation and environment	 Broadmeadow Sports Centre Decarbonisation Phase 2 and Refurbishment (GG, PB, S106, RS)	No V C	1,767	1,606			Infrastructure
Provision	Bovey Tracey	Open spaces and leisure	Bovey Tracey School Pitch (S106)	Yes				301	Environment
KG1	Bovey Tracey	Open spaces and leisure	Bovey Tracey Infrastructure contribution re: 10/02594 open space/leisure (S106)	No			88		Environment
Provision	Climate Change	Flood alleviation and environment	 Energy infrastructure and low carbon (CIL)	Yes V	2,000				Environment
KY7	Climate Change	Flood alleviation and environment	 Leisure Site Measures (S106)	No V	100	112			Environment
KY4	Climate Change	Flood alleviation and environment	 Dawlish Leisure Centre Energy Efficiency Measures (GG;PB)	No V	197	208			Environment
KY8	Climate Change	Flood alleviation and environment	 Newton Abbot Leisure Centre Energy Efficiency Measures (PB) (S106)	No V	258	50	447		Environment
KY9	Climate Change	Flood alleviation and environment	 Teignmouth Lido Energy Efficiency Measures (PB)	No	57				Environment
KY1	Climate Change	Flood alleviation and environment	 UK Shared Prosperity Fund/Heart of the SW LEP including Green Business Grants (GG)	No V		100			Economy
KR1	Coastal Monitoring	Flood alleviation and environment	SW Regional Coastal Monitoring Programme. (GG,EC)	No V	1,840	2,463	1,666		Community
KR6	Coastal Monitoring	Flood alleviation and environment	Coastal asset review (GG)	No	219	6	213		Community
KG2	Cycle paths	Planning & Development	 Teign Estuary Trail (CIL)	No	-	100		450	100 Infrastructure
Provision	Cycle paths	Open spaces and leisure	 Provision for Cycling (CIL)	Yes	50	50	100	600	300 Infrastructure
KG7	Cycle paths	Open spaces and leisure	 Garden Communities: Ogwell Strategic Link (S106; Revenue GG)	No	30	47			Infrastructure
Provision	Cycle paths	Open spaces and leisure	 Ogwell Strategic Link (CIL)	Yes			100		Infrastructure
KX7	IN.2	Dawlish	Planning & Development	Dawlish link road and bridge (GG, CIL)	No V			568	
Provision	IN.8	Dawlish Leisure Centre	Open spaces and leisure	Provision for Dawlish Leisure Centre Improvement Plan (S106; PB).	Yes	660		660	619 Infrastructure
KF8	Dawlish Leisure Centre	Open spaces and leisure	Dawlish Leisure Centre Improvements Design (S106)	No			42		Infrastructure
KF4	Dawlish Leisure Centre	Open spaces and leisure	 All Weather Pitch LED lighting (S106)	No			48		Infrastructure
Provision	Garden Communities	Planning & Development	Project website (GG)	Yes				20	
Provision	Habitat Regulations	Open spaces and leisure	Provision for Habitat Regulations infrastructure measures (CIL)	Yes	601			500	500 Environment
Provision	EC.1	Heart of Teignbridge: Employment	Planning & Development	Provision for employment sites (PB)	Yes			1,000	2,000 Economy
KX8	IN.2	Heart of Teignbridge	Planning & Development	A382 Improvements (CIL)	No	1,000		1,000	
KX1	Heart of Teignbridge	Planning & Development	A383 Works (CIL)				50		Infrastructure
KW1	Heart of Teignbridge	Planning & Development	Highweek Scout Hut improvements (S106)	No	175	175			Community
KW8	Heart of Teignbridge	Planning & Development	Houghton Barton land (EC) (S106)	No V		33			Homes
KW8	Heart of Teignbridge	Planning & Development	Houghton Barton land (GG)	No V	200	60	526		Homes

Code / bid no.	Teignbridge Action Plan Priority	Asset/Service Area	Description	Provision? C/f?	ORIGINAL	LATEST	LATEST	LATEST	Council Strategy
KW4	Heart of Teignbridge	Planning & Development	Mineral Rights (S106)	No	85	85			Economy
JW/JV	Housing	Housing grants and affordable housing	Discretionary - Disrepair Loans & Grants (CR)	No	24	24	24	24	Homes
JW/JV/JD	Housing	Housing grants and affordable housing	Better Care-funded grants re: Housing loans and grants policy, including Disabled Facilities (GG)	No V	1,400	2,008	1,400	1,400	Homes
JA/B	Housing	Housing grants and affordable housing	Local Authority Housing Fund: Refugee Accommodation (GG; PB)	No V		253			Homes
JC	Housing	Housing grants and affordable housing	Local Authority Housing Fund: 2024/25 (GG; PB)	No V		786			Homes
JF	Housing	Housing grants and affordable housing	Local Authority Housing Fund 2025/26 (GG; PB)	No		1,054			Homes
Provision	Housing	Housing grants and affordable housing	Local Authority Housing Fund 2026/27 (GG)	Yes			586		Homes
Provision H.4	Housing	Housing grants and affordable housing	Temporary Accommodation (PB)	Yes			1,000		Homes
JX5 H.1	Housing	Housing grants and affordable housing	 Teignbridge 100: Provision for Sherborne House (GG; PB; S106)	No	2,471		3,421	3,421	Homes
JX5	Housing	Housing grants and affordable housing	 Teignbridge 100: Social/Affordable housing - Sherborne House (PB)	No V		207			Homes
JX6	Housing	Housing grants and affordable housing	Harewood House Temporary Accommodation (CR: PB)	No		751			Homes
Provision	Housing	Housing grants and affordable housing	 Social Housing Capital Replacements (Roofs/Fabric improvements/Heating/Furniture, fixtures & fittings etc) (RS)	Yes V	30	-	92	30	Homes
KV8	IT - Capital contribution	Central support services/IT	Ongoing contributions towards Strata (RS)	No	41	41	41	41	Responsible management
KA3	IT - Capital contribution	Central support services/IT	End User Computing: Replacement laptops and staff (CR; RS)	No V	68	155	68		Responsible management
KA5	IT - Capital contribution	Central support services/IT	Contact Centre telephony (CR)	No	73	71			Responsible management
KC4	IT - Capital contribution	Central support services/IT	Telephony (RS)	No	23	23			Responsible management
KX9	IT - Capital contribution	Central support services/IT	Sharepoint wider rollout (CR)	No	68	69			Responsible management
KA2	IT - Capital contribution	Central support services/IT	iTrent Paid Time and Rostering (CR)	No		12			Responsible management
KA8	IT - Capital contribution	Planning & Development	Car parks system (CR)	No	125				Economy
KU2	IT - Capital contribution	Central support services/IT	Data Centre Relocation (CR)	No	27	27			Responsible management
KU3	IT - Capital contribution	Central support services/IT	NCSC Zero Trust (CR)	No V		25			Responsible management
KU5	IT - Capital contribution	Central support services/IT	Office 365 (RS)	No V		27			Responsible management
KV9	IT - Finance	Central support services/IT	Provision for Finance Convergence (CR; PB)	No V	135	-			Responsible management
Provision	IT - Property and Assets	Central support services/IT	SaM improvements (CR)	Yes V		25			Economy
KV5	IT - Corporate	Central support services/IT	Microsoft Power Apps (CR)	No V		23			Responsible management
Provision	IT - Revenue & Benefits	Central support services/IT	New Housing Benefit System (RS)	Yes				500	Responsible management
KU6	IT - Housing	Central support services/IT	Homelessness System Replacement (CR; Revenue GG/RS)	No V		110			Homes
KV1	IT - Corporate	Central support services/IT	Health & Safety (CR)	No	21	21			Environment
KC1	IT - Corporate	Central support services/IT	iTrent Hosted (RS)	No	27		27		Environment
KC2	IT - Corporate	Central support services/IT	Azure Migration (RS)	No	41	41			Responsible management
KX6	IT - Corporate	Central support services/IT	System upgrade costs (RS)	No	27	27			Responsible management
KC3	IT - Corporate	Central support services/IT	Transformation costs (staff resource)(RS)	No	47	60			Responsible management

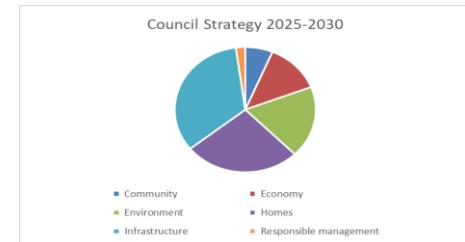
Code / bid no.	Teignbridge Action Plan Priority	Asset/Service Area	Description	Provision? C/f?	ORIGINAL	LATEST	LATEST	LATEST	Council Strategy	
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Telephony phase 2 (RS)	Yes			27			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Enhancements to Leisure digital offer (RS)	Yes			20			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Digital solution to compare plans and documents (RS)	Yes			50			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Digital solution for neighbourhood requests (RS)	Yes			50			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	AI solution for document redaction (RS)	Yes			30			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Miscellaneous System Upgrades (RS)	Yes			27			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Comino D360 upgrade - Cloud Migration (RS)	Yes			60			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	IKEN Cloud Migration (RS)	Yes			22			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	SDWAN (Discovery) (RS)	Yes			21			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Uniform review (RS)	Yes			20			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Itrent improvements (RS)	Yes			20			Responsible management
Provision	IT - Corporate (2026/27 Strata business plan)	Central support services/IT	Transformation costs (staff resource)(RS)	Yes			82			Responsible management
KG1	Michaels Field	Open spaces and leisure	Replacement boiler (S106)	No V		25				Environment
KF5	Newton Abbot Leisure Centre	Open spaces and leisure	Leisure Centre Gym Equipment (S106)	No V	40	80	40	40	40	Infrastructure
KM2	Newton Abbot Multi Storey Car Park	Planning & Development	Lift Modernisation Work (CR)	No V C		23				Economy
KL4	Newton Abbot Town Centre	Planning & Development	Sherborne House Fire Doors (CR)	No		25				Responsible management
KL7	Newton Abbot Town Centre Regeneration	Planning & Development	Bradley Lane Enabling Works (PB)	No	32	-				Economy
KO3	Newton Abbot Town Centre	Planning & Development	Future High Street Fund project: Market Improvements (GG, PB)	No V	4,958	5,656				Economy
KO5	Newton Abbot Town Centre	Planning & Development	Future High Street Fund project: Bradley Lane site clearance (GG)	No V		1,641				Economy
Provision	IN.2	Heart of Teignbridge	Planning & Development	Houghton GP & Community building (CIL) (est. 2029-30)	Yes					Community
KW5	Open Spaces	Open spaces and leisure	Circle bunting land (S106)	No	97		97			Environment
KB4	Open Spaces	Open spaces and leisure	Whitestone Church Yard Wall (CR)	No		50				Environment
KB5	Open Spaces	Open spaces and leisure	Unauthorised encampment measures (S106)	No		88				Environment
Provision	Play area equipment/refurb	Open spaces and leisure	Provision for Powderham Newton Abbot play space equipment and wider park improvements (S106)	Yes	100	-				Environment
Provision	Play area equipment/refurb	Open spaces and leisure	Prince Rupert Way, Heathfield (S106)	Yes	40		26			Environment
Provision	Play area equipment/refurb	Open spaces and leisure	Provision for Teignbridge-funded play area refurb/equipment (CR)	Yes	80	-				Environment
KL3	Rural areas	Planning & Development	Rural England Prosperity Fund (GG)	No		195				Community
Provision	Play areas	Open spaces and leisure	Play Parks improvement fund (CIL)	Yes			500	500		Environment
KB1	SANGS/Open Spaces	Open spaces and leisure	Ridgetop Countryside Park (South West Exeter SANGS) (GG)	No V	1,337	1,367				Environment
Provision	EN.5	SANGS/Open Spaces	Open spaces and leisure	New Countryside Parks (CIL)	Yes	-	-		50	Environment
Provision	IN.1	Teignbridge	Planning & Development	Provision for Education (CIL)	Yes V	4,050	100	50	50	15,500 Infrastructure
KX5	Teignmouth Town Centre	Central support services/IT	George Street Car Park (S106; PB)	No V	460	188	282			Economy

Code / bid no.	Teignbridge Action Plan Priority	Asset/Service Area	Description	Provision? C/f?	ORIGINAL	LATEST	LATEST	LATEST	Council Strategy	
					BUDGET	BUDGET	BUDGET	BUDGET		
					2025-26	2025-26	2026-27	2027-28		
					£'000	£'000	£'000	£'000		
KR2	Teignmouth	Flood alleviation and environment	Beach Management Plan (GG)	No V		27			Community	
Provision	Teignbridge	Planning & Development	Highway Improvements and Travel Connections (CIL)	Yes			3,100		100 Infrastructure	
Provision IN.3	Teignbridge	Planning & Development	Community Match Fund (CIL)	Yes		200	200	200	200 Community	
Provision	Transport	Planning & Development	Transport Hubs and Public Transport (CIL)	Yes	750	-			Infrastructure	
KS6	Waste Management	Flood alleviation and environment	Provision for Bulking Station - replace telehandlers (CR)	No		45	45		Environment	
KS4 EN.3	Waste Management	Flood alleviation and environment	Provision for Waste Transfer Station Redevelopment (RS; PB; CIL)	No	2,500	1,000	4,033		Environment	
KS4	Waste Management	Flood alleviation and environment	Waste Transfer Station redevelopment feasibility (RS)	No V		16			Environment	
Provision	Waste Management	Flood alleviation and environment	Provision for replacement card baler (2029) (PB)	Yes		-			300 Environment	
Provision	Waste Management	Flood alleviation and environment	Provision for Simpler Recycling Statutory Requirements (RS; PB)	Yes	350	350	35	35	35 Environment	
KS5	Waste Management	Flood alleviation and environment	Replacement recycling banks (RS)	No	45	45	45		Environment	
Provision	Waste Management	Flood alleviation and environment	Replacement vehicles (PB)	Yes	290		240	650	Environment	
KS2	Waste Management	Flood alleviation and environment	Fleet Decarbonisation Infrastructure (PB, RS)	No V		46			Environment	
Provision EN.4	Waste Management	Flood alleviation and environment	Provision for improvements to waste management infrastructure (workshop, offices, storage, welfare) (PB)	Yes			700		Environment	
Provision	Waste Management	Flood alleviation and environment	Provision for waste fleet IC100 units (CR) 2028-29	Yes					40 Environment	
KS0	Waste Management	Flood alleviation and environment	Purchase of Wheeled Bins (CR;RS)	No	168	168	176	185	194 Environment	
					29,444	22,498	23,467	11,245	19,155	
<b>FUNDING GENERAL</b>										
			Capital Receipts Unapplied - Brought forward		(528)	(666)	(52)	(7)	(7)	
			Capital Receipts - Anticipated		-	-	-	-	-	
			Capital Receipts Unapplied - Carried forward		66	52	7	7	7	
			Revenue Contributions Reserve - Brought forward		124	(1,044)	(701)	(271)	(10)	
			Budgeted Revenue Contribution		(1,500)	(1,648)	(1,500)	(500)	(500)	
			Additional specific revenue contributions from departmental budgets and revenue grants.		(145)	(30)	(197)	(30)	(30)	
			Revenue contribution: movement in reserves							
			Revenue Contributions Reserve - revenue support/provisions.		42	216	-	-	-	
			Balance of Revenue Contributions Reserve - carried forward		30	701	271	10	200	
			Government & Agency Grants		(6,521)	(9,174)	(2,424)	-	-	
			S106		(842)	(977)	(180)	(163)	(341)	
			Other External Contributions		-	-	-	-	-	
			Community Infrastructure Levy		(8,451)	(500)	(8,618)	(2,300)	(16,750)	
			Prudential borrowing		(7,824)	(4,344)	(3,642)	(3,146)	(300)	
<b>HOUSING</b>										
			Capital Receipts Unapplied - Brought forward		(3,700)	(3,700)	(3,358)	(2,374)	(1,390)	
			Capital Receipts - Anticipated		(20)	(20)	(20)	(20)	(20)	
			Capital Receipts - Right to Buy		-	-	-	-	-	
			Revenue contributions							
			Better Care Funding and other government grants.		(3,800)	(2,888)	(3,336)	(2,750)	(1,400)	
			S106		(71)	-	(328)	(328)	-	
			Other External Contributions		-	-	-	-	-	
			Internal or Prudential Borrowing		-	(1,834)	(1,763)	(763)	-	
			Capital Receipts Unapplied - Carried forward		3,696	3,358	2,374	1,390	1,386	
<b>TOTAL FUNDING</b>					(29,444)	(22,498)	(23,467)	(11,245)	(19,155)	
<b>Programme Funding</b>										
			All Revenue contributions		(1,449)	(1,805)	(2,127)	(791)	(340)	
			Capital Receipts Section 106		(486)	(976)	(1,049)	(1,004)	(24)	
			Other External Contribution		(913)	(977)	(508)	(491)	(341)	
			Grant		(10,321)	(12,062)	(5,760)	(2,750)	(1,400)	
			Community Infrastructure Levy		(8,451)	(500)	(8,618)	(2,300)	(16,750)	
			Prudential borrowing		(7,824)	(6,178)	(5,405)	(3,909)	(300)	
			Total		(29,444)	(22,498)	(23,467)	(11,245)	(19,155)	
			Balance of capital receipts		(3,672)	(3,411)	(2,381)	(1,397)	(1,393)	

Code / bid no.	Teignbridge Action Plan Priority	Asset/Service Area			Description	Provision? C/f?	ORIGINAL	LATEST	LATEST	LATEST	LATEST	Council Strategy
							BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	
							2025-26 £'000	2025-26 £'000	2026-27 £'000	2027-28 £'000	2028-2029 £'000	2028-2029 £'000



Summary by Council Strategy priorities							
Community			2,234	3,066	2,079	200	200
Economy			5,660	7,718	1,532	2,000	-
Environment			8,528	3,679	6,651	1,870	1,420
Homes			4,125	5,286	7,049	4,875	1,454
Infrastructure			8,347	2,123	5,618	1,759	16,040
Responsible management			550	626	538	541	41
<b>Totals</b>			<b>29,444</b>	<b>22,498</b>	<b>23,467</b>	<b>11,245</b>	<b>19,155</b>



## 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.

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## **Teignbridge District Council**

### **Financial Plan**

**2026 to 2031**

## 1. About this Plan

Our Financial Plan looks at the position of the revenue budget and considers the General Fund <sup>1</sup> position in terms of general reserves and earmarked reserves and the Capital Programme, <sup>2</sup> 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, 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 12)**

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 three-year settlement for 2026/27, with the funding reset proposals having been confirmed by Government. Any plan built over a period greater than 5 years becomes more unpredictable, as assumptions about future financial indicators lengthen. The MTFP has been written from the perspective of the council continuing to exist in its current form. This will be the base until a decision is made as regards Local Government Reorganisation.

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 was then 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 potential borrowing costs for capital schemes. Profiling debt can smooth out some of these short-term changes 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. Huge progress has been achieved in recent years in delivering savings and reducing the budget gap down to the more manageable level presented currently. Further work is needed to reduce the gap down to zero in time for the new unitary's anticipated vesting.

The Council has facilitated and encouraged business and housing growth in the district to deliver its ambitions. Historically, this approach enabled the Council to benefit from additional government funding through the New Homes Bonus and extra Business Rate income, placing it in a stronger financial position than many other councils and supporting significant investment in non-statutory services for the district. Although the New Homes Bonus has now been discontinued and, from 2026/27, historical growth will be removed from the business rates system through a baseline reset, the Council remains committed to its ambitions, including building its own housing to progress towards affordable housing targets.

## 5. Medium Term Financial Plan

The base for the MTFP is the 2025/26 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.

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 10 and shows the current year 2025/26 for comparison and forms the basis from which future assessments have been made. The 2025/26 position is the set budget from February 2025 and then the latest position for 2025/26, 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:

- Additional temporary resources to deliver significant projects, service reviews, business/systems improvements etc and for the Modern 25 work.
- The 2026/27 budget for staff salaries includes an assumed 3% increase. The final offer will be determined at a later date.
- Each of the 3 owners of Strata require 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, 25th February, 2025, 10.00 am - Teignbridge District Council](https://democracy.teignbridge.gov.uk/ieListDocuments.aspx?CId=165&Mid=3223&Ver=4)

<https://democracy.teignbridge.gov.uk/ieListDocuments.aspx?CId=165&Mid=3088&Ver=4> 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 2025/26 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 has now provided a funding reset settlement for 2026/27 which is for 3 years.

The MTFP now shows the key elements of this revised funding settlement including the loss of the separate allocation of new homes bonus, elimination of pooling gains and growth retention in business rates and employers' national insurance grant etc.

The Local Government Finance Settlement is announced normally late November/early December and for 2026/27 was announced on 17 December 2025 which makes planning extremely difficult as councils initial budget processes are finalised at that point. The finance policy statement published on 20 November 2025 only outlined some of the key principles for 2026/27.

## 7. Business Rate income

The income projected for 2026/27 is based on the new funding formula within the settlement, with modest growth assumed in future years.

The resetting of the business rates baseline in 2026/27 has stripped out accumulated growth from previous years, consequentially, pooling arrangements with the other Devon Authorities are no longer beneficial.

To manage fluctuations in collection rates and Business Rate assessments, the Council maintains a bad debt provision and a business rates funding Reserve. This reserve helps offset changes in business rates and supports existing revenue budget gaps, enabling the Council to continue meeting service costs in the short to medium term.

## **8. Council Tax**

Since 2023/24 the government has determined that district councils can increase their council tax by £5 per year or 2.99% (2% pre 2023/24), whichever is the greatest, increases above this amount require a local referendum.

Government assumes that the Council will increase its Council tax by the maximum allowable when setting its allocation of other funding streams. These increases are built into the model for future years (£6.05 for 2026/27)

## **9. New Homes Bonus (NHB)**

New Homes Bonus has been discontinued for 2026/27 and the nationally, this funding has been re-distributed within the Revenue Support Grant, using new funding formulas.

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). For 2025/26 the council received £0.35 million.

## **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	2025-26 Forecast	2025-26 Latest	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast
<b>EXPENDITURE</b>					
1 Employees	27,490,880	28,647,510	28,331,970	29,093,770	29,951,010
2 Property	5,693,430	5,875,590	6,139,050	6,002,330	6,133,090
3 Services & supplies	7,440,950	10,119,990	8,076,650	8,293,460	8,225,190
4 Grant payments	19,431,570	20,268,530	18,411,080	17,411,080	16,411,080
5 Transport	966,430	794,820	835,800	854,450	874,030
6 Leasing & capital charges	2,706,420	2,768,830	2,891,560	2,977,230	3,007,890
7 Contributions to capital	1,500,000	1,647,510	1,500,000	500,000	500,000
<b>8 Total expenditure</b>	<b>65,229,680</b>	<b>70,122,780</b>	<b>66,186,110</b>	<b>65,132,320</b>	<b>65,102,290</b>
<b>INCOME</b>					
9 Sales	-1,032,830	-812,290	-616,210	-819,140	-851,910
10 Fees & charges	-12,924,520	-13,452,050	-13,639,020	-14,464,580	-15,043,160
11 Grants - income	-21,319,570	-23,544,650	-21,319,690	-20,319,690	-19,319,690
12 Property income	-4,016,200	-4,156,100	-4,132,950	-4,321,940	-4,498,600
13 Other income & recharges	-4,700,740	-6,289,940	-4,371,840	-4,418,090	-4,423,280
14 Transfer from (-) / to earmarked reserves	-1,484,070	-2,524,430	-1,125,810	-951,480	-1,198,080
<b>15 Total income</b>	<b>-45,477,930</b>	<b>-50,779,460</b>	<b>-45,205,520</b>	<b>-45,294,920</b>	<b>-45,334,720</b>
<b>16 Total net service cost</b>	<b>19,751,750</b>	<b>19,343,320</b>	<b>20,980,590</b>	<b>19,837,400</b>	<b>19,767,570</b>
<b>Funding</b>					
17 Council tax	-10,429,960	-10,429,960	-10,969,200	-11,410,150	-11,868,830
18 Council tax surplus(-) / deficit	-381,900	-381,900	-507,300	0	0
19 Revenue support grant	-288,010	-288,010	-6,166,750	-4,998,290	-3,784,710
20 Rates baseline funding	-3,664,280	-3,664,280	-3,307,570	-3,383,440	-3,451,690
21 Estimated rates retention and pooling gain	-3,413,720	-3,104,830	-29,770	-30,450	-31,070
22 New homes bonus	-351,710	-351,710	0	0	0
23 Damping/returned surplus/cap	0	0	0	-15,070	-631,270
24 Other grants	-1,222,170	-1,222,170	0	0	0
25 Budget gap (-) to be found	0	0	0	0	0
<b>26 Total funding</b>	<b>-19,751,750</b>	<b>-19,442,860</b>	<b>-20,980,590</b>	<b>-19,837,400</b>	<b>-19,767,570</b>
<b>27 -Surplus/shortfall</b>	<b>0</b>	<b>-99,540</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>28 General reserves at end of year</b>	<b>2,500,140</b>	<b>2,600,000</b>	<b>2,600,000</b>	<b>2,600,000</b>	<b>2,600,000</b>
<b>29 General reserves as % of net revenue budget</b>	<b>12.7%</b>	<b>13.4%</b>	<b>12.4%</b>	<b>13.1%</b>	<b>13.2%</b>

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	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	2034/35 £000
Budget Shortfall/(Surplus)	1,435	1,126	951	1,198	1,623	1,398	Not costed	Not costed	Not costed	Not costed

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 2026/27, 2027/28 and 2028/29 needs to be addressed working with SLT, SMT, senior officers and Members. 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 gaps estimated in future years materialise, then efficiencies and income generation are not going to drive all the level of savings and we will need to look at 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 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 continue to be depleted leaving insufficient funds to address future significant variations in funding or budget pressures elsewhere including the capital programme. Early identification of savings and their introduction would allow unspent earmarked funding reserves to potentially be reallocated.

**Key areas of budget proposals to be agreed are as follows and can continue to be monitored and developed where appropriate 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 and Modern 25
- 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. Impacts from the outcomes of devolution
- r. Minimum level of general reserves – currently suggested to increase to £2.6 million
- 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	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/32 £000
<b>Community</b>	3,066	2,079	200	200	-
<b>Economy</b>	7,718	1,532	2,000	-	-
<b>Environment</b>	3,679	6,651	1,870	1,420	2,705
<b>Homes</b>	5,286	7,049	4,875	1,454	4,362
<b>Infrastructure</b>	2,123	5,618	1,759	16,040	220
<b>Responsible management</b>	626	538	541	41	123
<b>Total Capital Expenditure</b>	<b>22,498</b>	<b>23,467</b>	<b>11,245</b>	<b>19,155</b>	<b>7,410</b>
<b>Borrowing</b>	(6,178)	(5,405)	(3,909)	(300)	-
<b>Capital Receipts</b>	(976)	(1,049)	(1,004)	(24)	(72)
<b>Revenue contributions (includes specific sums)</b>	(1,805)	(2,127)	(791)	(340)	(918)
<b>Grants / external contributions</b>	(12,062)	(5,760)	(2,750)	(1,400)	(4,200)
<b>CIL</b>	(500)	(8,618)	(2,300)	(16,750)	(2,100)
<b>S.106</b>	(977)	(508)	(491)	(341)	(120)
<b>Total Funding</b>	<b>(22,498)</b>	<b>(23,467)</b>	<b>(11,245)</b>	<b>(19,155)</b>	<b>(7,410)</b>

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 £15.8 million of borrowing between 2025/26 and 2029/32 in addition to the current underlying need to borrow of £35.4 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 2025 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 at £1,500,000 per annum for 2025/26 and 2026/27 will assist in supporting the capital programme and for any spends without a sufficient supporting business case (the contributions then drop to £500,000). Revenue contributions are all committed until 2028/29.

## **The Way Forward – Capital programme**

- There is a clear necessity for the Projects Assurance 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 Projects Assurance Board.

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

#### **13. Aim of the FVP**

This part of the Finance Plan considers how the Council will balance 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

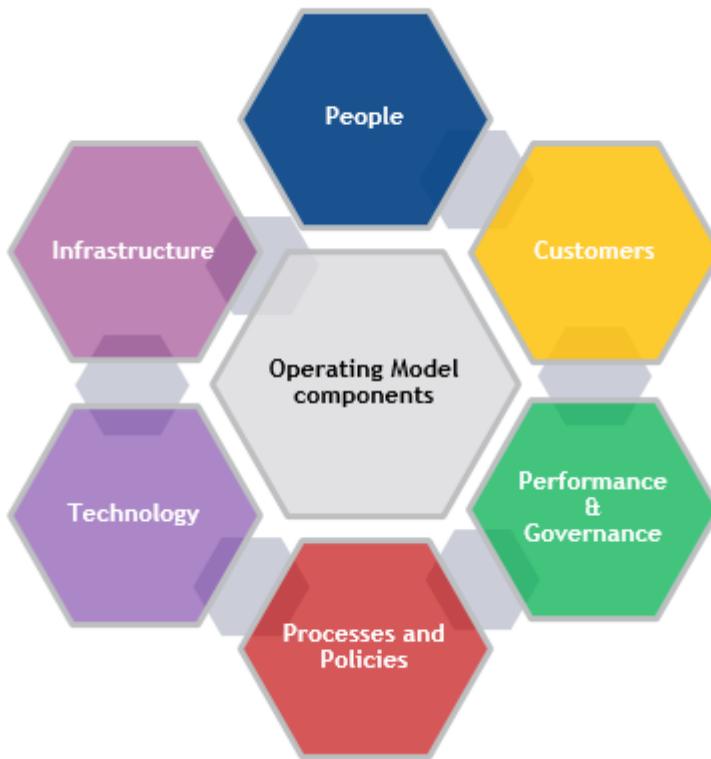
#### **14. Modern 25 Programme**

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 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 – Gordon Bryant**

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 has been 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 has also undertaken 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 Hobson**

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 – Gordon Bryant/Gwydion Batten**

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 where possible for 2026/27 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.

Investment opportunities from our treasury management policies will be explored and any potential changes brought back to Members for consideration.

## 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 2026/27.

Factor	MTFP Predicted Inflation Costs £'000	Worse by 1% £'000	Worse by 2% £'000
Pay, N.I & Pension	774	258	516

- **Investment Returns**

The approach adopted, of budgeting for investment income remains prudent. Investment return predictions have been factored in with higher income in 2025/26 but reducing in future years.

- **Council Tax Income**

**Since 2023/24, the Government has allowed district councils an annual council tax increase of the greater of £5 or 2.99% (previously 2%). For Teignbridge, this is 2.99%. The Medium-Term Financial Plan (MTFP) assumes council tax will rise each year by the maximum permitted amount, £6.05 for 2026/27**

### Financial impact of changes in council tax levels (2026/27).

Level of council Tax increase	Predicted council tax income £'000	Loss of income in MTFP 2026/27 £'000
Council tax yield at £5 (2.47%) increase	(10,914)	55
Yield at 2.0%	(10,864)	105
Yield at 1.0%	(10,757)	212
Yield at 0.0%	(10,650)	319

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**

This has now been lost as a separate source of core funding income and diluted into core funding.

- **Business Rate Income**

The risks associated with Business Rate income, including the confirmed rebasing, have been outlined above. Future growth remains uncertain, and pooling is no longer beneficial.

If income falls due to lower assessments or reduced collection, the shortfall will be covered by the earmarked Funding Reserve. This reserve is also intended to mitigate the impact of rebasing by Government, which is intended to take place every 3 years going forwards.

#### Revenue Budget Summary

#### Appendix A

Revenue Budget	2025-26	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	Forecast	Latest	Forecast	Forecast	Forecast	Forecast	Forecast
<i>EXPENDITURE</i>							
1 Employees	27,490,880	28,647,510	28,331,970	29,093,770	29,951,010	30,852,550	31,779,930
2 Property	5,693,430	5,875,590	6,139,050	6,002,330	6,133,090	6,267,770	6,406,500
3 Services & supplies	7,440,950	10,119,990	8,076,650	8,293,460	8,225,190	8,329,970	8,437,900
4 Grant payments	19,431,570	20,268,530	18,411,080	17,411,080	16,411,080	15,411,080	14,411,080
5 Transport	966,430	794,820	835,800	854,450	874,030	894,200	914,970
6 Leasing & capital charges	2,706,420	2,768,830	2,891,560	2,977,230	3,007,890	3,038,550	3,069,210
7 Contributions to capital	1,500,000	1,647,510	1,500,000	500,000	500,000	500,000	500,000
8 Total expenditure	65,229,680	70,122,780	66,186,110	65,132,320	65,102,290	65,294,120	65,519,590
<i>INCOME</i>							
9 Sales	-1,032,830	-812,290	-616,210	-819,140	-851,910	-885,990	-921,430
10 Fees & charges	-12,924,520	-13,452,050	-13,639,020	-14,464,580	-15,043,160	-15,644,890	-16,270,690
11 Grants - income	-21,319,570	-23,544,650	-21,319,690	-20,319,690	-19,319,690	-18,319,690	-17,319,690
12 Property income	-4,016,200	-4,156,100	-4,132,950	-4,321,940	-4,498,600	-4,633,560	-4,772,570
13 Other income & recharges	-4,700,740	-6,289,940	-4,371,840	-4,418,090	-4,423,280	-4,428,630	-4,434,140
14 Transfer from (-) / to earmarked reserves	-1,484,070	-2,524,430	-1,125,810	-951,480	-1,198,080	-1,622,600	-1,397,770
15 Total income	-45,477,930	-50,779,460	-45,205,520	-45,294,920	-45,334,720	-45,535,360	-45,116,290
16 Total net service cost	19,751,750	19,343,320	20,980,590	19,837,400	19,767,570	19,758,760	20,403,300
<i>Funding</i>							
17 Council tax	-10,429,960	-10,429,960	-10,969,200	-11,410,150	-11,868,830	-12,345,950	-12,842,240
18 Council tax surplus(-) / deficit	-381,900	-381,900	-507,300	0	0	0	0
19 Revenue support grant	-288,010	-288,010	-6,166,750	-4,998,290	-3,784,710	-3,860,400	-3,937,610
20 Rates baseline funding	-3,664,280	-3,664,280	-3,307,570	-3,383,440	-3,451,690	-3,520,720	-3,591,130
21 Estimated rates retention and pooling gain	-3,413,720	-3,104,830	-29,770	-30,450	-31,070	-31,690	-32,320
22 New homes bonus	-351,710	-351,710	0	0	0	0	0
23 Damping/returned surplus/cap	0	0	0	-15,070	-631,270	0	0
24 Other grants	-1,222,170	-1,222,170	0	0	0	0	0
25 Budget gap (-) to be found	0	0	0	0	0	0	0
26 Total funding	-19,751,750	-19,442,860	-20,980,590	-19,837,400	-19,767,570	-19,758,760	-20,403,300
27 -Surplus/shortfall	0	-99,540	0	0	0	0	0
28 General reserves at end of year	2,500,140	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
29 General reserves as % of net revenue budget	12.7%	13.4%	12.4%	13.1%	13.2%	13.2%	12.7%

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**Teignbridge District Council**

**Executive**

10 February 2026

Part i

**Teignmouth Lido**

**Purpose of Report**

To provide an update on the options appraisal of the Teignmouth Lido to determine whether it is possible to improve its financial viability, to review alternative uses and seek approval to dispose of the freehold interest.

**Recommendation(s)**

The Committee RESOLVES to:

- (1) Not open the Teignmouth Lido site in 2026 and deliver a budget saving of £74k.
- (2) Declare the Teignmouth Lido asset surplus to Council requirements and dispose of the freehold interest, as described in the title plan at Appendix C, on the open market, without setting restrictions as to future use.

**Financial Implications**

Not opening the Lido site in 2026/27 will save £74k on the existing revenue budget. If the asset is transferred to another entity, then the equivalent saving will be available in perpetuity to help meet the revenue budget gap.

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**Legal Implications**

Comments are added to section 3.2 of this report

Title of person giving advice: Acting Legal Services Team Leader  
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**Risk Assessment**

There is no risk associated with this report for consideration.

Title of person giving advice: Head of Leisure  
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**Environmental / Climate Change Implications**

Comments are added to section 3.4 of this report.

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Cllr John Nutley  
Executive Member for Leisure, Recreation, Resorts and Tourism.

Cllr David Palethorpe  
Deputy Leader & Executive Member for Economy, Estates and Major Projects.

### **Appendices / Background Papers**

#### **Part ii**

APPENDIX A – Final Valuation Report – Teignmouth Lido November 2025 (STC)  
APPENDIX B – Final Teignmouth Lido – Redevelopment & Disposal Options  
APPENDIX C – Disposal Plan (Title DN519930)  
APPENDIX D – ACV Disposal process note – Teignmouth Lido  
APPENDIX E – House of Commons Research Briefing - Asset of Community Value

## 1. Introduction

The Modern 25 programme provided the Council an opportunity to identify budget savings to meet its financial challenges. The review has considered the best use of the Council's assets, and the Lido has been identified as part of that process. The restructuring of services areas to deliver the targeted savings was also a key consideration.

## 2. Background information

The Teignmouth Lido is a seasonal site, opening for the May half-term, before partial opening hours through June and July, opening full time for the school summer holiday period. Recruitment has always been challenging for the site, but the increased recruitment and staffing costs are significant. The cost of utilities and chemicals have also added pressures to the operating costs. The participation levels at the Lido have been constrained due to household spend challenges and the costs of activities, being situated next to a beach and being weather dependent for opening. Attendances to the Lido were 8224 (2023 / 2024 season) and 9267 (2024 / 2025 season). For context, to address the £74k operating shortfall, we would need to achieve an additional income from 9487 paid adult swim sessions.

Following on from the management team restructuring, the service area staffing teams were then reviewed, with a requirement for budgetary saving targets to be achieved. The recent leisure service restructure has consequently proposed to stop running the Teignmouth Lido to meet the required staffing savings and to present an operational budget saving to the Council.

Furthermore, it was previously agreed at [Full Council](#) to carry out an options appraisal for the Lido site in Teignmouth to determine whether it is possible to improve its financial viability and to look at alternative uses.

As part of the Existing Use Valuation Report (Appendix A) analysis has been provided by the external independent consultant as to the potential break-even position of the Lido. Pages 35-36 of the report outline three key areas that will need addressing for this to occur, these are 1) Significant increase in revenue – via both

increase in average visitor numbers and an increase in entry fees charged, forecasted amounts would be beyond the realms of possibility/practicality. 2) Significant capital investment – if higher entrance fees were to be charged a better-quality offering would need to be provided, it isn't clear where any capital investment would be obtained. 3) Significant reduction in wage and operating costs – this is unlikely to be achievable as these costs are somewhat fixed to ensure adequate running of the site and the safety of its customers.

### **3. Implications, Risk Management and Climate Change Impact**

#### **3.1 Financial**

By not opening for the 2026 season, a budget saving of £74k is forecasted.

#### **3.2 Legal**

- (1) No legal implications for not opening the site.
- (2) In respect of disposal of the Lido, as it is listed as an Asset of Community Value (ACV) (refer to Appendix E), the Localism Act (2011) sets out a process to follow should the Council as landowner wish to dispose of the land. It is for the Council to determine, the criteria for disposal and the process as detailed in Appendix D.

#### **3.3 Risks**

There are no risks associated by not operating the site for the 2026 season. The site will continue to be monitored until a decision on its future use has been determined.

#### **3.4 Environmental/Climate Change Impact**

The Lido consumed approximately 65,000kWh of grid electricity between December 2024 and November 2025, which is typical of the site's annual energy use. This is the equivalent electricity use of approximately 24 homes and will produce approximately 11.3 tonnes CO<sub>2</sub> in direct Scope 2 emissions, plus an additional 1.2 tonnes CO<sub>2</sub> in avoided Scope 3 transmission and distribution losses. When considering the site in isolation, these emissions could be presented as a saving to the council if all mechanical and electrical systems are fully decommissioned.

As an outdoor pool, the site consumes relatively high quantities of pool chemicals to achieve suitable water quality standards. Whilst the environmental impact of pool chemicals is not fully understood, a reduction in

their use will likely result in an appreciable reduction in carbon emissions associated with their manufacture and distribution to site.

The systems installed as part of the heating system upgrade between 2021 and 2023 including heat pump units and solar canopies, are still operating well within their design life. Permanent closure of the Lido would result in inefficient use of embodied carbon associated with the manufacture and installation of these appliances unless new applications can be found for their use elsewhere within the district.

Whilst embodied carbon and operational energy use associated with future site uses is the least understood, they will be significant relative to current uses and will ultimately depend upon what is built and how it is built. As an example, new dwellings will typically produce embodied carbon emissions of between 300 and 500kgCO<sub>2</sub> per square meter of floor space. At the time of writing, development will be subject to Policies GP1 and CC2 of the new Local Plan 2020 2040. Dwellings will need to comply with net zero energy standards, whilst commercial buildings will need to comply with the BREEAM Excellent standard.

Beyond the site boundary, it can be expected that transport emissions may increase where customers (particularly those in Teignmouth and surrounding villages) may need to travel further afield to alternative swimming facilities including other lidos and leisure centres.

#### **4. Alternative swimming venues**

4.1 TDC owned swimming pools remain available to the public at the Dawlish Leisure Centre and the Newton Abbot leisure centre.

#### **5. Alternative Options**

5.1 Should the decision be made for the Council to discontinue running the Lido and the asset be declared surplus to operational requirements, the Estates team would step in to implement an appropriate plan.

5.2 To assist decision making an Options Appraisal has been undertaken by an independent property consultancy attached within Part ii documentation at Appendix B - Redevelopment & Disposal Options.

Identified options comprise:

1. Close and hold the property vacant “mothball”

- i. Holding costs would still remain as would management and security / health and safety obligations and in order to defer a decision into the future.
- ii. The building and its Plant, Mechanical and Electrical (M&E) equipment would be at risk of degradation.
- iii. From a social/reputational perspective; simply allowing the property to sit vacant with no determined plan would likely reflect poorly on the Council.

2. Lease the site to a third party to operate as a Lido.

- i. Leasing of the site to an appropriate operator would be challenging as set out both Appendix A, and B. There would likely be a thin market (not many tenants / low demand)
- ii. Given the cost impact on the financial viability of the operation it is unlikely to generate a profit sufficient to pay the business owners, pay rent or produce any surplus to contribute to a sinking fund for future repair and maintenance of the facility.
- iii. Given the financial pressures for a tenant operator there is the risk to the Council that the tenant fails due to unprofitability or when the first major property expenditure becomes due. Subsequently the facility reverts to the Council with any wants of repair / costs / liabilities of a failed facility.

3. Freehold transfer to appropriate organisation/Community Group.

- i. The Lido is an Asset of Community Value (ACV) under the Localism Act 2011. As such the disposal process will need to comply with the provisions of the Act.
- ii. The ACV status does not enable a community organisation to acquire the asset for less than best value and whilst a relevant organisation could enact a moratorium period, during which a bid could be worked up, it is considered unlikely that sufficient funds could be raised to purchase the asset. This element is, however, outside the control of the Council.
- iii. Undertaking a direct transfer for nominal value is not recommended due to foregoing a capital receipt.
- iv. Restrictions would be placed on the land to limit the use as a Lido, and / or overage to claim back any profit from an on-sale or planning uplift.

4. Sell the site seeking offers conditional on planning permission – potentially one of the options outlined in Appendix B.

- i. Several potential alternative uses have been identified in Appendix B. This would require interested parties to commit to significant time and cost to work up proposals, particularly planning permission which may ultimately not be granted.
- ii. A subject to planning transaction should attract a higher price than an unconditional sale due to the reduced risk to the purchaser.
- iii. Given the timescales involved and planning risk this option is not recommended unless there is no market for unconditional purchases (as set out below).

5. Sell the site unrestricted with no planning permission on the open market.
  - i. This option would not require the extensive cost and time required as with option 4 prior to completing the sale and receiving a capital receipt. However, the resultant price is usually less as the purchaser is taking on more speculative risk. The level of risk and discount will be determined by the purchaser's intention for the asset.
  - ii. Due to the ACV designation this could be postponed whilst relevant process/requirements are met, the Council could continue to work in the background however, to ensure prompt release onto the open market.
6. A Planning Position Statement (PPS) could be produced as part of the sales process under options 5 and 6 to give interested parties more comfort as to what might be achievable on the site.

5.3 Assets have also ensured that a review of the Lidos title, as illustrated within Appendix C, has been completed. Several conveyances with restrictions have been highlighted however, if it is the Council's decision to follow the outlined recommendation, Assets will look to commence a tidying up exercise to ensure that no restrictions would frustrate future sales/development. It is the opinion of the Assets department that given the types and ultimate beneficiaries of any restrictions these can be dealt with/extinguished accordingly.

#### 5.4 Recommendation

5.4.1 It is recommended that the Council sells the asset, as described on the site plan at Appendix C, on the open market.

5.4.2 This should be to seek best consideration, without restrictions as to use.

5.4.3 The basis of sale would be agreed with the selling agent instructed, potentially seeking bids on either a conditional (subject to planning) basis or an unconditional basis.

### 6. Conclusion

It is recommended to the Executive Committee that:

- 6.1 The Council ceases to operate the Lido facility with immediate effect and will therefore not open for the 2026 season.
- 6.2 The asset, as described in the site plan at Appendix C, is disposed of on the open market, without setting restrictions as to future use subject to the disposal delivering an outcome that accords with the community benefit principles in the Localism Act 2011.

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**Research Briefing**

By Mark Sandford

10 March 2022

# Assets of community value



## Summary

- 1 How the community right to bid works
- 2 The right to bid: constituency issues
- 3 Scotland and Wales
- 4 Community land and assets: other options

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## Summary

This briefing paper provides information about the process of nominating ‘assets of community value’, found in the [Localism Act 2011](#). Assets of community value can be nominated by parish councils or by groups with a connection with the community. If the nomination is accepted, local groups will be given time to come up with a bid for the asset if and when it is sold. These provisions are also known as the ‘community right to bid’.

The right to bid only applies when an asset’s owner decides to dispose of it. There is no compulsion on the owner to sell it, and when they sell the property they may sell to whomever they choose.

The briefing also addresses other community powers regarding land and property, including the community right to reclaim land, community asset transfer, the Right to Contest and the proposed Right to Regenerate, requests for Compulsory Purchase Orders, and the Government’s One Public Estate programme.

The Community Right to Bid exists in England only. This briefing paper also provides some details of the community right to buy in Scotland, and the process of community asset transfer in Wales.

# How the community right to bid works

Part 5 Chapter 3 of the [Localism Act 2011](#) requires district and unitary councils to maintain a list of assets of community value, which can be either land or buildings, nominated by local community groups or parish councils. When listed assets come up for sale or change of ownership, the Act then gives local community groups the time to develop a bid and raise the money to bid to buy the asset when it comes on the open market. These provisions are also known as the community right to bid. The Government said that the aim of the measure is as follows:

...to give many more communities the opportunity to take control of assets and facilities in their neighbourhoods by levelling the playing field [and] by providing the time for them to prepare a proposal.<sup>1</sup>

The provisions extend to England and Wales, but the Welsh Government has not commenced the Act with regard to Wales, thus it applies only in England.

## 1.1

### Nomination

The first element of the community right to bid is nominating a community asset. Parish councils and community organisations may nominate land or buildings to their district or unitary council, to be included in its list of community assets. Nominations may not be made by individuals,<sup>2</sup> or by county, district or unitary local authorities themselves. A more detailed definition of bodies that have a local connection (and which therefore may propose assets for listing) can be found in the [Assets of Community Value \(England\) Regulations 2012](#).

Regulation 6 of the 2012 regulations sets out the content of a community nomination, which must include a description of the nominated land and its boundaries, as well as the names of the occupants of the land and those holding a freehold or leasehold estate in the land. The reasons why the land is considered to be of community value must also be included.

Following receipt of a nomination of land or buildings, the local authority then has eight weeks to make a judgement on whether the land should be listed. If it decides that the nomination meets the criteria, the local authority must enter it on its list of assets of community value. Properties remain on the list for five years, unless they are sold following a moratorium period being

<sup>1</sup> DCLG, [Assets of Community Value – Policy Statement](#), 2011

<sup>2</sup> See DCLG, [Community right to bid: non-statutory advice note](#), October 2012, p.10

triggered.<sup>3</sup> A list of unsuccessful nominations must also be maintained; it is up to the local authority how this is published.

The asset must be a building or land, as defined in section 88 of the 2011 Act. The contents of a building, or related services or business assets, are not covered by the Act.

Residential property is excluded from listing, except where an asset that could otherwise be listed contains integral residential quarters, such as a pub or caretaker's flat. Further classes of property are excluded by Schedule 1 of the [Assets of Community Value \(England\) Regulations 2012](#). These include temporarily unoccupied residences, holiday lets and caravan sites. Land and buildings used for statutory undertakings (e.g. working electricity substations) are also exempt.

Once listed, the local authority must inform the owner of the property and other interested parties that it has been listed, enter the listing on the local land charges register and, in the case of registered land, apply for a restriction on the land register. Provisions exist for appeals against the local authority's decision, and for compensation to be paid if the owner applies and the local authority accepts that listing has had a detrimental effect on the value of the property.

## 1.2

## Bids to purchase community assets

The second element of the community right to bid is the submission of a bid. The provisions for a community group to prepare a bid only apply when the asset is being put up for sale. The act of listing the asset does not compel the owner of the listed asset to sell it, nor does it create any restriction on what the owner can do with the property while they own it.

A moratorium will be applied when a listed asset is put up for sale. There is an initial six-week interim period, during which a community group may express interest in bidding. If one does, a six-month moratorium begins from the point at which the asset is put up for sale, i.e. including the six-week interim period, to allow a community interest group to put a bid together. After a moratorium period has ended, another moratorium period cannot begin for a further 12 months.

There is no community right to buy the asset, just to bid. This means that the local community bid may not be the successful one. The owner can, at the end of the moratorium, sell to whomever they choose for whatever price they choose. There is no requirement that a property owner must co-operate with a community bid, for instance by providing additional information about or

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<sup>3</sup> [Localism Act 2011](#) section 87 (3); [Assets of Community Value \(England\) Regulations 2012](#), regulation 2 (b). A property will be removed from the list after it is sold, whether that sale is to a community group or another body.

access to the property. The owner is also at liberty to negotiate a sale with a preferred buyer during the moratorium period: but the sale cannot be concluded during that period.

A community bid does not have to come from the same organisation that initially applied to list the asset. Equally, there is nothing in the legislation to prevent two or more community bids for the same asset.

The local authority can pay compensation to the owner of land if they have incurred loss or expense in relation to the land which would not have been the case if it had not been listed.<sup>4</sup>

If an owner disposes land on the assets list in contravention to the requirements of the scheme, the Act provides that the land transaction is invalid in law.

## 1.3

## Funding for bids

In March 2021 the Government announced a £150 million Community Ownership Fund. This will cover the whole of the UK, and run for four years (2021-2025), with at least eight bidding rounds. It will make funding available to local groups of up to £250,000 to buy or renovate community assets, and up to £1 million for sports-related assets. The Fund will be available to community and voluntary organisations, but not to parish and town councils.

The deadline for the first round was 13 August 2021, and details of successful bids [were published in October 2021](#). The second round was expected to open in December 2021. However, the first round was reopened until 28 February 2022 for unsuccessful first-round bidders only.<sup>5</sup> The second round is expected to open in spring 2022, with an updated prospectus.<sup>6</sup>

Criteria for a successful application to the Fund include the following:

All applicants must demonstrate the potential of their projects to deliver against all of the following outcomes:

- protect a community asset or amenity that is at risk and preserve its community value
- develop a sustainable operating model to secure the long-term future of the community asset in community ownership
- safeguard the use of community assets and associated local amenities

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<sup>4</sup> [Assets of Community Value \(England\) Regulations 2012](#), regulation 14

<sup>5</sup> DLUHC, [Community Ownership Fund: explanatory note on the assessment and decision-making process](#), 23 Dec 2021

<sup>6</sup> DLUHC, [Community Ownership Fund: application form](#), 14 Dec 2021

All applicants must also show how their project will help deliver one or more of the following outcomes for their place:

- increase feelings of pride and improve perceptions of the local area as a place to live
- improve social trust, cohesion and sense of belonging
- increase local participation in community life, arts and culture and/or sport
- create additional local economic outcomes – including creating jobs, volunteering opportunities and improving employability and skills levels in the local community
- create additional social and wellbeing outcomes – including delivering positive impact in physical and/or mental health and reducing loneliness and social isolation

We will invest in community ownership projects where these assets and amenities make the biggest difference to the local place.<sup>7</sup>

Applicants may apply to the Fund for a maximum of 50% of the capital funding that they seek for a project. They may also apply for revenue funding, which may comprise up to 20% of their total funding bid (to a maximum of £50,000). Applicants are not required to seek match funding for the revenue funding element of a bid. Proposals to fund new-build projects, housing, and general community activities are not eligible for funding. Local authority-owned assets are within scope only where they are used for discretionary activities, no longer in use, or scheduled for disposal: and applications to the Fund must cover refurbishment, not the purchase of such properties.

Bids will need to demonstrate that the community asset has been used in the ‘recent past’, reflecting the provisions of the Community Right to Bid:

The asset will be used and accessed by the community or have had a community use in the recent past, which applicants will need to evidence in their application. We may fund applications relating to assets that are currently derelict, however there will need to be evidence that the asset had a community use within the last 5 years.<sup>8</sup>

## Other funding sources

Prior to the Community Ownership Fund, there was no dedicated source of funding for communities seeking to buy assets. When the right to bid was established, a small funding programme existed to enable local groups to prepare a bid, but not to fund a purchase.<sup>9</sup>

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<sup>7</sup> DLUHC, [Community Ownership Fund: prospectus](#), 14 Dec 2021

<sup>8</sup> Ibid.

<sup>9</sup> See MHCLG, [More than £30 million for communities taking over valued services and assets](#), 6 Jul 2012, announcing a £19 million Community Ownership of Assets programme.

The think-tank Localis had recommended that a more robust source of funding for community bids should be made available, in its 2020 report [Local delivery: protecting social infrastructure](#). It said:

...communities are at a disadvantage when coming up against private actors with capacity to carry out feasibility assessments and ready access to finance. Moving forward, communities must be enabled by government finance to compete on an even footing to preserve assets of value to both local society and public health.<sup>10</sup>

Similarly, Locality's 2016 report [Places and Spaces](#) proposed a £1 billion Community Asset Investment Plan, to enable local groups to take control of community assets. It proposed that half of this sum be obtained from dormant bank accounts and other financial assets.

Local organisations are free to apply to appropriate grant funders for such uses, or to arrange alternative forms of financing. A list of possible funding schemes can be found [on the Locality website](#), and another on the [My Community website](#).

## 1.4

## Reviews of community rights

The Communities and Local Government Committee published a report, [Community rights](#), on 5 February 2015. It recommended a number of adjustments to the right to bid, including:

- Extending the moratorium period from six months to nine: this was a particular concern in disadvantaged areas, which are perceived to be making less use of community rights than other communities;
- Allowing the moratorium period to end if the community bidder withdrew from the process;
- A right of appeal for nominators, under certain circumstances, when the local authority refuses to list an asset, including a right of appeal to an independent tribunal;
- A greater focus on what communities wish to achieve, instead of the legal processes associated with the various community rights;
- Requiring local authorities to maintain a “basic level of data” on the “take-up of all community rights”.<sup>11</sup>

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<sup>10</sup> Grace Newcombe, [Local delivery: protecting social infrastructure](#), Localis, 2020, p19

<sup>11</sup> Ibid., p. 38

The Government did not accept any of these recommendations in its response.<sup>12</sup> The Conservative Party's 2015 manifesto then made reference to the moratorium period:

We will extend the length of time communities have to purchase these assets, and require owners to set a clear 'reserve' price for the community to aim for when bidding. We will set up a Pub Loan Fund to enable community groups to obtain small loans to pay for feasibility work, lawyers' fees, or materials for refurbishment, where they have bid to run the pub as part of our reforms to the Community Asset Register.<sup>13</sup>

No change has been made to the moratorium period. The Pub Loan Fund was established in September 2015.<sup>14</sup>

DCLG stated in January 2015 that it planned to carry out a full review of community rights during that year.<sup>15</sup> No review document has been published, and a further answer to a Parliamentary Question, on 6 November 2017, suggested that none would be forthcoming.<sup>16</sup> A further question answered on 12 February 2020 stated:

**Bim Afolami:** To ask the Secretary of State for Housing, Communities and Local Government, what assessment he has made of the effectiveness of regulations used by local authorities in relation to changing the classification of assets of community value.

**Jake Berry:** The Government has committed to improving the assets of community value scheme which was introduced through the Localism Act 2011. As part of this, we will assess the overall the effectiveness of the regulations for local authorities, asset owners and voluntary and community groups to ensure that any legislation the Government introduces will meet our objective of supporting communities to protect those assets that are under threat.<sup>17</sup>

## 1.5

## Statistics and guidance

The Plunkett Foundation maintains [a list of assets of community value](#), including properties that have been removed from local authorities' lists and those rejected for listing.

The Communities and Local Government Committee report, in February 2015, stated that 11 assets had been bought by community groups, whilst 122 groups had triggered the moratorium period.<sup>18</sup> A Parliamentary Question in

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<sup>12</sup> See DCLG, [Government response to the Communities and Local Government Select Committee Inquiry into the Community Rights](#), Cm 9052, March 2015

<sup>13</sup> Conservative Party, [Strong Leadership, A Clear Economic Plan, A Brighter, More Secure Future](#), 2015, p21

<sup>14</sup> DCLG, [Run your local with £1.5 million Pub Loan Fund](#), 11 September 2015

<sup>15</sup> See [HCWS221](#), 26 January 2015; see also [HL Deb 24 May 2016 c264](#)

<sup>16</sup> [House of Lords PQ 2642](#), 2017-19

<sup>17</sup> [PQ HC 12315 2019-21](#), 12 Feb 2020

<sup>18</sup> Communities and Local Government Committee, [Community Rights](#), HC-262 2014-15, 2015, p. 8-11

January 2017 stated that around 4,000 assets of community value had been listed in England.

The first asset to be bought by a local community was the [Ivy House pub](#) in Nunhead, London Borough of Southwark.

The DCLG issued [a non-statutory advice note](#) on 4 October 2012, giving general information about the policy. An LGA guide is also available on the use of local assets more generally.<sup>19</sup> An [interactive map](#) showing the use of all of the community rights is available, though it is not dated. Resources for local organisations that wish to pursue a community right to bid (or other routes to local ownership of land or properties) are available from the website [www.mycommunity.org.uk](#).

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<sup>19</sup> LGA, [Empowering communities: making the most of local assets](#), 2011

## 2

## The right to bid: constituency issues

## 2.1

### Saving a threatened local asset

Frequently a community will seek to list a local asset at short notice as a way of preventing it from being sold or redeveloped. This may or may not be an effective approach.

Listing an asset cannot in itself prevent an asset from being sold. If a sale process has begun but the asset is not yet listed, it may be possible to delay a sale if the local authority lists the asset before the sale concludes. This depends on how quickly the local authority considers the application to list. If the sale concludes before the authority lists the asset, the community will not be able to trigger the moratorium procedure until the asset is next sold.

Nominations do not have to take account of current patterns of land ownership. For instance, where adjoining land and buildings have the same owner, either the land or the buildings can be nominated separately if the nominators wish. By the same token, an owner may sell part of a nominated asset but not all of it, so long as they comply with the moratorium procedures.

## 2.2

### Use by the community

To be successfully listed as an asset of community value, a property must have been ‘used’ by the community in the ‘recent past’. There is no definition in statute or in guidance of the term ‘recent past’. It is for local authorities to decide whether an asset has been used recently enough to justify its inclusion on the list. An asset must also face a realistic prospect of reuse by the community in the next five years. However, that does not mean that an actual proposal to take the asset over must be in place in order for the asset to be listed (*Henthames Ltd v South Oxfordshire DC*, 2015).<sup>20</sup>

A building or land which has never been used by the community will not be eligible to be listed. A community which wishes to use a building as a community asset when it has never been one in the past cannot use the Right to Bid to achieve this.

<sup>20</sup> This case, and a number of other recent cases, are noted on the [Local Government Lawyer](#) website.

## 2.3

### ‘Going concerns’

There are certain types of land and asset disposal to which the provisions for the community right to bid do not apply. These are listed in Schedule 3 of the 2012 regulations, and explained on pages 22-24 of the guidance note.<sup>21</sup>

One of these provisions is that disposal of an asset as a ‘going concern’ does not trigger the moratorium procedures. This would enable, for instance, the sale of a pub to another pub owner to take place without triggering the moratorium period and possibly a community bid. The 2015 CLG Committee report noted concerns that pubs were being sold as ‘going concerns’ to owners who were unlikely to want to continue to manage them, and stated:

We recommend that the Government...bring forward proposals to close the loophole in the current legislation which allows an Asset of Community Value to be sold as a going concern when the buyer has no intention of retaining it in its current use.<sup>22</sup>

## 2.4

### The five-year period

Assets remain on the relevant list of assets of community value for five years (unless they are sold after a moratorium period is triggered: see section 1.1). After five years, the property must be removed from the list. There is no explicit provision either permitting or preventing a community group from then applying to have the asset re-listed. However, the local authority could conclude that the conditions for listing are no longer met at the point of the second application for listing. For instance, an asset may not, by then, have been used by the community in the ‘recent past’.<sup>23</sup>

## 2.5

### Pubs and change of use rights

The Government issued a written statement in January 2015,<sup>24</sup> stating that it planned to pass regulations providing that any property listed as an asset of community value would have to apply for planning permission to change its use class, instead of being able to do so under permitted development rights. This was done via the [Town and Country Planning \(General Permitted Development\) \(Amendment\) \(England\) Order 2015](#) (SI 2015/659), effective as of 6 April 2015.

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<sup>21</sup> See DCLG, [Community right to bid: non-statutory advice note](#), October 2012, p.22-24

<sup>22</sup> Communities and Local Government Committee, [Community Rights](#), HC-262 2014-15, 2015, p. 16

<sup>23</sup> See also the discussion in Christopher Cant, [Assets of community value](#), 2018, p183-186

<sup>24</sup> See [HCWS221](#), 26 January 2015

The aim was to close a loophole in the law, whereby owners of pubs which had been listed as assets of community value could use permitted development rights to convert them to residential property. As noted above, residential properties cannot be assets of community value. Pub owners could therefore use this route to sell the property whilst avoiding the moratorium period and/or a bidding process.

## 2.6

## The right to bid and planning applications

There have been instances of the listing of a property as an asset of community value being regarded as a ‘material consideration’ for planning purposes. In other words, the grant or refusal of planning permission might take into account the fact that the property was listed as an asset of community value. This would take place at the discretion of the relevant planning committee: the matter is not mentioned in legislation. The Government’s [non-statutory guidance note of late 2012](#) says:

2.20 The provisions do not place any restriction on what an owner can do with their property, once listed, so long as it remains in their ownership. This is because it is planning policy that determines permitted uses for particular sites. However the fact that the site is listed may affect planning decisions - it is open to the Local Planning Authority to decide whether listing as an asset of community value is a material consideration if an application for change of use is submitted, considering all the circumstances of the case.<sup>25</sup>

There are examples of applications for change of use being rejected with the planning authorities citing listing as a community asset as a factor: these include the Peterborough Arms, Dauntsey (near Chippenham, Wiltshire).<sup>26</sup> Some additional cases are noted [on the Planning Law blog](#): see also the [guide to Assets of Community Value](#) by the barrister Christopher Cant. The 2015 Communities and Local Government Committee report said:

We recommend that the Government, as part of its review of Community Rights later in 2015, consult on a proposal to amend its guidance so that ACV listing is a material consideration for local authorities in all planning applications other than those for minor works.<sup>27</sup>

## 2.7

## Extending the right to bid

The right to bid covers only land and buildings. It does not cover any business or service run from a building. Nor does it cover any other elements of community life that could be described as ‘assets’. A number of suggestions

<sup>25</sup> DCLG, [Community Right to Bid: Non-Statutory advice note for local authorities](#), 2012, p. 6

<sup>26</sup> See [the Wiltshire Council officers’ report to the relevant planning committee](#)

<sup>27</sup> Communities and Local Government Committee, [Community Rights](#), HC-262 2014-15, 2015, p. 12

have been made for extending the right to bid to different categories of ‘asset’:

- Helen Goodman MP suggested, in a Westminster Hall debate on 30 March 2017, that it should be possible to classify newspapers and other local businesses as community assets.<sup>28</sup> This attracted some interest from the responding Minister, Matt Hancock MP:

The legislation on such assets, however, refers only to the land and buildings. That might potentially cover the physical assets of a local newspaper, but her point is that there is more to the assets of a local newspaper than the physical asset. I will therefore have a conversation with Ministers at the Department for Communities and Local Government, the lead Department, to see whether we can make any progress. We will have to look into the practical questions, but I understand her thrust.<sup>29</sup>

- During the Committee Stage of the [Bus Services Bill 2016-17](#), Daniel Zeichner MP introduced an amendment that would have permitted bus routes to be designated as community assets.<sup>30</sup> Later in the debate, the Transport Minister, Andrew Jones, said:

I do not think that it is reasonable or sensible to force operators to continue to operate a service, potentially at significant financial detriment, for six months rather than the 56 days currently required. Doing so could act as a disincentive for operators to trial new services, step in to see whether they can make a service viable or operate services commercially where local authority funding is precarious and can be kept going for only a short time.<sup>31</sup>

- A debate on rural post offices, on 17 November 2016, saw several references to the status of post offices as ‘community assets’, though this was not explicitly linked to the assets of community value regime.<sup>32</sup>

None of these suggestions have resulted in changes at the time of writing. There is an element of overlap between these ideas and the “community right to challenge”, which allows local groups to bid to take over public services (see the Library briefing paper [The community right to challenge](#)).

## 2.8 Appeals

Although the owner of an asset may appeal against its inclusion on the list, there is no provision for a community nominator to appeal if the local authority rejects an application to list land or buildings as an asset.

Regulation 11 of the 2012 regulations provides that the owner of a building may appeal against its listing as an asset of community value. The first such

<sup>28</sup> [HCDeb 30 Mar 2017](#) c200-01WH

<sup>29</sup> Ibid., c224

<sup>30</sup> [HCDeb 14 Mar 2017](#) c77

<sup>31</sup> [HCDeb 14 Mar 2017](#) c80. See also [HLDeb 24 May 2016](#) c265

<sup>32</sup> [HCDeb 17 Nov 2016](#) c202-228

tribunal case concerned the [Chesham Arms pub](#) in Hackney. At a hearing on 17 October 2013, the judge ordered that the pub should remain on Hackney's list of assets of community value.

## 3.1

## Wales: Community asset transfer

The [Localism Act 2011](#) extends the community right to bid to Wales, but the Welsh Government has not commenced the relevant provisions. It has focused instead on community asset transfer (see more details in section 3.1 below). The Welsh Government issued a [general disposal consent](#), equivalent to that for England (see section 3.1), to Welsh local authorities, national park authorities, police and fire authorities in 2003.

The Welsh Government issued a consultation on 21 May 2015 seeking views on either commencing the Localism Act provisions or introducing an alternative scheme in Wales, or doing neither.<sup>33</sup> A Written Statement in December 2015 indicated support for some form of scheme from the consultation. The Welsh Government then expressed cautious support for commencing the [Localism Act 2011](#) provisions with regard to Wales following the 2016 National Assembly election.<sup>34</sup> However, this did not take place. The Welsh Government piloted a support programme for community asset transfer in late 2015 and early 2016. It produced a series of resources, including a best practice guide, [available on its website](#).

An evaluation of community asset transfer in Wales was published in 2016.<sup>35</sup> A report from the Wales Audit Office in 2018 recommended that local authorities work more closely with town and community councils to identify assets that could be transferred to them, and the procedures needed to achieve this effectively.<sup>36</sup> It also included some case studies of successful community asset transfers in Wales.

A study in 2020 by the Building Communities Trust identified 438 community assets across Wales. These have been presented [in an online map](#).<sup>37</sup> Further research published by the Welsh Government in 2021 found that a majority of Welsh local authorities had in place a strategy for community asset transfer.<sup>38</sup> The most common types of property transferred were community halls, sports and leisure facilities, green spaces, and public toilets.

<sup>33</sup> Welsh Government, [Protecting Community Assets](#), May 2015

<sup>34</sup> Welsh Government, [Written Statement: Assets of Community Value](#), 7 December 2015

<sup>35</sup> CMI, [Evaluation of the community asset transfer programme](#), May 2016

<sup>36</sup> Wales Audit Office, [Provision of local government services to rural communities: Community Asset Transfer](#), November 2018, p7

<sup>37</sup> Building Communities Trust, [Mapping community assets in Wales](#), 2020

<sup>38</sup> Welsh Government, [Community asset transfer: research with the third sector, local authorities and community and town councils](#), March 2021, p27

## 3.2

## Scotland: community right to buy

The right to bid does not extend to Scotland. Scotland had earlier introduced a community right to buy in the [Land Reform \(Scotland\) Act 2003](#). As with the assets of community value process in England, certain classes of community body are permitted to register an interest in a piece of land or property. This must include details of the property, the current pattern of ownership, details of the community, and evidence of community support for the registration. The guidance suggests that petition support from 10% of the local electorate would normally meet this criterion. The land remains on the register for five years, and may be re-registered at the end of that time.

The registration process permits ‘timeous’ applications and ‘late’ applications. The latter are applications to register an interest in land which the owner has already put on the market. Late applications must include, where available, evidence that the community group had begun to work towards submitting a timeous application. They also require evidence of greater support from the community than timeous applications do.

When an owner decides to sell land, the community body must indicate whether it wishes to proceed with the purchase. In effect, it is permitted ‘first refusal’ on the land. The Scottish Government will appoint an independent valuer to produce a market valuation of the land, if the owner and the community cannot agree on a price. The community must also give its approval in a referendum.

The application to buy the land must then be submitted to the Scottish Ministers. If they give their approval, the community then has eight months, from the date on which they confirmed that they wish to proceed, to buy the land.

Further details are available in guidance on the Scottish Government website.<sup>39</sup>

Part 3 of the 2003 Act allows Crofting Community Bodies (CCBs) to purchase crofting land, eligible additional land and associated fishing, mineral and sporting rights at any time, i.e. without the need to wait for the land to come onto the market. This right can only be exercised with the consent of Scottish Ministers and after a ballot of the crofting community produces a simple majority in favour of purchasing the land.

Further rights for community bodies to compulsorily purchase “abandoned, neglected or detrimental” land came into force in June 2018.<sup>40</sup> Community bodies may ask the Scottish Ministers to order the sale of land or property

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<sup>39</sup> For more details on the community right to buy, see Scottish Government, [Community Right to Buy in Scotland](#).

<sup>40</sup> See new part 3A of the Land Reform (Scotland) Act 2003, specifically the element introduced by section 74 of the [Community Empowerment \(Scotland\) Act 2015](#)

that fits this description. The community body must first have approached any relevant regulator and attempted to use the standard right to buy process. [Further information and guidance is available](#) on the Scottish Government's website.

### 3.3

## Scotland: community asset transfer

The Scottish Parliament introduced the concept of 'community asset transfer' in the [Community Empowerment \(Scotland\) Act 2015](#). This encompasses the description of community asset transfer, the 'community right to reclaim land' and the 'right to contest' in England. It covers a range of public bodies listed in schedule 3 of the 2015 Act. This part of the 2016 Act came into force in January 2017.

The 2015 Act requires the public body to which a request is made to "to assess requests transparently against a specified list of criteria, and to agree the request unless there are reasonable grounds for refusal".<sup>41</sup> While a request is under way, the public body cannot dispose of the land or property to anyone else. Requests can be made by community groups, either representing a particular geographical area or a community of interest: "faith groups, ethnic or cultural groups, people affected by a particular illness or disability, sports clubs, conservation groups, clan and heritage associations".<sup>42</sup>

Guidance for Scottish community organisations is available from the [Community Ownership Support Service](#). [Scottish Government guidance](#), for both local authorities and organisations seeking the transfer of assets, is also available. Scottish community councils (the equivalents of parish and town councils in England) are not covered by this legislation.

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<sup>41</sup> Scottish Government, [Asset Transfer: Guidance for Community Transfer Bodies](#), 2017, p1

<sup>42</sup> Scottish Government, [Asset Transfer: Guidance for Community Transfer Bodies](#), 2017, p14

## 4

## Community land and assets: other options

## 4.1

### Community Asset Transfer

Community asset transfer is a central government policy directed at local authorities' use of their redundant assets. It is entirely separate from the community right to bid, operating on a discretionary basis rather than forming a 'community right'. The powers under which it takes place predate the [Localism Act 2011](#).

Community organisations seeking to take on assets from local authorities would normally need a business plan and evidence of organisational stability, in order to negotiate a successful transfer with the local authority. Local authorities will want to minimise the likelihood of facing future pressure to step in if a community organisation fails after taking on an asset.

A short guide can be found on the My Community website. It says:

...communities interested in Community Asset Transfer are encouraged to obtain a copy of their local authority's strategy or, alternatively, contact the Council's property department to discuss where to start. Ordinarily, this involves them submitting a headline expression of interest, and subject to an invitation from the Council, developing a business case to demonstrate that the community is capable of maintaining and operating the land or buildings on a sustainable basis.

A range of agreements can be entered into to facilitate the transfer of an asset to a community-based organisation – but the most common form is long leasehold. Often, local authorities will explore shorter term agreements in discussion with newly formed community organisations.<sup>43</sup>

### Legal powers

The [Local Government Act 1972](#) section 123 (2) states:

Except with the consent of the Secretary of State, a council shall not dispose of land under this section, otherwise than by way of a short tenancy, for a consideration less than the best that can reasonably be obtained.

<sup>43</sup> My Community, [Understanding Community Asset Transfer](#), 2018, p3

The Government published a general consent for English local authorities to dispose of land to community organisations at below market value in 2003.<sup>44</sup> The consent specifies the following conditions:

The specified circumstances are:

- a) the local authority considers that the purpose for which the land is to be disposed is likely to contribute to the achievement of any one or more of the following objects in respect of the whole or any part of its area, or of all or any persons resident or present in its area;
  - i) the promotion or improvement of economic well-being;
  - ii) the promotion or improvement of social well-being;
  - iii) the promotion or improvement of environmental well-being; and
- b) the difference between the unrestricted value of the land to be disposed of and the consideration for the disposal does not exceed £2,000,000 (two million pounds).<sup>45</sup>

The Government consulted on (amongst other things) reforming the general consent in 2018, publishing a response to consultation in May 2019. The consultation asked whether the £2 million threshold should be increased; and whether a general consent should be extended to land held for planning purposes. Both proposals were supported by a majority of those responding.<sup>46</sup> There have been no further developments since.

## Current practice

English local authorities are expected to have a strategy for asset disposal. A number of means are available through which this can take place:

A range of organisational structures are now commonly used to provide legal entities through which community organisations can own and manage local assets. These include community interest companies, companies limited by guarantee, charitable incorporated organisations, charitable trusts and industrial and provident societies. These structures can incorporate social enterprises and social firms, mutuals, development trusts and housing associations.<sup>47</sup>

The think-tank Localis published a report in 2014 entitled [Public land, public good](#), which recommended that local authorities seek to use assets as sources of revenue as central grants continued to fall. NLGN and Power To

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<sup>44</sup> DCLG, [Circular 06/03: Local Government Act 1972 general disposal consent \(England\) 2003 disposal of land for less than the best consideration that can reasonably be obtained](#), 2006

<sup>45</sup> Ibid., p. 11

<sup>46</sup> MHCLG, [Government response to consultation on planning reform: supporting the high street and increasing the delivery of new homes](#), May 2019, pp20-22

<sup>47</sup> LGA/IDeA, [Improving efficiency in the culture and sport sector](#), 2010, p.3

Change published a joint report in 2016 highlighting good practice and case studies of community asset transfers in England.<sup>48</sup>

## Policy development

In 2006, the then Government announced the establishment of a review of existing powers and policies on community asset transfer under the chairmanship of Barry Quirk, then chief executive of the London Borough of Lewisham. The Quirk Review ([Making Assets Work](#)) reported in May 2007. Its main conclusions were summarised in the accompanying press release as follows:

...there are no substantive barriers to prevent councils transferring assets into community management or full ownership. Powers already exist for this but the report finds that many are not fully aware of them, or are not using them to full benefit. Therefore a change in culture is required so that every community has the chance for more active citizenship, a greater role in running services and owning assets, and improving wellbeing in their communities.

Underpinned by safeguards to ensure good management councils can sell off or lease assets for as little as £1 where it is clear it is for the good of the community. Other assets that could be transferred include redundant police stations, old hospital sites, empty shopping parades and closed down pubs on estates.<sup>49</sup>

A community empowerment white paper, published in July 2008, repeated the Government's commitment to this policy and summarised progress made to date.<sup>50</sup> The white paper announced the establishment of the Asset Transfer Unit (ATU), which provided advice and support to individuals and groups (including local authorities) on asset transfer. This was later folded into the independent organisation [Locality](#). A Government response to the Quirk Review, entitled [Building on Strong Foundations](#), was published in 2009.

Latterly, alternative viewpoints on the use of public land and property have been advanced. The 2014 Localis report [Public land, public good](#) advocated the use of land and property by local authorities as a capital asset that could supply revenue for local services. A similar point was made by the 2015 Centre for Cities report [Delivering change: making the most of public assets](#). Local authorities may be influenced by a combination of concerns in making decisions about local assets, including facilities and quality of life for residents, economic growth, and revenue streams. The Centre for Cities report says:

The sale of an asset (or liability) might sometimes be an appropriate response, but there is a shift away from focusing on cost-reduction and disposal above all else. The appropriate responses to managing public land and property

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<sup>48</sup> NLGN / Power To Change, [A Common Interest: the role of asset transfer in developing the community business market](#), 2016

<sup>49</sup> DCLG, “[Councils urged to reap the benefits of handing assets to communities](#)”, News release 2007/0092, 15 May 2007. The main report is entitled [Making assets work: the Quirk Review](#), May 2007.

<sup>50</sup> See [Communities in control: real people, real power](#), Cm 7427, July 2008, chapter 8.

assets should be assessed through the lens of place and the contribution an asset can play [sic] in the local economy, rather than a silo-led approach to disposing of assets by sale on a case by case basis as standard.<sup>51</sup>

## 4.2

## Community right to reclaim land

Schedule 16 of the [Local Government, Planning and Land Act 1980](#) allows the Secretary of State to direct specific bodies to dispose of land or property. This formed the basis of what used to be known as the Public Request to Order Disposal (PROD) process, which since 2011 has been referred to as the community right to reclaim land.<sup>52</sup> This procedure overlaps with the Right to Contest (see section 3.4 below). Local groups can request a disposal of land by a public body, and the Secretary of State may direct it to do so under this schedule. Brief details of this procedure, together with an application form to request the Secretary of State to direct the disposal of land, can be found on the gov.uk website.<sup>53</sup> The Government has also published [a list of public bodies affected by the provisions](#).

The procedure applies to the public bodies listed in schedule 16 of the 1980 Act, and requests can be made to other public bodies which have signed a memorandum of understanding with DCLG. Under this procedure, land is sold on the open market: there is no first refusal for community groups. The 2015 CLG Committee report stated that 42 requests had been received between February 2011 and June 2014, of which two were under consideration. Locality, in evidence in the 2015 CLG Committee report, proposed a ‘right to demand discounted asset transfer’ – i.e. for discounted transfer to be available as of right, not at the Government’s discretion. The Committee did not endorse this suggestion, but recommended that the Government issue draft guidance on what constitutes under-used land, to help proposers to know where this procedure might best be used.

In January 2015, the Government published a table of recent requests under this procedure, in response to a series of Parliamentary questions.<sup>54</sup> This recorded 78 applications in four years. None of them resulted in a decision to direct disposal, though fourteen applications were under consideration at the time of publication. In a response to a Parliamentary Question in 2015, the Minister, Brandon Lewis, indicated that requests under this community right would be dealt with under the Right to Contest in future (see section 3.3 below).<sup>55</sup>

<sup>51</sup> Centre for Cities, [Delivering Change: making the most of public assets](#), 2015, p.30

<sup>52</sup> See DCLG, “[Communities to be given a right to reclaim land](#)”, 2 February 2011. The 1980 Act provisions covered England and Wales, though the developments outlined here cover England only.

<sup>53</sup> See DCLG, [Public request to order disposal process](#), 5 October 2011. See also Locality, [Empowering communities: making the most of local assets: an officer companion guide](#), 2011, p.18-22

<sup>54</sup> [PQ HC220952 2014-15](#), 15 January 2015

<sup>55</sup> [House of Commons PQ 220952](#) 2014-15

## 4.3

## Right to Contest

The Government introduced the ‘Right to Contest’ in January 2014, relating to land owned by central government and its agencies.<sup>56</sup> Members of the public may submit a form specifying land and buildings which they believe are surplus to central government requirements, or could be put to better economic use. This right also covers local authority-owned land and buildings that are under-used or derelict. The guidance states:

Anyone can use Right to Contest, including businesses, local authorities or members of the public, to challenge the government about a site, as long as they believe that all the following apply.

Land owned by a central government department or one of their arms’ length bodies

The site:

- is potentially surplus or redundant
- could be put to better economic use, e.g. for housing or to help businesses develop or expand

Please note that you can use the Right to Contest to challenge central government sites which are in use, as long as you think that operations could be moved to a different location.

Land owned by a local authority or certain other public bodies

- the site is empty or under-used
- there are no plans to bring it back into use<sup>57</sup>

The relevant department may then agree to sell the land or buildings concerned on the open market. If it does not, the Department for Communities and Local Government (DCLG) will effectively act as arbiter, taking both perspectives into account. The relevant department may indicate that it does not wish to sell if “the site is vital for operational purposes” or “other considerations outweigh the potential better economic use”.<sup>58</sup>

In March 2021 the Government launched a consultation on transforming the Right to Request into a ‘Right to Regenerate’. This sought views on a number of changes:

- Whether the government should extend the coverage of the right to land owned by parish and town councils;

<sup>56</sup> [HCWS509 2014-15](#), 26 Mar 2016

<sup>57</sup> See Cabinet Office, [Right to Contest: government guidance](#), 8 Jan 2014

<sup>58</sup> Ibid. The application form is also available at this link.

- Whether the Government should order the sale of land where the local authority has identified a long-term use, but no temporary use. The aim would be to incentivise a temporary use to be found;
- Whether those seeking to use the right should be obliged to contact the local authority owner in the first instance;
- Whether there should be a presumption in favour of disposal;
- Whether local authorities should be required to publish requests and their outcomes;
- Whether a right of first refusal, spanning a limited period of time, should be available to community groups making the request;
- Whether the Secretary of State should have the power to attach conditions when ordering a disposal.<sup>59</sup>

This consultation describes the community right to reclaim land (see section 3.2 above) as ‘strand 2’ of the Right to Contest. (‘Strand 1’ is the Right to Contest as described in this sub-section.) It states that “since 2014, 192 requests have been submitted under Strand 2. Of these, 145 were refused, 10 withdrawn, 9 are still pending, 27 were not a valid request and one direction to order disposal was issued”.<sup>60</sup>

No response to this consultation had been published as of early March 2022.

## 4.4 Compulsory purchase order requests

In 2015, the Government issued revised guidance covering the right of community organisations to call on local authorities to issue compulsory purchase orders on land or buildings which are unused and have been, or could be, of benefit to the community. This can be found on page 90 of the revised ‘Crichel Down regulations’. The guidance states:

### 225. What requests can be made to a local authority?

Authorities can receive requests from the community or local bodies to use their compulsory purchase powers to acquire community assets, which may have been designated as Assets of Community Value, that are in danger of being lost where the owner of the asset is unwilling to sell or vacant commercial properties that are detracting from the vitality of an area.

### 226. What considerations need to be made when receiving a request?

Local authorities should consider all requests from third parties, but particularly voluntary and community organisations, and commercial

<sup>59</sup> MHCLG, [Right to regenerate: reform of the Right to Contest](#), 12 March 2021

<sup>60</sup> MHCLG, [Right to regenerate: reform of the Right to Contest](#), 12 March 2021

groupings like Business Improvement District bodies, which put forward a scheme for a particular asset which would require compulsory purchase to take forward, and provide a formal response.

Local authorities must be able to finance the cost of the scheme (including the compensation to the owner) and the compulsory purchase order process either from their own resources, or with a partial or full contribution from those making the request.

Local authorities should, for example, ascertain the value of the asset to the community, or the effect of bringing it back into use; the perceived threat to the asset; the future use of the asset and who would manage it (including a business plan where appropriate); any planning issues; and how the acquisition would be financed.<sup>61</sup>

## 4.5

## One Public Estate

The One Public Estate programme began in 2013. The programme is designed to encourage local councils to work with central government and other public sector organisations to share buildings and re-use or release surplus property and land.<sup>62</sup> It may lead to land and buildings being sold, shared, repurposed, or used for income generation. It is being jointly delivered by the Cabinet Office's Government Property Unit and the [Local Government Association](#).

The Cabinet Office has said that the One Public Estate programme is designed to:

- Deliver significant savings for the taxpayer
- Provide better, more integrated local services, in places which are more convenient for users; and
- Release land and property which can be reused for housing and new enterprise, boosting local jobs, growth and house-building.<sup>63</sup>

The programme was launched in May 2013, with twelve participating councils.<sup>64</sup> A further twenty councils joined the programme in August 2014.<sup>65</sup> A series of case studies can be found in a joint Cabinet Office / Local Government Association publication from August 2014.<sup>66</sup> Participants in One Public Estate are required to upload details of their property assets to the Government database 'E-PIMS'.<sup>67</sup> This underlies the [Government Property Finder](#) database.

<sup>61</sup> DCLG, [Compulsory purchase process and the Crichel Down rules: guidance](#), July 2019, p. 103

<sup>62</sup> Cabinet Office, [Chloe Smith welcomes new pilot property scheme](#), 25 June 2013

<sup>63</sup> [PQ 13191](#) [Public Sector: Assets], 11 November 2015

<sup>64</sup> Cabinet Office, [Chloe Smith welcomes new property pilot scheme](#), 25 June 2013

<sup>65</sup> Cabinet Office, [Successful government estate programme expands](#), 6 August 2014

<sup>66</sup> Cabinet Office / LGA, [One Public Estate: Transforming Property and Services](#), August 2014

<sup>67</sup> [HLDeb 6 Feb 2017 c351](#)

The LGA and Cabinet Office publication, [One Public Estate: Unlocking the Value in Public Sector Assets](#), describes the work of the programme during its first two years:

We began OPE as a pilot programme with 12 areas in 2013. In 2014, a further 20 areas were successful in joining the programme. Together, these 32 areas forecast the following benefits from being on the programme compared with operating alone: 20,000 jobs, c.9,000 homes, reducing running costs by £77 million, and raising £129 million from land and property sales.<sup>68</sup>

An additional £6 million was then announced in the 2015 Summer Budget to expand the programme, with larger partnerships of councils and further schemes.<sup>69</sup> In July 2015 councils were invited to join Phase 3 of the programme: this was then launched in December 2015.<sup>70</sup> 107 local councils agreed to join Phase 3.<sup>71</sup>

In January 2016 the LGA and the Cabinet Office also published [One Public Estate: Unlocking the Value in Public Sector Assets](#). This stated that “central government is set to release land for 160,000 homes and raise at least £5 billion from land and property disposals and local government is forecast to raise over £9 billion from land sales”.<sup>72</sup> The [Invitation to Apply](#) for Phase 4 was published on 1 April 2016.<sup>73</sup> [A list of participating councils](#) was published in December 2017.

Applications for phase 8 of One Public Estate closed in November 2020. This included a £10 million fund for “collaborative public sector property projects”, alongside £20 million allocated to the Land Release Fund (see below).<sup>74</sup> The prospectus for this round of funding is available [on the Local Government Association website](#).

An answer to a Parliamentary Question in April 2019 stated that:

By March 2020, partnerships on the programme expect to deliver:

- £615 million in capital receipts
- £158 million savings in running costs
- 44,000 new jobs

<sup>68</sup> Cabinet Office and the Local Government Association, [One Public Estate: Unlocking the Value in Public Sector Assets](#), January 2016, p10

<sup>69</sup> HM Treasury, [Summer Budget 2015](#), para 2.26

<sup>70</sup> Local Government Association, [One Public Estate](#), 6 June 2016

<sup>71</sup> See Cabinet Office, [‘More local authorities set to sell government assets’](#), 11 December 2015

<sup>72</sup> Cabinet Office and the Local Government Association, [One Public Estate: Unlocking the Value in Public Sector Assets](#), January 2016, p6.

<sup>73</sup> Local Government Association and Cabinet Office, [One Public Estate: Invitation to Apply](#), April 2016, p2

<sup>74</sup> Local Government Association, [Partnership applications have now closed for phase 8 of One Public Estate and Land Release Funding](#), November 2020

- Release land for 25,000 new homes<sup>75</sup>

A debate on the programme took place in Westminster Hall on 14 May 2019.<sup>76</sup>

## Land Release Fund

The Land Release Fund is intended specifically to assist the provision of local authority-owned land for new housing development. It forms a part of the One Public Estate programme. The first allocation took place in 2018.<sup>77</sup>

In September 2020, £20 million further funding was made available for ‘capital projects’, alongside a further £10 million from the One Public Estate programme itself for “collaborative property-based projects”:

**The LRF is offering £20 million** of capital grant funding to unlock and accelerate the release of these sites.

The aims of the Land Release Fund are to:

- release council-owned land by **end of March 2023** for housing development that otherwise would not come forward during that period
- demonstrate a high value return for Government investment into these small sites
- encourage the use of public assets to drive innovative delivery, through SME support, bespoke delivery models, high-quality design and modern methods of construction
- be confident these schemes will deliver within the funding timescale.

We expect LRF funding to target smaller sites (sub-100 units) which require upfront funding to address viability issues relating to abnormal costs of the proposed development. The types of abnormal costs requiring funding may include:

- site levelling, groundworks,
- provision of small-scale infrastructure,
- highways works or other access challenges
- addressing environmental constraints.<sup>78</sup>

<sup>75</sup> [PQ HC 243499 2017-19](#), 23 April 2019. For additional data made available through answers to Parliamentary Questions, see the Commons Library debate pack [One Public Estate](#).

<sup>76</sup> [HCDeb 14 May 2019](#) c23WH&ff

<sup>77</sup> See MHCLG, [£45 million funding boost to support councils unlock land for thousands of homes](#), 26 Feb 2018.

<sup>78</sup> Cabinet Office / MHCLG, [One Public Estate and Land Release Fund: Invitation to Apply](#), September 2020, p4

## Intended outcomes

One of the aims of the programme has been to allow surplus land to be used as a source of revenue by local authorities.<sup>79</sup> In the debate on 14 May 2019, the Minister, Kevin Foster, said that “partnerships with projects under way expect to generate £615 million in capital receipts and £158 million in running cost savings, create 44,000 jobs, and release land for 25,000 homes by 2020”.<sup>80</sup> Previously, in December 2016, a Written Answer stated that “One Public Estate covers 50% of councils in England and expects to deliver at least £56 million in running cost savings, £138 million in capital receipts, 36,000 jobs, and 16,500 homes by 2020”.<sup>81</sup>

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<sup>79</sup> See, e.g., Cabinet Office, [More local authorities set to sell government assets](#), 11 December 2015

<sup>80</sup> HCDeb 14 May 2019 c46WH

<sup>81</sup> [PQ HC907870](#), 2016-17, 8 December 2016

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## APPENDIX D – ACV Disposal process note – Teignmouth Lido

Teignmouth Lido was successfully nominated as an Asset of Community Value on 23.01.25 under the Localism Act 2011.

The effect of the listing means that if the Council intends to sell the asset the Council's Spatial Planning and Delivery Service must be notified by way of a Section 95 Notice.

This triggers what is known as the Interim Moratorium Period. This lasts for a period of 6 weeks. Local land Charges will contact the asset nominee in writing and publish the Council's intention to dispose of the asset locally and on its website etc so that relevant community interest groups can consider whether they would like to place a bid for the asset.

If a relevant community and voluntary group requests to be considered as a bidder, what is known as the Full Moratorium Period is launched, enabling the group to develop an offer to purchase. This lasts for a period of 6 months (which includes the 6-week Interim Moratorium as detailed above).

At the end of the Full Moratorium Period, or if no expression of interest is received from community and voluntary groups at the Interim Moratorium stage, the Council is free to dispose of its asset on the open market. If the Council does not dispose of the asset within 18 months of the date when it first gave notification of its intention to do so, the sale process will begin again.

As per Appendix E - "There is no community right to buy the asset, just to bid. This means that the local community bid may not be the successful one. The owner can, at the end of the moratorium, sell to whomever they choose for whatever price they choose. There is no requirement that a property owner must co-operate with a community bid, for instance by providing additional information about or assets of community value 9 Commons Library Research Briefing, 10 March 2022 access to the property. The owner is also at liberty to negotiate a sale with a preferred buyer during the moratorium period: but the sale cannot be concluded during that period."

[Localism Act 2011](#)

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