

# Cabinet

## Supplement to Agenda

**To: All Members of the Cabinet**

Councillors: Kevin Guy (Chair), Tim Ball (Cabinet Member), Alison Born (Cabinet Member), Mark Elliott (Cabinet Member), Paul May (Cabinet Member), Matt McCabe (Cabinet Member), Manda Rigby (Cabinet Member), Paul Roper (Cabinet Member), Sarah Warren (Cabinet Member) and David Wood (Cabinet Member)

Chief Executive and other appropriate officers  
Press and Public

**Cabinet: Thursday, 8th February, 2024**

Please find attached a **SUPPLEMENTARY AGENDA DESPATCH** of late papers which were not available at the time the agenda was published. Please treat these papers as part of the agenda.

Papers have been included for the following items:

**E3500 - Final Settlement Budget Amendments**

Yours sincerely

Marie Todd  
for Chief Executive

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## **Cabinet Budget Report Update – Final Local Government Finance Settlement – Social Care Grant & Services Grant increase**

### **Amendment to be moved at the Cabinet meeting**

#### **Introduction:**

As part of the Final Local Government Finance Settlement announced on 5<sup>th</sup> February 2024, the Government has allocated a further £500 million nationally in 2024/25 as a top up to the Social Care Grant, which is ring-fenced to Adult & Children's Social Care. Bath & North East Somerset Council will now receive an additional £1,520,318 of Social Care Grant (Total £13.250m).

The Final Settlement also included £10 million more nationally than the value consulted on at the provisional Settlement for the Services Grant. The Council will now receive an additional £14,638 of Services Grant (Total £0.165m)

It is proposed that this additional funding is allocated as follows:

- £1,101,302 to the Adult Social Care budget as a contingency for managing in year budget risk.
- £419,016 to the Children's Services budget as a contingency for managing in year budget risk.
- £14,638 added to the inflation contingency to give a revised balance of £1.01m.

#### **Further recommendation added to report at the end of 2.1:**

The additional Social Care Grant of £1,520,318 announced in the final local government finance settlement is allocated to fund a £1,101,302 Adult Social Care contingency and a £419,016 Children's Services contingency for managing in year budget risk. The additional Services Grant of £14,638 is used to increase the corporate inflation contingency to £1.01m.

#### **HIGHLIGHT OF MAIN FIGURE CHANGES IN BUDGET REPORT FOLLOWING AMENDMENT**

The inclusion of the additional grant income and growth as set out in the new recommendation at the end of 2.1 above revises the figures that are shaded below in the Budget Report:

## 5.2.2 The Budget and Medium Term Financial Outlook – Table:

Budget Planning	Future years assumptions £m				
	2024/25	2025/26	2026/27	2027/28	2028/29
<b>Budget Requirement (Previous Year)</b>	<b>131.03</b>	<b>135.85</b>	<b>143.46</b>	<b>147.07</b>	<b>153.59</b>
Budget Adjustments	3.00	3.00	0.00	0.00	0.00
Pay & Pension	4.54	3.64	3.37	3.23	3.23
Demographic Growth	4.19	3.00	3.07	3.83	3.51
Contract Inflation	5.25	4.52	2.36	2.34	2.37
New Homes Bonus Pressure	0.10	0.33	0.00	0.00	0.00
Capital Financing	2.01	1.78	0.99	1.21	1.21
Settlement grant funding	(3.02)	0.00	0.00	0.00	0.00
Budget pressure / rebasing	8.88	(1.67)	1.08	(0.17)	0.42
<b>Funding Requirement Sub Total</b>	<b>24.94</b>	<b>14.58</b>	<b>10.86</b>	<b>10.45</b>	<b>10.74</b>
<b>Draft Budget Before Savings</b>	<b>155.96</b>	<b>150.44</b>	<b>154.32</b>	<b>157.52</b>	<b>164.34</b>
Proposed Savings Plans	(16.42)	(6.97)	(2.05)	(1.10)	(1.33)
Estimated Savings Required	(0.00)	(0.00)	(5.20)	(2.83)	(3.27)
<b>Savings Requirement Sub Total</b>	<b>(16.42)</b>	<b>(6.97)</b>	<b>(7.25)</b>	<b>(3.93)</b>	<b>(4.60)</b>
<b>Budget Requirement</b>	<b>139.54</b>	<b>143.46</b>	<b>147.07</b>	<b>153.59</b>	<b>159.73</b>
Business Rate Relief Adjustment*	(3.69)	0.00	0.00	0.00	0.00
<b>Revised Budget Requirement</b>	<b>135.85</b>	<b>143.46</b>	<b>147.07</b>	<b>153.59</b>	<b>159.73</b>
<b>Funding of Budget Requirement</b>					
Council Tax	120.01	125.09	130.12	135.35	140.79
Business rates retention*	19.35	20.07	17.55	18.24	18.94
Reserve transfers From	0.00	0.00	0.00	0.00	0.00
Reserve transfers (To)	(3.50)	(1.70)	(0.60)	0.00	0.00
<b>Funding of Budget Requirement Total</b>	<b>135.85</b>	<b>143.46</b>	<b>147.07</b>	<b>153.59</b>	<b>159.73</b>

## Revised extract of Annex 2ii – 2024/25 – 2026/27 Budget Funding Requirements

Annex 2 - 2024/25 Budget Funding Requirements					
2024/25 - 2026/27 Funding Proposals					
Funding Title	Description of Funding Requirement	Portfolio Holder / Director	2024/25 Funding £000	2025/26 Funding £000	2026/27 Funding £000
<b>Portfolio: Economic and Cultural Sustainable Development</b>					
Build back of income built into MTFS. Original 2021/22 growth £4.235m for significantly reduced income resulting from the pandemic.	Reversal of growth in previous years. Additional income generation over and above reversal of growth shown in savings and income annex.	CLr Paul Roper / Sophie Broadfield	(2,032)	(2,838)	(387)
Heritage Services gross expenditure increases	Growth in service staffing budgets required to deliver 24/25 profit target.	CLr Paul Roper / Sophie Broadfield	1,472		
Heritage Services gross expenditure increases	Growth in service running cost budgets required to deliver 24/25 profit target.	CLr Paul Roper / Sophie Broadfield	883		
Tourism and Festivals	Recurrent budget to support events in Bath.	CLr Paul Roper / Sophie Broadfield	20		
Business Rate Revaluation and Inflation Increases	Business Rate Revaluation and Inflation Increase on Corporate Properties.	CLr Paul Roper / Various	127	39	
Contractual Inflation	Annual increases in contract costs within the portfolio.	CLr Paul Roper / Various	79	32	32
Pay Inflation	Salary inflation estimated at 5% in 24/25, 4% in 25/26, 3% in 26/27, and allowing for annual staff pay increments.	CLr Paul Roper / Various	141	112	84
<b>Economic and Cultural Sustainable Development Total</b>			<b>690</b>	<b>(2,655)</b>	<b>(271)</b>
<b>Portfolio: Adult Services</b>					
Adult Social Care Market Sustainability and Improvement Fund Grant Funding (net of reduction in Workforce Fund).	Ring-fenced grant income announced in Local Government Finance Settlement.	CLr Alison Born / Suzanne Westhead	(374)		
Adult Social Care Discharge Fund Grant Funding.	Ring-fenced grant income announced in Local Government Finance Settlement.	CLr Alison Born / Suzanne Westhead	(459)		
Matched expenditure to ring-fenced grant funding	Spend linked to ring-fenced Adult Social Care Market Sustainability and Improvement Fund Grant Funding (net of reduction in Workforce Fund).	CLr Alison Born / Suzanne Westhead	374		
Matched expenditure to ring-fenced grant funding	Spend linked to ring-fenced Adult Social Care Discharge Fund Grant Funding .	CLr Alison Born / Suzanne Westhead	459		
Social Care Settlement Grant Increase	Ring-fenced grant income announced in Local Government Finance Settlement.	CLr Alison Born / Suzanne Westhead	(1,101)		
Adult Social Care Risk Contingency	Budget contingency for managing in year budget risk.	CLr Alison Born / Suzanne Westhead	1,101		
Contractual Inflation	Annual increases in contract costs within the portfolio.	CLr Alison Born / Suzanne Westhead	1,930	1,316	1,343
Demography	Growth in numbers of service users.	CLr Alison Born / Suzanne Westhead	999	999	999
Pay Inflation	Salary inflation estimated at 5% in 24/25, 4% in 25/26, 3% in 26/27, and allowing for annual staff pay increments.	CLr Alison Born / Suzanne Westhead	852	708	564
<b>Adult Services Total</b>			<b>3,781</b>	<b>3,023</b>	<b>2,906</b>
<b>Portfolio: Children's Services</b>					
Social Care Settlement Grant Increase	Ring-fenced grant income announced in Local Government Finance Settlement.	CLr Paul May / Mary Kearney-Knowles	(2,076)		
Children's Services Budget Contingency	Budget contingency for managing in year budget risk.	CLr Paul May / Mary Kearney-Knowles	419		
Corporate Overhead Rebasing	Dedicated Schools Grant recovery phased over 3 years (£1m) from 2024/25.	CLr Paul May / Mary Kearney-Knowles	333	333	333
SEND Demand	This is needed to reflect the growth in the volume of children and young people that are being supported across a number of education teams. SEND now managing a 30% growth in cases. CMES & ALT managing an equivalent increase in demand.	CLr Paul May / Chris Wilford	90		
Home to School Transport (HTST)	Combined demand and market pressures resulting in unavoidable cost pressures.	CLr Paul May / Chris Wilford	1,760		
Business Rate Revaluation and Inflation Increases	Business Rate Revaluation and Inflation Increase on Corporate Properties.	CLr Paul May / Mary Kearney-Knowles	19	2	
Contractual Inflation	Annual increases in contract costs within the portfolio.	CLr Paul May / Mary Kearney-Knowles	941	446	461
Demography	Growth in numbers of service users.	CLr Paul May / Mary Kearney-Knowles	2,786	1,408	1,639
Pay Inflation	Salary inflation estimated at 5% in 24/25, 4% in 25/26, 3% in 26/27, and allowing for annual staff pay increments.	CLr Paul May / Various	950	744	558
<b>Children's Services Total</b>			<b>5,222</b>	<b>2,933</b>	<b>2,991</b>

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