

**Teignbridge District Council
Overview & Scrutiny 2
2 February 2023
Part i**

FINAL FINANCIAL PLAN PROPOSALS 2023/24 TO 2025/26

Purpose of Report

To consider the final financial plan proposals 2023/24 to 2025/26 for recommendation to Council on 21 February.

These proposals include recommended revenue and capital budgets for 2023/24 and planned in outline for 2024/25 and 2025/26.

Recommendation(s)

The Committee is recommended to resolve:

That the Overview and Scrutiny Committee 2 recommends that these proposals be considered together with any subsequent consultation comments for approval by Council as the final budget for 2023/24 and the outline plan for the subsequent years 2024/25 and 2025/26.

The proposed budget includes:

- **An increase in council tax of £5.54 or 2.99% to £190.71**
- **Providing a one-off cost of living payment of £5.54 to households liable to pay council tax on their main home on 1 April 2023 in 2023/24**
- **Maintaining 100% council tax support**
- **Continuing to react to the climate change emergency by maintaining ongoing revenue budgets for a climate change officer and associated spending, temporary staffing resources in revenue and provision in the capital programme, including ongoing provisions for corporate decarbonization schemes as per 5.5**
- **A £2 million provision for employment sites funded by borrowing**
- **Provision for an Emergency Planning officer**
- **Temporary funds for a Scrutiny Officer to assist Members with the Scrutiny function and working groups; appointment of a Digital transformation Manager and other temporary resources including for facilitating the Modern 25 work**
- **Support for housing including the Teignbridge 100 (see 5.3) whilst backing business and bringing people and organisations together for local neighbourhood planning**
- **The continuing reduction in new homes bonus**

- **Other central funding reductions – in particular provisional assumptions for business rates for future years and reset of the baseline**
- **Reserves at 13.0% of the net revenue budget or £2.3 million**
- **Infrastructure delivery plan investment funded by community infrastructure levy and external sources where available**
- **Continuation of grant funded South West Regional Monitoring Programme as per 5.6**
- **Town centre investment in infrastructure and employment as per 5.7**
- **Re-establishing revenue contributions to capital initially at £300,000 per annum**
- **Continuation of enhanced Planning funding**
- **Councillors community fund set at £1,000**
- **Provision of £20,000 for year 2 of the ‘Tidy Teignbridge’ initiative to improve cleanliness for town and parish councils**
- **Paying £500,000 off our pension deficit in 2023/24 to reduce ongoing contributions**
- **An additional document - the Financial Plan 2023 – 2028 for adoption (at Appendix 8) and to facilitate Member progression of work plans by Overview & Scrutiny to address the budgetary position and deliver savings**

The recommendation to Council to note the mid year review of Treasury Management at appendix 9

Financial Implications

The financial implications are contained throughout the Executive report attached. The main purpose being to approve the final budget proposals for both revenue and capital budgets and medium term financial plan covering the years 2022/23 to 2025/26.

Martin Flitcroft – Chief Finance Officer

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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 8 of the attached report.

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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, 4.13, 4.15 and 4.26 with reference to uncertainties as to income projections following the pandemic and economic conditions, future

funding – particularly business rates retention and New Homes Bonus and if an alternative funding stream to replace New Homes Bonus is provided when this is scrapped. A programme of identifying savings or increased income is required to meet the budget gaps for future years if additional funding is not provided from Government.

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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. Additional temporary staffing resources are proposed within the revenue budget to assist with the implementation of various works to meet our climate change aspirations.

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Executive Member

Councillor Richard Keeling – Executive Member for Resources

Appendices/Background Papers

Executive report 7 February 2023 and associated appendices
Budget and settlement files
The Constitution

1. PURPOSE

- 1.1** To consider the final financial plan proposals 2023/24 to 2025/26 as appended, to be considered by the Executive on 7 February 2023.
- 1.2** These proposals include recommended revenue and capital budgets for 2023/24 and planned in outline for 2024/25 and 2025/26.
- 1.3** To bring the mid year treasury management review for information as shown at appendix 9.

- 1.4** The report and appendices to be considered by the Executive on 7 February 2023 are appended for ease of reference. Members are asked to refer to these papers for all background information.