

Corporate Policy Development and Scrutiny Panel

Date: Monday, 23rd January, 2023

Time: 4.00 pm

Venue: Council Chamber - Guildhall, Bath

Councillors: Karen Warrington, Winston Duguid, Mark Elliott, Andrew Furse,
Lucy Hodge, Shaun Hughes, Hal MacFie, Alastair Singleton and Sally Davis



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NOTES:

1. **Inspection of Papers:** Papers are available for inspection as follows:

Council's website: <https://democracy.bathnes.gov.uk/ieDocHome.aspx?bcr=1>

2. **Details of decisions taken at this meeting** can be found in the minutes which will be circulated with the agenda for the next meeting. In the meantime, details can be obtained by contacting as above.

3. **Recording at Meetings:-**

The Openness of Local Government Bodies Regulations 2014 now allows filming and recording by anyone attending a meeting. This is not within the Council's control.

Some of our meetings are webcast. At the start of the meeting, the Chair will confirm if all or part of the meeting is to be filmed. If you would prefer not to be filmed for the webcast, please make yourself known to the camera operators.

To comply with the Data Protection Act 1998, we require the consent of parents or guardians before filming children or young people. For more information, please speak to the camera operator.

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4. **Public Speaking at Meetings**

The Council has a scheme to encourage the public to make their views known at meetings. They may make a statement relevant to what the meeting has power to do. They may also present a petition or a deputation on behalf of a group.

Advance notice is required not less than two full working days before the meeting. This means that for meetings held on Thursdays notice must be received in Democratic Services by 5.00pm the previous Monday.

Further details of the scheme can be found at:

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=12942>

5. **Emergency Evacuation Procedure**

When the continuous alarm sounds, you must evacuate the building by one of the designated exits and proceed to the named assembly point. The designated exits are signposted. Arrangements are in place for the safe evacuation of disabled people.

6. **Supplementary information for meetings**

Additional information and Protocols and procedures relating to meetings

<https://democracy.bathnes.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13505>

Corporate Policy Development and Scrutiny Panel - Monday, 23rd January, 2023

at 4.00 pm in the Council Chamber - Guildhall, Bath

A G E N D A

1. WELCOME AND INTRODUCTIONS
2. EMERGENCY EVACUATION PROCEDURE

The Chair will draw attention to the emergency evacuation procedure as set out under Note 6.

3. APOLOGIES FOR ABSENCE AND SUBSTITUTIONS
4. DECLARATIONS OF INTEREST

At this point in the meeting declarations of interest are received from Members in any of the agenda items under consideration at the meeting. Members are asked to indicate:

- (a) The agenda item number in which they have an interest to declare.
- (b) The nature of their interest.
- (c) Whether their interest is **a disclosable pecuniary interest** or an **other interest**,
(as defined in Part 4.4 Appendix B of the Code of Conduct and Rules for Registration of Interests)

Any Member who needs to clarify any matters relating to the declaration of interests is recommended to seek advice from the Council's Monitoring Officer or a member of his staff before the meeting to expedite dealing with the item during the meeting.

5. TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN
6. ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

At the time of publication no notifications had been received.

7. MINUTES (Pages 7 - 12)
8. BUDGET AND COUNCIL TAX 2023/24 AND FINANCIAL OUTLOOK (Pages 13 - 82)
9. CABINET MEMBER UPDATE
10. PANEL WORKPLAN (Pages 83 - 86)

This report presents the latest workplan for the Panel. Any suggestions for further items or amendments to the current programme will be logged and scheduled in

consultation with the Panel's Chair and supporting officers.

The Committee Administrator for this meeting is Michaela Gay who can be contacted on michaela_gay@bathnes.gov.uk, 01225 394411.

BATH AND NORTH EAST SOMERSET

MINUTES OF CORPORATE POLICY DEVELOPMENT AND SCRUTINY PANEL MEETING

Monday, 28th November, 2022

Present:- **Councillors** Karen Warrington, Winston Duguid, Mark Elliott, Lucy Hodge, Shaun Hughes, Hal MacFie, Alastair Singleton, Sally Davis and Duncan Hounsell (in place of Andrew Furse)

23 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting.

23 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting.

24 EMERGENCY EVACUATION PROCEDURE

The Chair drew attention to the emergency evacuation procedure.

25 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

Councillor Furse sent his apologies and was substituted by Councillor Hounsell.

26 DECLARATIONS OF INTEREST

There were none.

27 TO ANNOUNCE ANY URGENT BUSINESS AGREED BY THE CHAIRMAN

There was none.

28 ITEMS FROM THE PUBLIC OR COUNCILLORS - TO RECEIVE STATEMENTS, PETITIONS OR QUESTIONS RELATING TO THE BUSINESS OF THIS MEETING

Councillor Walker made a statement about the 2023/24 Budget regarding Peasedown St John. A copy of the statement is attached to the minutes.

29 MINUTES

The Panel confirmed the minutes of the previous meetings (26th September 2022 and 11th July 2022) as a true record and they were duly signed by the Chair.

30 CABINET MEMBER UPDATE

The Cabinet Member for Resources, Councillor Richard Samuel stated that he would give an update as part of the item on the agenda '2023/24 Medium Term Financial Strategy'.

31 ECONOMIC DEVELOPMENT UPDATE

Simon Martin, Director of Regeneration and Housing, Claire Lynch, Business Growth, and Richard Holden, Operations Manager Bath Enterprise Zone, gave a presentation to the Panel which covered the following:

- Regeneration and Housing
- Sustainable Communities Structure diagram
- Business Skills Team
- Meet the Employment and Skills Team
- Business and Skills Team Functions
- Business and Skills Support Projects
- Key Current Achievements
- Employment and Skills
- Meet the Regeneration Team
- Regeneration
- Our Future Ambition
- Enterprise Zone Team
- Meet the Enterprise Zone Team
- Enterprise Zone
- Bath Quays 2019
- Bath Quays 2022
- Somer Valley Enterprise Zone
- Service Plan key project activities

Panel members raised the following points and asked the following questions:

Councillor Hughes stated that he is feeling reassured about the plans for the Somer Valley Enterprise Zone in Midsomer Norton. He explained that he had met with the officer regarding issues in Midsomer Norton High Street. He explained that there was some local concern that the Town Hall regeneration was absorbing funds from other projects and that investment was needed in the rest of the High Street. He thanked the team for their work. The officer acknowledged that there was more work to do in the High Street and that the team would continue work on the business case for intervention.

Councillor Duguid asked about Bath Quays development and if office space is still relevant post Covid. The officer explained that the pandemic had actually reinforced the move towards higher quality and flexible office space.

Councillor Duguid asked how much of Bath Quays will be occupied by migration from offices in the city centre. The officer explained that the majority of enquiries are predominantly from Bath based businesses looking for more modern space. He stated that he expected one third of the Quays as a whole would meet local need.

Councillor Duguid stated that he was pleased that 'Invest in Bath' was now 'Invest in BANES'. He stated that he was pleased that BANES and i-Start was seen as a beacon local authority initiative. He asked for an update. The officer explained that there is now a strong relationship between the universities and the college and the development of a modular curriculum that builds skill and bespoke training. This is unique and seen as a regional offer.

Councillor Hounsell thanked the employment and skills team and asked about Keynsham High Street since the refurbishment. He asked about the transport consultancy outcome, movement strategy and high street/local business directory. The officer explained that the evaluation report would be made public in due course. It seems that footfall is up at weekends but lower mid-week – patterns had changed. He stated that the mid-week changes could be the result of more civic centre staff hybrid working now and that it was difficult to compare with pre Covid footfall. He stated that he would find out about the business directory.

Councillor Hounsell asked if there was data on business and employment available to ward Councillors. The officer will check this.

Councillor Singleton asked about the Government Investment Zone Scheme concerns. The officer explained that 2 sites had been submitted but these are no longer proceeding post Government Autumn statement. He stated that the focus was on growth clusters – university research and new businesses.

Councillor Hodge asked if there was potential for laboratory space in North Quays. The officer stated that this was a live conversation and that there is an evidenced need in the South West for dry lab space. There is potential at the old Debenhams site for some lab space.

Councillor MacFie commended the work done on a Heritage Trail in Keynsham. He asked about falls/accidents in Keynsham – he asked if there was a co-ordinated method of recording. Councillor Davis also asked how falls are recorded. The officer explained that however a fall is reported to the Council it will go through the 'Fix My Street' system as it is a public highway. This means there is a single reference point. He stated that there is a meeting planned in January 2023 with ward Councillors regarding insurance claims.

Councillor Duguid asked if there was any update on footfall in Bath centre and about the busy weekend coming up (10th December) with Bath Rugby and Christmas Market traffic. The officer stated that they are awaiting Bath BID footfall figures. He stated that there is no train strike on 10th December and an extra area in Avon Street Car Park opened.

Councillor Warrington asked if the fit out on number 1 Bath Quays had been done. The officer explained that this was completed last year and it is now partially occupied. Regarding business rates on empty properties (not yet developed/fitted out) the officer explained that floors that are not fully fitted out are not rateable.

The Chair thanked the officers.

32 2023/24 MEDIUM TERM FINANCIAL STRATEGY

Councillor Richard Samuel, Cabinet Member for Resources, introduced the report by explaining that the economic climate is severe and this is the hardest budget yet. He explained that the Medium Term Financial Strategy highlights the environment that the Council will be operating in and stated that the Council will have to do something different over the next few years. Andy Rothery, Chief Finance Officer talked through the main points of the report.

Panel members raised the following points and asked the following questions:

Councillor Hodge asked for information regarding the funding gap; budget re basing; contract inflation; demographic growth and proposed savings. The officer explained that there was some one-off monies last year, Covid funding, which has dropped now. He stated that there was contract inflation – key services exposed due to higher fuel costs etc. He added that proposed savings are currently being reviewed.

Councillor Hounsell commented on the tough situation next year. He asked that if schemes had not spent all of their money this year, would that money be safe. The Cabinet Member stated that this was difficult to answer at this stage. He explained that, looking ahead over the next 5 years, there were a lot of major projects such as Bath Quays and Fashion Museum and capital demand must be calculated. He said that ultimately it was a decision for full Council but it was hard to see how everything could be sustained. He further explained that all Council's have been affected by the shrinkage in local government funding.

Councillor Hughes asked about the strategy regarding the move away from retail. He asked if hospitality and tourism were potential areas of growth. The officer stated that the centre is reliant on tourist income and there are plans to diversify. He stated that there were also developments outside the centre. The seeds are being planted.

Councillor Hughes asked about the strategy regarding car parking in the centre as there is income from parking but the Council are encouraging Park and Ride and cycling etc. The Cabinet Member stated that there is an incoherence between parking income and measures to reduce carbon production. He stated that, in a perfect world the Council would not have to rely on parking income. He stated that the strategy is to reduce vehicles coming into the city for health and climate reasons.

Councillor Duguid asked about reserves and how they are used. The officer explained that reserves are linked to various things such as insurance reserve and social care. The overall level is £54million. He explained that temporary use of reserves is appropriate if they can be replenished. Reserves must span a range of financial years.

Councillor Duguid asked if BANES is prudent with its reserves. The Cabinet Member explained that if reserve levels are low, the Council has low resilience. He explained that his approach had been to rebuild reserves and this Council was in a stronger position than some others. He further explained his view is that reserves should be spent if something is unavoidable or towards an investment. He confirmed that this administration has built the overall level of reserves to £54million.

Councillor Hodge asked about business rates retention. The officer stated that they are hopeful but have to wait for the settlement.

The Chair thanked the officer and Cabinet Member.

33 PANEL WORKPLAN

The Panel noted the future workplan.

The meeting ended at 5.45 pm

Chair(person)

Date Confirmed and Signed

Prepared by Democratic Services

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Bath & North East Somerset Council		
MEETING:	Corporate Policy Development & Scrutiny Panel	
MEETING DATE:	23 rd January 2023	EXECUTIVE FORWARD PLAN REFERENCE:
		E3321
TITLE:	Budget and Council Tax 2023/24 and Financial Outlook – DRAFT REPORT	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report		
Annex 1: 2023/24 Draft Savings and Income proposals		
Annex 2: 2023/24 Draft Funding Requirements		
Annex 3: 2023/24 Draft Emerging Capital Schemes		
Annex 4: Equality impacts of 2023/24 Savings and Funding Proposals		
Annex 5: Advice of the Monitoring Officer		

1. THE ISSUE

This report presents the revenue and capital budgets together with proposals for increases in Council Tax and the Adult Social Care Precept for 2023/24.

2. RECOMMENDATIONS

2.1 The Panel is asked to report comments to Cabinet on –

The content of this report and 2023/24 budget proposal, including:

- Annex 1: 2023/24 Draft Savings and Income proposals
- Annex 2: 2023/24 Draft Funding Requirements
- Annex 3: 2023/24 Draft Emerging Capital Schemes
- Annex 4: Equality impacts of 2023/24 Savings and Funding Proposals
- Annex 5: Advice of the Monitoring Officer

3. RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

The resource implications are contained within the body of the report

4. STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSALS

A local authority has a statutory duty to set an annual budget and Council Tax. The advice of the Council's Monitoring Officer regarding the budget setting process is attached at Annex 5.

Members must have regard to the impact on specific groups in their decision making. The Equalities Team has reviewed savings plans to ensure that any impact the saving will have on diversity and equality has been assessed and to ensure that any issues are highlighted to members before a decision is made. The analysis is attached at Annex 4.

5. THE REPORT

5.1 The 2023/24 Budget Summary

The Medium-Term Financial Strategy (MTFS) was approved in November 2022 and outlined how the budget would be delivered over the medium to long-term. This incorporates the continuing impact of the Covid pandemic on the Council's income levels together with the severe inflationary pressures from the 'Cost-of-Living crisis'. The MTFS for B&NES spans two years with a further three added to show the likely longer-term picture.

The Council needs to deliver a balanced budget over the term of the plan. A balanced budget means that balances or reserves are not used to meet on-going expenditure commitments. The updated plan shows a balanced budget for 2023/24 and a current projected budget gap for 2024/25 and beyond although this is expected to reduce to a balanced position once the impacts of returning income and further efficiencies are factored in to budget planning. The figures include all estimates for pay awards, pension costs, Council Tax, business rates, Government grant, and inflation. The revenue budget contingency for inflationary pressures has been replenished with a further £1m to the £1.67m added in 2022/23 which has been allocated for in year contract pressures.

The budget has been developed considering how to operate with a higher cost base and lower income levels whilst delivering the Corporate Strategy to meet our key principles and commitments. After taking account of ongoing service cost pressures and new funding requirements, the starting point for the 2023/24 budget is a funding gap of £14.38m. The proposed budget meets this funding gap in two ways:

- 1) Income generation plans of £5.09m.
- 2) Cost reduction plans of £9.29m.

The ongoing impact of high inflation together with a reduction in income has created a material imbalance in how the Council funds its services, Council tax and Business rates alone do not fully fund the Council's services, they are also funded by external income. The Council revenue support grant has reduced from £31m in 2013/14 to £0.8m per annum in 2023/24 and as a result we have become more reliant on external income to help fund core Council services. After considering demands on services and inflationary pressure the Council revenue budget requires £17.52m in budget growth, this is funded through increases in Council tax, income and savings

plans and grant adjustments. This is highlighted in more detail in section 5.2.5 of the report and supporting annex's.

The budget includes a recommendation that general Council Tax is increased by 2.99% in 2023/24 (an increase of £47.10 per Band D property) and the Adult Social Care Precept is increased by 2% (an increase of £31.50 per Band D property). This results in a total proposed Band D Council Tax for Bath and North East Somerset Council next year of £1,653.90 (£1,575.30 in 2022/23) an overall increase of 4.99% and £78.60 per Band D (£1.51 per week).

The proposed net revenue budget for Bath and North East Somerset for 2023/24 is £131.03m.

5.1.1 Corporate Strategy and the Councils' Priorities

The budget focusses on delivery of the Corporate Strategy which is set within the following framework:

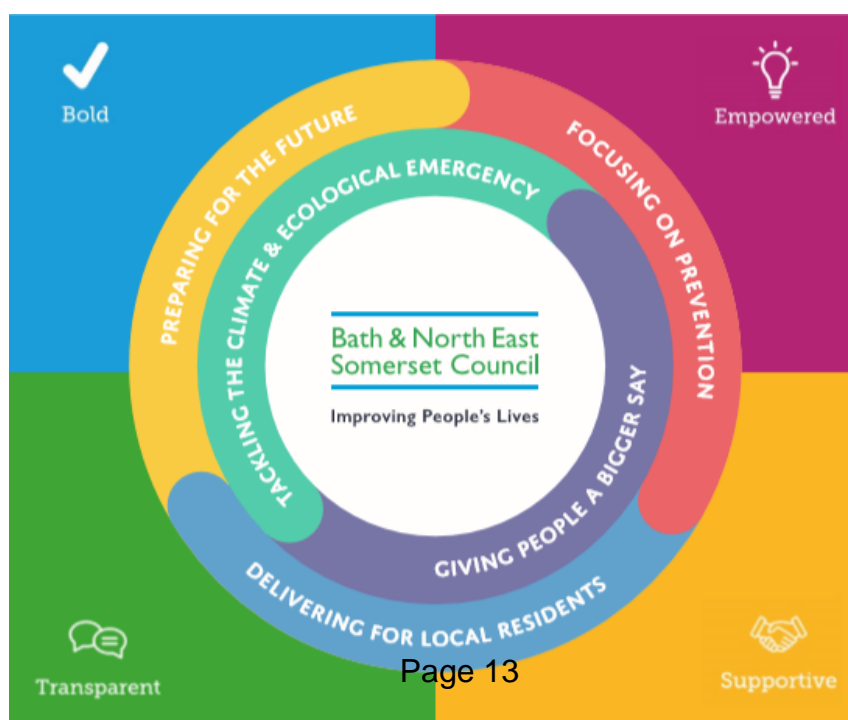
ONE: We have **one** overriding purpose – to improve people's lives.

This might sound simple but it brings together everything we do, from cleaning the streets to caring for our older people. It is the foundation for our strategy and we will ensure that it drives our commitments, spending and service delivery.

TWO: We have **two** core policies – **tackling the climate and ecological emergency** and **giving people a bigger say**. These will shape **everything** we do.

THREE: To translate our purpose into commitments, we have identified **three** principles. We want to **prepare for the future, deliver for local residents and focus on prevention**.

This is all set out clearly in the diagram below:



This is the “golden thread” which drives what we do ensuring that setting budgets and managing our people - our most valuable resource - are guided by the council’s priorities. It also means that our commitments are realistic and achievable.

Areas of strategic priority and focus over the next two years will include:

- Further investment to deliver more effective transport schemes across the council area, with a particular focus on creating liveable neighbourhoods, prioritising active travel and reducing reliance on the car for commuting and short journeys.
- Continued investment to support the most vulnerable people in our communities.
- Continued commitment to address the climate and ecological emergency, investing in energy.
- Focus on supporting the local economy to recover from the impact of the pandemic and rising inflation, regenerate local high streets and increase the diversification of the economy away from dependence on retail, hospitality and tourism.
- Support the Business Change programme to modernise the council with a focus on improved asset management and flexible working.

5.2 The Revenue Budget 2023/24

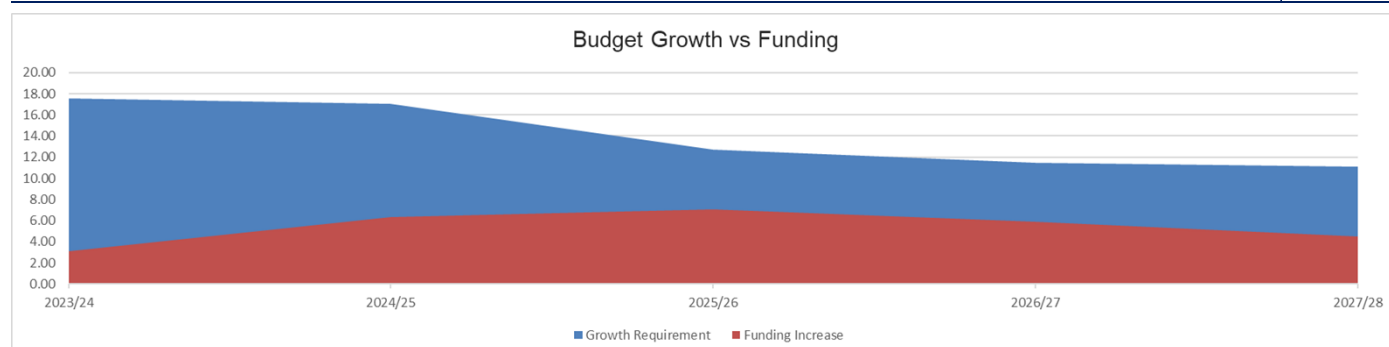
5.2.1 2022/23 Current Budget Position

The Council is currently finalising its Apr – Dec Q3 budget monitoring. The Apr – Sep Q2 forecast identified in year budget pressures resulting in a forecast overspend position of £4.5m. Financial recovery actions have been put in place that will mitigate this to bring this Council back into budget, recurrent service budget pressures that cannot be mitigated have been incorporated into the growth requirement for 2023/24.

5.2.2 The Budget and Medium-Term Financial Outlook

The budget summary is set out below showing the demand and funding changes over the next five years:

Budget Planning	Future years assumptions £m					Total
	2023/24	2024/25	2025/26	2026/27	2027/28	
Growth Requirement	17.52	17.02	12.69	11.48	11.09	69.80
Funding Increase	3.14	6.37	7.09	5.91	4.53	27.05
Annual Funding gap	14.38	10.65	5.60	5.57	6.56	42.76
Savings Proposals	14.38	0.69	1.05	0.00	0.00	16.12
Remaining Funding Gap	0.00	9.96	4.55	5.57	6.56	26.64



This illustrates that the budget gap remains significant over the next two years due to the ongoing impacts of the pandemic. This is set out in more detail in section 5.2.5 of the report.

The budget detail, assumptions, and the future forecast is shown in the table below:

Budget Planning	Future years assumptions £m				
	2023/24	2024/25	2025/26	2026/27	2027/28
Budget Requirement (Previous Year)	126.74	131.03	137.40	144.49	150.40
Budget Adjustments	1.00	0.00	0.00	0.00	0.00
Pay & Pension	5.80	2.89	2.87	3.47	3.33
Demographic Growth	1.71	1.71	1.71	2.71	2.71
Contract Inflation	3.66	5.38	2.28	2.32	2.32
New Homes Bonus Pressure	1.61	0.42	0.00	0.00	0.00
Capital Financing	0.87	2.01	1.78	0.99	1.21
Settlement grant funding	(4.44)	(2.73)	5.07	0.00	0.00
Budget pressure / rebasing	7.31	1.80	(1.03)	2.00	1.52
Funding Requirement Sub Total	17.52	11.48	12.69	11.48	11.09
Draft Budget Before Savings	144.27	142.50	150.09	155.97	161.49
Proposed Savings Plans	(14.38)	(0.69)	(1.05)	0.00	0.00
Estimated Savings Required	(0.00)	(9.96)	(4.55)	(5.57)	(6.56)
Savings Requirement Sub Total	(14.38)	(10.65)	(5.60)	(5.57)	(6.56)
Budget Requirement	129.89	131.86	144.49	150.40	154.93
Business Rate Relief Adjustment*	1.14	5.54	0.00	0.00	0.00
Revised Budget Requirement	131.03	137.40	144.49	150.40	154.93
Funding of Budget Requirement					
Council Tax	113.89	120.33	123.95	127.68	131.52
Business rates retention*	24.28	21.37	22.04	22.72	23.41
Reserve transfers From	0.25	0.00	0.00	0.00	0.00
Reserve transfers (To)	(7.39)	(4.30)	(1.50)	0.00	0.00
Funding of Budget Requirement Total	131.03	137.40	144.49	150.40	154.93

* Budget adjustment realigns s31 grant income for 2023/24 from government funded business rate relief compensation. The adjustment in 2024/25 assumes the Retail Relief scheme ends, so s31 grant income reduces with a corresponding increase in the amount of Business Rate Retention.

The forecast includes the following cost pressures and assumptions:

- **Pay Inflation** – Estimated 3.00% per annum until 2025/26 (1% additional contingency in 2023/24), 2% thereafter.
- **Council tax** – General assumed at 2.99%, Social Care precept 2% until 2025/26.
- **Pension Costs** – Have been revised in line with the recent revaluation no increase until the next fund revaluation which is due in 2025/26 for 2026/27 budget setting.

- **Demographic Growth & Increase in Service Volumes** – Additional demand from new placement and market pressures in Adult & Children Social Care;
- **Interest Rates** - Higher interest rate to follow movement in Bank of England base rate currently 3.50% for treasury management cash investments. The Council will fix budget interest rates following the provisional settlement;
- **Inflation** – CPI projections modelled on a higher rate between 5-10% as per the Bank of England MPC forecasts.
- **Budget Pressures / Rebasing*** – 2023/24 budget rebasing takes into account current pressures on demand driven services including Children's Services and Waste.
- **Capital Spending** – an allowance has been made to fund previously agreed provisional schemes requiring borrowing.
- **Borrowing** – longer term borrowing costs have been factored into the MTFS however the authority will continue to optimise the use of cash balances subject to market conditions and the overriding need to meet cash outflows;
- **New Priorities** – from April 2023 will be developed with the new Council administration as part of the Corporate Strategy and have not yet been factored into the plan.
- **Reserves** – In recognition of inflation pressures commitment against un-earmarked general reserve for unbudgeted in year risks.

** Rebasing is the alignment of budgets to current and forecast expenditure and income levels*

5.2.3 The Government Settlement

The Provisional Settlement was received on the 19th December 2022 but the Council has still not had the final grant allocations confirmed by the government. The figures outlined in this report therefore reflect the provisional figures. The final settlement details will be updated within the report to Council if they are published before the report publication deadline.

- **Revenue Support Grant (RSG)**

As a result of a further delay in the Fairer Funding and Business Rate Retention Review, the Council will continue to receive the Revenue Support Grant (RSG) in 2023/24 of £0.779m (2022/23 £0.517m). The increase reflects the transfer into RSG of £0.210m in respect of the specific grants listed below, based on 2022/23 grant amounts, and an inflationary uplift of £0.052m on the core RSG:

- Family Annexe Council Tax discount grant - £0.032m
- Local Council Tax Support Admin grant - £0.172m
- Food Safety and Standards Enforcement grant - £0.006m

The RSG allocated to B&NES has been rolled into the 100% Business Rate Pilot Scheme, with the Council retaining an equivalent amount of business rates instead of receiving a RSG payment.

- **Services Grant & Lower Tier Services Grant**

The Lower Tier Services Grant has been removed for 2023/24, the Council received £0.20m in 2022/23. The Services Grant has been reduced from £1.63m to £0.92m in 2023/24, the reduction includes adjustment to remove 2022/23 funding for the increase in Employer's National Insurance following the Chancellor's decision to reverse this. The Council's pay budgets have been adjusted to reflect the change in National Insurance rates.

- **New Homes Bonus**

The New Homes Bonus is a grant paid by central government to local councils to reflect and incentivise housing growth in their areas. It is based on the amount of extra Council Tax revenue raised for new-build homes, conversions and long-term empty homes brought back into use. There is also an extra payment for providing affordable homes.

The Provisional Settlement has outlined continuation of the changes made to the funding arrangements for New Homes Bonus since 2020/21, pending an announcement on the future position of the scheme ahead of the 2024/25 local government finance settlement. This results in a 2023/24 New Homes Bonus grant payment of £0.425m for new housing growth over the past year, a reduction of £1.612m from 2022/23, as prior year legacy payments drop out. The settlement announced that the grant element for 2023/24 would only be paid for one year without the further 3 years of legacy payments which were made for growth rewarded in 2019/20 and prior years. The table below shows the annual remaining funding. The settlement announced that the national housing growth baseline adjustment would remain at 0.4% for 2023/24.

	Total New Homes Bonus Grant		
<i>Payment relating to:</i>	2022/23 £'m	2023/24 £'m	2024/25 £'m
2023/24		0.425	
2022/23	0.645		
2021/22			
2020/21			
2019/20	1.392		
Total	2.037	0.425	0.000

- **Social Care Grant**

The December 2022 provisional settlement has confirmed an increase of £4.09m in Social Care grant funding taking the total grant for 2023/24 to £10.07m. This increase includes the transfer into the grant of the Independent Living Fund (ILF) grant of £0.43m. After taking account of the ILF transfer, the net increase of £3.66m will be allocated to fund Children's Social Care demand pressures in line with previous years use of the Social Care grant. The government has funded the 2023/24 increase through delaying Adult Social Care charging reform until October 2025, and in line with this the MTFs assumes the 2023/24 additional funding will be removed in 2025/26.

- **Adult Social Care Market Sustainability & Improvement Fund Grant**

The December 2022 provisional settlement included grant funding for 2023/24 of £1.709m through the Market Sustainability & Improvement Fund Grant, an increase of £1.216m on the 2022/23 grant of £0.493m. This funding is assumed as recurrent in the base budget.

- **Adult Social Care Discharge Fund Grant**

The December 2022 provisional settlement included new ring-fenced grant funding for 2023/24 of £0.687m through the Adult Social Care Discharge Fund Grant. This funding is assumed as recurrent in the base budget.

- **Better Care Fund**

The Better Care Fund is intended to incentivise the integration of health and social care, requiring Integrated Care Boards (ICBs) and Local Authorities to pool budgets and agree an integrated spending plan, owned by the health and wellbeing board. Greater integration is seen as a potential way to use resources more efficiently and achieve better outcomes for people, in particular by reducing avoidable hospital admissions and facilitating early discharge from hospital.

The Council & B&NES ICB Better Care fund for 2023/24 is anticipated to be £70m with the Council contribution of £29m and CCG contribution of £41m. In addition to the mandated financial amounts for pooling this includes Council and ICB budgets for the Joint Community Services contract with HCRG Care Services and associated sub-contracts. The CCG contribution is expected to rise in line with planned NHS uplifts once confirmed. For 2022-23 this increase was 5.66%.

The Council budget assumes that the funding transfer of £14.1m NHS mandated minimum contribution will remain consistent with prior years; with £10.15m of this funding transferred in 2022/23 for Council commissioned schemes under the S75 pooled budget arrangements.

The December 2022 settlement has confirmed that the existing improved Better Care Fund social grant will be maintained at the same value as 2022-23, for B&NES this is £4.9m. This will protect the Better Care Fund schemes that have committed this funding on an annual basis.

- **Business Rates**

It has been confirmed that the 100% Business Rate Retention Pilot will continue into 2023/24. The Medium Term Financial plan currently assumes that the estimated benefit of approximately £3.2m will be removed in 2024/25 as part of the review of Local Government Financing. At this stage it is entirely unclear what funding arrangements will exist for local government in future financial years.

As part of the proposed budget, reasonable assumptions have been made for likely levels of future Business Rate income, together with specific provisions for appeals, increase in reliefs and growth and deletions. Any surplus or deficit on the Business

Rate Collection Fund and associated income will be transferred to or from the Business Rates Reserve for consideration as part of the Business Rates calculations for future years. This approach will include any changes that arise from the final settlement announcement relating to Business Rates, the announcement was still awaited at the time this report was finalised.

The next Business Rate Revaluation will take place from 1st April 2023 and the government has confirmed that it will adjust each local authority's top-up or tariff to ensure that as far as practicable a local authority's retained income from business rates is no more, or less, than it would have been had the revaluation not taken place.

As part of the Autumn Budget Statement, the Chancellor announced that the Government would provide the following package of business rate measures to support businesses:

- An increase in relief for eligible retail, hospitality and leisure properties to 75% from 50% on rates bills up to £110,000 per business.
- A freezing of the multipliers at 49.9p (small business multiplier) and 51.2p (standard multiplier).
- A more generous Transitional Relief scheme to protect businesses from increases following the 2023 revaluation.
- A Supporting Small Business Relief scheme covering 2023/24 to 2025/26 to help businesses losing small business rates relief or rural rates relief.

The government has confirmed that the Council would be compensated for the loss of Business Rates for granting these reliefs through section 31 grants paid to the revenue account.

2022/23 Business Rate Collection Fund Surplus

The current forecast for the Business Rate element of the collection fund is for a surplus of £4.7m, after allowing for the net reduction of 2022/23 s31 grant funding in respect of the extended retail relief and the Covid Additional Relief Fund. The table below shows the Council's share of the current estimated surplus is £4.4m. The surplus is due to the favourable outturn position carried forward from 2021/22 of £3.9m, including the adjustment for 3 year spreading, and a small in year forecast surplus of £0.8m, and has been transferred to the Business Rate Reserve. The reserve transfer will replenish the Business Rate Reserve, which will be used in 2022/23 to fund the revenue impact of reduced Retail Relief s31 grant which is forecast to be £4.3m lower than the £8.5m budget due to changes in eligibility criteria received after the original estimate was made.

Business Rates Collection Fund	Total (£m)	B&NES Share (£m)
Collection Fund - Projected 2022/23 In Year Surplus	-1.45	-1.36
<i>Less impacts of reliefs funded through s31 grant:</i>		
Reduced Retail Relief	4.58	4.31
Covid Additional Relief Fund	-3.95	-3.71
In Year Surplus after Retail Relief & CARF s31 grant funding	-0.81	-0.76
2021/22 Surplus Carried Forward	-4.89	-4.59
3 Year Deficit Spreading Adjustment	0.99	0.93
Total Projected Surplus	-4.71	-4.43

- **Schools Funding**

Schools are funded by the Dedicated Schools Grant (DSG) which is initially allocated to the Council by the Department for Education (DfE). The DSG supports all expenditure in schools (who set their own budgets) and the activities that the Council carries out directly for schools. It does not cover the statutory responsibilities the Council has towards parents. These responsibilities are funded through the Councils main revenue funding and included as part of the proposed budget.

As schools convert to academies the DfE take back the element of DSG payable to the local authority in order to make payments direct to the academies. It is estimated that 92% of B&NES schools will have converted to academies by April 2023 and a number of other schools will develop plans to convert in the coming years.

With the introduction of the National Funding Formula for schools the DSG for schools (the Schools Block) was ring-fenced for schools from 2018/19 leaving it unclear as to which body was responsible for the demographic pressures being observed in the other Blocks, in particular the SEND / High Needs element of the DSG. The Government has confirmed in legislation that local authorities cannot support High Needs costs through their General Funds unless they obtain Secretary of State approval. In addition, it states that the local authority must carry forward the whole of the overspend to the schools budget in future years. This legislation is time limited and it is anticipated that further legislation will be included within the SEN review due to be published in the spring of 2023. The underlying overspend on the DSG including the High Needs Block was £13.4m in 2021-22 and that balance was carried forward to 2022-23. The estimated forecast in 2022-23 (including the carry forward from 2021-22) is £19.6m.

The Government have been allocating additional ongoing funding for High Needs through the DSG in 2023-24 and B&NES has been allocated a further £2.2m. Additionally, to recognise pressures in schools the DfE have issued a supplementary

grant with B&NES receiving a further £1.3m towards pressures in high needs. However, this is unlikely to be sufficient to meet current demand.

The DFE have invited B&NES to participate in the national DSG Safety Valve programme where the DFE require the LA to produce a recovery plan and if agreed the DFE will support the eradication of the on going cumulative deficit. Officers have been working on the submission and are having ongoing discussions about the details of that plan. It is anticipated that the outcome will be known during February 2023.

Schools through the Schools Forum agreed to support the High Needs pressures to the full extent of their delegated powers with a contribution of 0.5% of the schools budget amounting to £0.6m.

5.2.4 Savings and Income Generation

To deliver a balanced budget in 2023/24 savings and income generation plans total £14.38m, with income and savings to find of £9.96m in 2024/25. This will be reviewed early in the 2023/24 financial year to enable early budget planning to develop robust and deliverable proposals for the 2024/25 budget. The Council has a good track record of delivering proposed savings, in relation to the 2022/23 approved savings of £11.87m, 87% (£10.34m) have been delivered in full and a further 1% (£0.09m) have been mitigated by one-off underspends in year.

The proposals for savings are outlined in Annex 1.

5.2.5 Budget Funding Requirements

Budget growth and additional pressures across portfolios of £17.52m have been added to ensure that the budget remains robust and to add additional budget funding to areas that require rebasing. This does not mean that savings cannot be found from these areas in future once savings opportunities are identified, but this ensures that spend and budget are aligned especially in high demand areas. Growth and pressures are outlined in Annex 2.

The material items requiring additional funding on top of annual budget adjustments are listed below, this illustrates some of the economic and financial challenges the Council is facing post pandemic and as a result of rising inflation.

- Investment in Neighbourhoods services £1.9m
- Children's Services budget rebasing £2.46m
- Education Services budget rebasing £1.6m
- Home to School Transport £1.1m

In addition, the budget has incorporated £0.33m ongoing funding for the Councils Business Change programme detailed below.

5.2.6 Business Change

The Council has created a Business Change Hub to provide a dedicated resource to drive transformation programmes across the Council. The establishment of a professional hub provides the tools to deliver change more effectively, allows for interdependencies between programmes to be identified and managed more strategically and improves resource planning to ensure the right support, governance and structure is in place to realise the identified benefits of each programme.

The current programmes of work are as follows:

Customer Experience programme

This programme of work aims to modernise the way we interact with customers using a digital first approach and includes the following outcomes:

- Residents/communities have greater access to the services and products they need
- A reduction in number of telephone calls, emails and letters received / sent out.
- A reduction in customers needing to contact us many times about the same issue.
- Simple, high volume, repetitive tasks are automated rather than manual.
- Core customer contact processes embedded within organisation
- All services follow the corporate customer service standards
- Customers clear about how, when and where they can contact us.

Children's Services and Education transformation

This programme initially is focussing on reviewing and improving the way we record data and make payments and relies on the development of a digital solution. The key outcomes are:

- Data and finance are managed robustly, and a long-term direction of travel and action plan is agreed
- The service can more easily link activity to payments.
- Support and interventions for children and families can be measured and the effectiveness can be easily tracked through the system

Corporate Landlord model

This programme supports the service to develop a Corporate Landlord Model. The key outcomes are:

- Development of a target operating model and implementation and embedding of a Corporate Landlord Model.
- Centralisation of all estate budgets, decision making and activities within one team.
- Driving of efficiencies and associated savings from economies of scale and a common approach to assurance.
- Ensuring that Council services occupy property that is in the right location, fit for purpose, economic to occupy, and compliant with statutory and regulatory codes
- Our estate leads by example in the contribution it makes to making Bath and North East Somerset carbon neutral and climate resilient by 2030.
- Our assets and property related activities support regeneration, economic development and housing objectives, creating vibrant and sustainable communities.

Working Well Together

This programme continues the development of our corporate office estate to enable a working environment for the future and includes the following outcomes:

- The corporate office estate will be modern and accessible to support the workforce to work and deliver services in a safe, efficient and effective way
- Our workforce has access to the right resources to work well and deliver services
- The front door to the organisation represents our organisation's principles & values
- The whole workforce has digital access to resources and have the skills, support, and time to use it.

The Hub was funded for the first year from the Transformation Reserve during which time recruitment to key posts has taken place. A series of templates have been developed to include PIDs, a programme brief and a target operating model and a dashboard is being finalised to provide performance data for each programme of work.

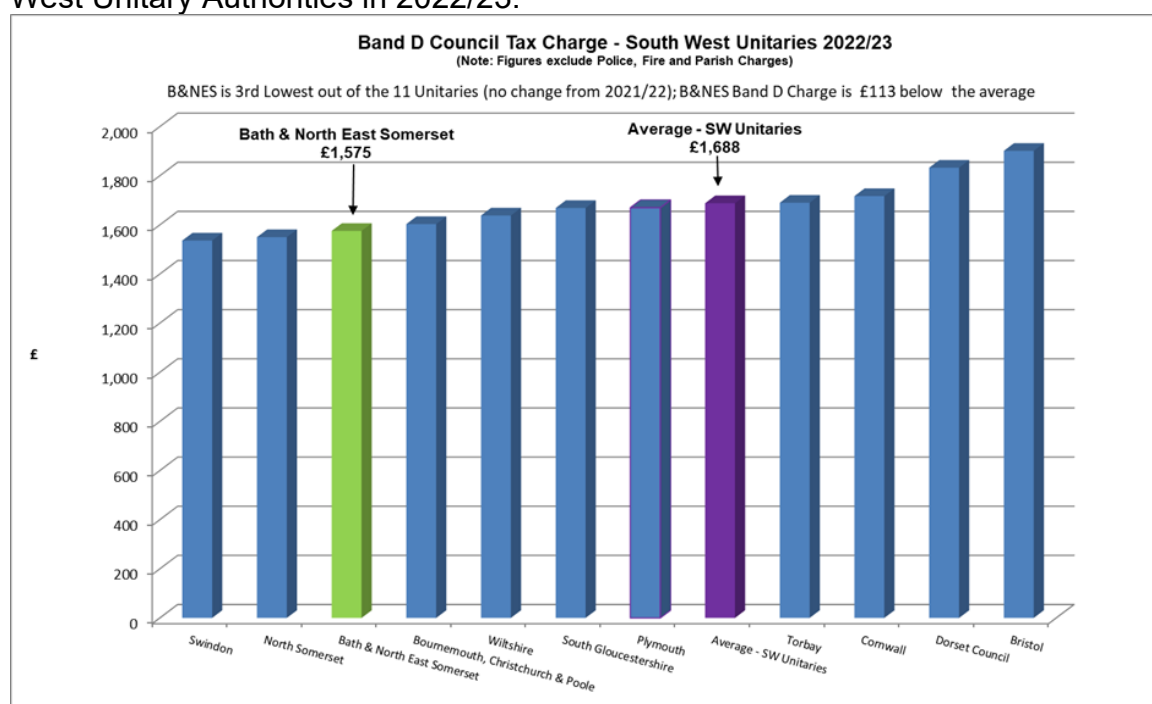
Funding for staff of £330k has been built into the 2023/24 budget proposals which will cover the core staff for the Hub.

5.3 Council Tax

5.3.1 Band D Equivalent Council Tax

The Provisional Settlement has stated an increased referendum cap of 3% reflecting the government's need to reduce local government spending. The proposal therefore within this report is to increase general Council Tax by 2.99% in 2023/24. This will increase a Band D by £47.10 for 2023/24 to £1,434.69. The overall proposed Band D Council Tax for Bath and North East Somerset Council next year including the Adult Social Care Precept increase of 2.00% is £1,653.90 (£1,575.30 in 2022/23) an increase of 4.99% and £78.60 per Band D (£1.51 per week). The tax base for 2023/24 is 68,609.94, an increase of 756.20 (+1.11%) from 2022/23.

The diagram below shows that B&NES had the third lowest Council Tax of the South West Unitary Authorities in 2022/23:



As billing authority, B&NES calculates a basic level of tax based on its own spending plans, to which is added the precepts from, Adult Social Care, Avon Fire Authority, Avon and Somerset Police Authority, and any town/parish Council. The actual total of Council Tax for Bath and North East Somerset residents will be calculated once all precepting authorities have notified B&NES of their proposals to be approved at Full Council on 21st February 2023.

5.3.2 Adult Social Care Precept

The Government, in recognising the continued pressures facing Adult Social Care (ASC) authorities, has allowed for a further 2% increase per annum through the final two years of the current spending review period to 2024/25. The Council's plans include this for 2023/24 (this would increase the Adult Social Care Precept to £15.04m an increase of £2.30m from 2022/23).

The funding requirement for Adult Social Care before savings is £5.9m (Annex 2i) which will be part funded from the Adult Social Care Precept increase.

5.3.3 2022/23 Council Tax Collection Fund Surplus

The forecast for the Council Tax element of the collection fund is for a surplus of £0.500m. The Council's share of the estimated surplus is £0.415m. The surplus is due to the favourable in year position mainly as a result of a reduction in Local Council Tax Support claimants due to claimants ceasing to be entitled to LCTS, for example where they have returned to employment or their income has increased. This is partly offset by the Collection Fund position carried forward from 2021/22, including the adjustment for 3 year deficit spreading.

5.3.4 Estimates for Future Years Band D Council Tax

The current Medium Term Financial Plan has factored in an annual increase of 4.99% for 2024/25 across both general Council Tax and the Adult Social Care precept. This is in line with the Chancellor's budget policy statement for local government council tax setting. The annual increase for 2025/26, 2026/27 and 2027/28 is included at 1.99% for general Council Tax only. Projections will be adjusted accordingly in line with any future referendum limits set by the new Government after the next general election.

5.3.5 Council Tax Support

The base Council Tax Support Scheme was approved in November 2019 and has been updated to reflect annual changes to statutory legislation and benefit rates from April 2023 – see link as follows: TBC.

The tax base currently assumes the same number of recipients as at the end of November 2022 will continue into 2023/24. The budget estimate is £10.3m compared to £10.6m in 2022/23. The reduced cost reflects the reduction in LCTS claimants

over the past year due to claimants ceasing to be entitled to LCTS, for example where they have returned to employment or their income has increased.

The Government have announced that from April 2023, most Welfare Benefits rates, including Universal Credit, will be increased by 10.1%.

We are proposing to increase our income bands for the LCTS in line with this figure. This will allow residents to keep more of their income, while still being eligible for support. **The proposed new income band values would take effect from April 2023.**

5.4 West of England Combined Authority (WECA)

The West of England Combined Authority was formed in 2017 by Bath and North East Somerset, Bristol and South Gloucestershire councils. Initial financial benefits were part of a devolution deal initially bringing £900m of new investment funding and significant powers into the region.

Since its formation, over £1.7bn of new funding has been secured for our region, because we have a Combined Authority. This money would not have come to the region without the Combined Authority.

With local councils facing continued financial challenges, this additional funding secured by the Combined Authority is providing added value for our region's councils; bringing forward investments and programmes which would not have been possible otherwise. The success of the Combined Authority in securing significant new funding – which would not be available to councils – is helping us support people and businesses across the West of England.

The Combined Authority is working to improve public transport thanks to £540 million secured from Government through a successful City Region Sustainable Transport Settlement. This was the highest amount per head awarded anywhere in England.

The West of England Combined Authority has secured the following key additional investment for our region:

- £694m for major transport schemes
- £2.9m emergency active travel funding (cycling and walking) additional to the Active Travel Fund of £5.8m
- £54m for MetroWest Phase 1 and 2
- £24m for a Future Transport Zone
- £4m for the Multiply Programme
- £10m from the UK Shared Prosperity Fund
- £95m for Bristol Temple Quarter from Homes England
- £75m from our business rates retention*
- Around £16m per annum to invest in adult education
- £8m to help SMEs plan and support their current and future workforce
- £81m for Net Zero and Green Homes projects
- £15m for Business Skills and Delivery

- £10m for Skills Bootcamps
- £5m to run the Combined Authority

** 100% of business rates growth are kept in the region – 5% to the West of England Combined Authority*

Operating the Combined Authority incurs no additional costs to our constituent councils, because it is entirely funded through government grants and a small element of regional business rates retention growth (which would not have been available without forming the Combined Authority).

The West of England is an economic leader and remains key to the UK's recovery from the impact of Covid-19. The Combined Authority continues to support our region's residents and businesses post Covid-19, and is taking action to help people and businesses affected. The West England Combined Authority is working with its constituent councils, other regional partners and government, to ensure people and businesses across the region are getting the support they need.

The West of England Combined Authority has five key mayoral priorities, which the budget will support as listed below:

1. Create West of England Sustainable Transport
2. Tackle the climate & ecological emergency
3. Secure decent jobs and training
4. Increase the availability of affordable places to call home
5. Put the West of England on the map for national and global success

The Budget for the Combined Authority will be set on 27 January 2023 by the West England Combined Authority Committee – at the time of writing the budget assumptions set out below are based upon the Combined Authority Budget proposals and are subject to the outcome of the above meeting. The following elements of the West England Combined Authority Budget and medium-term financial plan have therefore been incorporated within the Council Budget proposal:

- *An annual revenue transport levy to reflect the cost of the core regional Integrated Transport services of:*
- *Concessionary Travel*
- *Real Time Information for bus services*
- *Community Transport*
- *Bus Service Information*
- *Supported Bus Services (whilst remaining a joint function with the constituent councils)*
- *TravelWest and*
- *Metrobus operations*

The levy charge for 2023/24 is £5.298m. Unitary Authority levies are pooled by the Combined Authority's Transport Integration Team and managed on a regional basis. Projected surpluses or deficits are managed on a regional basis and a transport smoothing reserve has been created to help manage financial risk.

The West of England Combined Authority has maintained payments to bus operators in line with budgeted profile level which has helped to stabilise the provider base through extended periods of significantly reduced patronage. This arrangement is expected to continue in 2023/24 subject to a scheduled committee meeting to discuss the plans moving forward.

Within the City Region Sustainable Transport Programme, the Combined Authority will passport £25m per annum of capital funding to the West of England Unitary Authorities to provide Highways Maintenance and Transport Improvement Grants. The Council's share is £7m per annum.

The published West of England Combined Authority investment programme will continue to support a number of projects and initiatives for our Unitary Authority throughout 2023/24 including:

- Love High Streets – High Street Regeneration Bath City Centre and High Street Renewal Keynsham and Midsomer Norton High Streets
- Milsom Quarter Masterplan – including development of a new Fashion Museum in Bath
- Bath Riverline
- Bath Quays
- Somer Valley Enterprise Zone
- Somer Valley Rediscovered – green infrastructure

These are funded from the additional investment funds received by the West of England Combined Authority as part of the devolution arrangements and reflected accordingly with the councils' revenue and capital budget proposals. Further bids for infrastructure funding may be made in line with the Combined Authority's Strategy and Local Growth Assurance Framework and may come forward for inclusion in the capital programme in line with future delivery arrangements.

Alongside specific projects, West of England Combined Authority will continue to develop, and progress, key longer term strategic initiatives including mass transit options, strategic rail investment and spatial planning to enable clean and green sustainable growth.

The Combined Authority is not currently permitted to raise Council Tax to fund any of its activity and therefore no precept will be requested.

Full details of the West of England Combined Authority Budget proposals are available at www.westofengland-ca.gov.uk

5.5 Community Contribution fund

Community Contribution Fund

The Community Contribution Fund was launched in March 2021 as a pilot scheme offering residents the chance to pay into a good causes fund to help local charity, community and voluntary groups to reduce inequalities in the area. The total amount donated has reached £36,095.32 as at 10th January 2023 and there have been over 460 individual donations received. Most people donated £50, with the largest donation to date being £2,000. Only four queries have been raised around whether gift aid is possible, so this does not appear to be a significant barrier to the majority of donors.

The scheme attracted more donations within the first financial year, however this downward trend in charitable giving has been seen across the sector.

Donations and grants 2021/22

By the end of January 2022, £25,248 had been raised and was allocated by a Panel of Councillors in the form of grants to 14 community organisations working to reduce inequalities. Projects funded included those that supported people's mental health; provided emergency medical supplies; invested in refurbishment of community facilities; mentoring; support for families; training; group therapy and youth provision.

Further donations were subsequently made and by the end of 2021-22 the total amount donated reached £30,019.55.

Donations and grants 2022/23

The council agreed to extend the scheme and a further £6,075.55 has been raised to date. Grants of £250 were offered to community organisations from October 2022 in support of community-run Warm Spaces registered with the Council. Applicants are able to use these to help support their additional utility costs or to help run activities. 20 applications have so far been approved by the panel and further applications are expected.

It is recommended that the scheme continues into 2023/24

5.6 Revenue Balances, Contingency & Reserves

5.6.1 General Fund Un-Earmarked Reserve

The General Fund Un-earmarked reserve is retained to meet the Council's key financial risks. Budget Monitoring for the period April to December 2021 estimated that Un-earmarked reserves would total £12.58m by 31st March 2023.

The budget risk assessment has set a range of between £11.8m and £13m to meet those risks. The available balance is £12.58m which is within the budget risk assessment range.

As set out in the Council's Financial Regulations the specific arrangements for the governance and release of reserves are delegated to the Council's Chief Financial Officer in consultation with the Cabinet Member for Resources and the Chief Executive.

5.7 Robustness of and Risks within the Proposed Budget for 2023/24 Statutory Chief Finance Officer (CFO) Report and Advice on the Robustness of the Budget and Adequacy of Reserves and Balances

5.7.1 Introduction

The Local Government Act 2003 states that when a local authority is preparing its budget, "the Chief Finance Officer of the authority must report to it on the following matters:

- (a) the robustness of the estimates made for the purposes of the calculations; and
- (b) the adequacy of the proposed financial reserves."

And goes on to state that the authority "shall have regard to the report when making decisions about the calculations in connection with which it is made."

This report has been prepared by the Chief Financial Officer (S151 Officer) to fulfil his duty and give the required advice relating to the 2023/24 financial year including a consideration of the budget proposals and the financial risks facing the Council within this budget. Also, it identifies the Council's approach to budget risk management and assesses the particular risks associated with the 2023/24 budget to inform the advice.

5.7.2 CIPFA's Financial Resilience Index

CIPFA will be publishing its 2021/22 Financial Resilience Indicators for each authority in February and will be incorporated into the report if released before the publishing deadline of this paper. These measure different aspects of financial indicators such as levels of reserves across each tier of local authority.

The majority of indicators show (in 2020/21) B&NES to be medium to low risk within the CIPFA family group of Unitary Authorities.

The areas highlighted as higher risk include reserve sustainability and the Council tax requirement to net revenue budget.

Reserve sustainability and changes in reserves – This was recognised in the 2022/23 budget proposal, whilst reserves have been utilised to enable the Council to mitigate its temporary loss of income (£8.5m in 2021/22 and £5.22m in 2022/23), these balances will be repaid in full by 2025/26. In addition, the 2021/22 outturn made a net transfer to reserves of £4.03m due to the positive financial performance of the Council in 2021/22. This has enabled the Council to hold resilient reserve levels, whilst the exposure to income loss is high due to Covid the Council is holding a higher level of un-earmarked general reserve over 10% of net budget when benchmarked against other unitary Councils who hold reserve levels at c4-6%.

As identified in the Council Tax graph in section 5.3.1 Bath and North East Somerset Council benchmarks as having a lower average Council Tax than its South West Neighbours. Due to this Council services are more reliant on funding from other areas such as Commercial Estate and Tourism income from the Roman Baths. Over time the reliance on these income sources that can be volatile can only be achieved through growing the size of the Council Tax base and continuing to increase Council Tax as costs rise.

5.7.3 Executive Summary of the Chief Financial Officer (S151) on the budget position

For 2023/24 the savings requirement after planned use of reserves is £14.38m after the inclusion of council tax increases. The assessment of the plans to close the gap do not require additional funds from the Financial Planning Reserve to smooth the delivery of savings in 2023/24 as the amounts proposed have been profiled to consider the delivery timeframe. To recognise risk the revenue budget has provided a £1m budget contingency to mitigate slippage on savings delivery. This will enable a balanced budget without use of reserves and prior years reserve use being fully replenished by 2025/26.

5.7.4 Consequences of Failing to Deliver a Budget

If the Council is unable to produce a budget or a plan for reducing the budget requirement for future years or finds it cannot deliver the budget in year, the CFO (under s151 of the Local Government Act) would be required to produce a Section 114 report. (Note the conclusion under 5.7.5 of this report).

Section 114 of the Local Government Finance Act 1988 requires a report to all the authority's members to be made by the CFO, in consultation with the Council's Monitoring Officer and Head of Paid Service, if "the expenditure of the authority incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure" (i.e. there is likely to be an unbalanced budget). In this event the Council must consider the report within 21 days and decide whether it agrees or disagrees with the views in the report and what action it proposes to take to bring the budget into balance. The publication of such a report starts an immediate 'prohibition period'. This means that everyone who has delegated authority to spend the Council money immediately has those powers suspended during the prohibition period, and only the CFO can authorise new commitments.

5.7.5 Report of the Director of Finance (CFO) in Respect of Statutory Duties

The Budget Report sets out the Council's financial position and budget. This is the formal report and is part of a continuum of professional advice and is the culmination of a budget process in which substantial detailed work has already been carried out with Directors, Senior Managers and their teams and Members. This section provides a summary of the conclusions which are considered in more detail within this report and its appendices.

In respect of the robustness of estimates, estimates have been prepared by Directors and their staff supported by appropriate finance staff reviewing pressures, priorities,

savings, demographics, inflation and contractual obligations, and income generation. Each Director has completed a Robustness Statement outlining savings and service delivery risk that have been incorporated into a corporate wide assessment. A further £1m has been added to the £1.67m contingency for inflationary pressures alongside a £1m for savings delivery risk in 2023/24.

The budget has recognised the current and future years funding requirement with £17.52m allocated to portfolios in 2023/24 to ensure there should be sufficient funds to meet service demand and delivery costs as currently forecast. These have been reviewed on a regular basis by the Corporate Management Team and the Directors as part of the regular budget monitoring process in 2022/23.

A shortfall of £9.96m has been identified for 2024/25 and plans will need to be finalised as soon as possible to fund this gap.

In the context of the overall budget the financial position continues to be challenging, but the **CFO concludes that the estimates are robust**, in that they have been robustly constructed.

With regard to the adequacy of balances, the 2023/24 planned level of General Fund Un-earmarked reserve at £12.58m (is within the required range of £11.8m to £13m).

The conclusion of the CFO is that the estimates for 2023/24 are robust and the budget is lawful, levels of balances have improved and are adequate and reasonable in meeting the Council's risks.

5.8 Capital Programme 2023/24 to 2027/28

The new and emerging Capital schemes can be found in Annex 3, these include schemes funded from Corporate Supported borrowing funded from a £0.9m addition to the revenue budget for capital financing in the 2023/24 budget.

All capital items have been considered and supported by the Capital Strategy Group in consultation with Portfolio holders.

6. RISK MANAGEMENT

A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance. The key risks to the budget are currently assessed as:

Risk	Likelihood	Impact	Risk Management Update
Reinstated government restrictions in the event of new variants impacting vaccine success	Possible	High	This is certainly a material risk, whilst not one the Council has direct control over, every step is being put in place to follow government guidance following the recommendations of our Director of

			Public Health.
Operational budget pressures due to latent demand and backlog	Likely	High	There is the risk of built-up demand on Council services and backlog because of operational activity being diverted to managing the Covid pandemic. This may result in one-off cost pressures to clear the backlog.
Long term impacts on the Councils Commercial Estate over and above anticipated levels.	Possible	High	Current modelling has been prudent following the Covid pandemic and impact on retail economy. There are risks in the retail & hospitality sector from a challenging labour market that is impacting recruitment to these sectors, so this may have an impact on business viability and income from Council tenants.
Contract inflationary pressure	Likely	High	With increase in wage, energy and fuel costs, Council contracted services are at risk of above budget price increases. This is an economic risk that has been recognised in the budget with a corporate inflation contingency for known areas that cannot be mitigated through activity management. Capital Schemes may need to be paused due to unfunded viability gaps due to increased supply chain costs.
The income from Heritage Services may not recover in the short term.	Possible	High	Continue to monitor income levels and impact on business plan in light of changing customer expectations and international travel. We anticipated income will not fully recover in the medium term and growth was built into the medium terms financial plan between 21/22 and 24/25.
Impact on Reserves	Possible	High	Without additional government grant in recognition of unfunded inflationary pressures there is the risk that Council reserve levels are not enough to manage in-year and future years risk.
Interest rates increase	Likely	Medium	A reserve is available for borrowing to manage market risk and long-term borrowing costs have been factored into the longer-term MTFS. Borrowing rates have increased by around 2% since the start of the financial year with increased volatility in recent months following market concern over the UK economy and public finances. The latest forecast from our treasury management advisors is that borrowing rates will remain under upward pressure in the short term on inflation and central bank policy

			expectations, and investor uncertainty. Yields are forecast to fall slightly over the medium term as weak growth places pressure on central banks to ease policy. The Council will continue to consider shorter term borrowing options alongside the PWLB.
Volatility and uncertainty around business rates	Likely	High	<p>The impacts of the current economic challenges will increase the volatility and uncertainty around business rate income. In 2022/23 this risk has been partly offset by the extension of the business rate relief scheme for Retail, Leisure and Hospitality businesses.</p> <p>We continue to monitor arrears, CVAs, and liquidations with a specific reserve held to manage in-year volatility.</p>
Capital projects not delivered resulting in revenue reversion costs or liabilities from underwriting agreements	Possible	High	The Council has a number of projects within this category. These risks will continue to be monitored and reported. An assessment is made as part of the budget process to ensure that revenue reserves are sufficient to meet these risks. The capital programme methodology looks to de-risk projects wherever possible.
Changes to Government Policy that affects future funding	Likely	High	Need to monitor and continue to highlight impact
Brexit risks	Likely	Medium	The short to medium term impacts of Brexit on the Councils supply chain and labour market may result in contractual cost pressures from customs tariffs that previously did not apply.
Funding pressures through WECA, ICB and other partners	Possible	Medium	Ensure good communication links with partner organisations.
Capital receipts in the areas identified are insufficient to meet target	Possible	Medium	There is a risk that a depressed market will impact on current values, in the short to medium term the Council should not rely on capital receipts as a key funding source.

The key risks will continue to be monitored and reported through regular budget monitoring to Cabinet.

In addition, this report includes the Section 151 Officer's assessment of the Robustness of Estimates and Adequacy of Reserves. This assessment includes a review of the Directors' reviews of their budget, budget risks/sensitivities, and the Corporate Risk Register.

7 CLIMATE CHANGE

Addressing Climate Emergency is one of the two core policies within the new Corporate Strategy. The budget has recognised this priority through providing ongoing revenue funding for the Climate Emergency team and also introduced new capital items to explore and implement renewable energy schemes.

8 OTHER OPTIONS CONSIDERED

The report and annexes also contain the other options that can be considered in making any recommendations.

9 CONSULTATION

Planned public consultation took place through webinars in November 2022 & online consultation during December 2022 and January 2023.

Contact person	Andy Rothery, Chief Financial Officer (S151 Officer), 01225 477103
Background papers	November Cabinet - Medium Term Financial Strategy CIL Infrastructure List (Reg 123 List): http://www.bathnes.gov.uk/sites/default/files/sitedocuments/Planning-and-Building-Control/Apply-for-Planning-Permission/bnes_reg_123.pdf Budget Report 2022/23 – 5 year Capital Programme: https://democracy.bathnes.gov.uk/documents/s70353/Annex%20-%20-%202022-2027%20Capital%20Programme%20by%20Portfolio.pdf
Please contact the report author if you need to access this report in an alternative format	

Annex 1 - 2023/24 Budget Savings and Income Generation proposals

2023/24 - 2025/26 Budget Savings and Income Generation Proposals

Savings Title	How to be achieved	Portfolio Holder / Director	23/24 Saving £000	24/25 Saving £000	25/26 Saving £000	Risk to delivery of saving (RAG)	FTE Reduction	Impacts to service delivery
Portfolio: Leader of the Council								
Remove events office delivery function	The Events Office delivers Bath Remembrance Service on behalf of the Mayor's office and the Royal British Legion, as well as smaller community events, such as Summer Sunday - these functions could be removed and budget saved	Cllr Kevin Guy / Chris Major	27			A	0.0	The management and delivery Remembrance Day Service in Bath was taken over by the Council's events team a number of years ago, due to the growing security and safety concerns of a high profile event in the city centre. This has been managed successfully, however, costs of supplies and services have escalated, including security and internal recharges
Restructure World Heritage function by moving into Planning Department and seek external funding	Restructure World Heritage staffing by moving the function into Planning and seek other funding sources for Enhancement Fund.	Cllr Tim Ball / Sophie Broadfield	40			A	1.2	Risk – possible reputational impact with UNESCO and unknown possibility of securing external funding
Income - Heritage Services Income Stretch Target	Return to pre-pandemic levels of Heritage Services profitability through increased visitor yield	Cllr Kevin Guy / Sophie Broadfield	500			A	0.0	Challenging income target in light of: cost of living crisis, uncertainty of Chinese inbound market recovery following ongoing lockdowns in 2022 and a projected limited recovery of the overall inbound market to pre-pandemic levels in 2023. However, the recent changes in the exchange rate have accelerated the recovery of US visitors. At this time the target is challenging but achievable.
Income - Increase filming & Event Fees	Increase all Filming & Event Fees & Charges to reflect inflationary pressures	Cllr Kevin Guy / Chris Major	12			A	0.0	No service delivery impact, charging schedule moving in line with inflationary increases.
Leader of the Council Total			579	0	0		1.2	
Portfolio: Deputy Leader, Resources								
Corporate Estate - Repairs and Maintenance	Reduce Corporate Estate holding costs	Reduce energy, cleaning, maintenance and repair costs of Corporate Estate through building closures and asset disposal	425			A	16.0	Risk – reduced service to customers and staff, Future opportunities for Climate and Nature emergency measures as asset reductions will cut across land and property.
Increase Traded Services Income for HR&OD	Income possible from HR by promoting different recruitment packages for schools and partners	Cllr Richard Samuel / Cherry Bennett	25			G	0.0	This is utilising the new professional expertise of our Recruitment Business Partner and HR Operations manager. Limited impact.
Review of Business Partnering functions across the organisation	Longer term review to bring together corporate enabling and support functions through a business partnering approach to frontline services.	Cllr Richard Samuel / Cherry Bennett			200	A	0.0	This work will be planned and all teams consulted. An assessment will be undertaken of the business partnering needs of the services and how this can best be delivered.
Vacancy Saving	Delete Executive Policy Officer post	Cllr Richard Samuel / Cherry Bennett	8			G	1.0	Post already deleted - year two additional saving of part year saving delivered in 2022/23 budget.
Structure Review, Running Costs and Contracts	Review of Chief Financial Officer Structure - top down review aligning functions to new management structure identifying staffing and supplies and services efficiencies.	Cllr Richard Samuel / Andy Rothery	500			A	5.0	Will require restructuring of core support service functions, this may result in reduced levels of support to Council services. A prioritised approach will be needed for business critical work.
Review of Capital Programme	Capital Programme - Align the delivery programme considering current economic environment. Subsequent impact on corporate borrowing requirement	Cllr Richard Samuel / Andy Rothery	150			A	0.0	No material impact on service delivery.
CAZ Overhead	Bring CAZ overheads into baseline budget	Cllr Richard Samuel / Andy Rothery	280	(80)	(85)	G	0.0	No Impact
Commercial Estate Income	Rebasing income, bringing void properties into use	Cllr Richard Samuel / Andy Rothery	500			A	0.0	No impact to service delivery, appropriate resource will need to be in place to ensure that new lettings and income generating opportunities are prioritised.
Managing Debt Across the Council	Review bad debt provision across the council (one-off release)	Cllr Richard Samuel / Andy Rothery	400	(400)		G	0.0	Resource will need to be in place for proactive income and debt management.
Procurement review	Review current operating model for Council procurement and contract management support and implement a shared service	Cllr Richard Samuel / Andy Rothery		50		A	1.0	New operating model will need to maintain service levels to ensure compliance with procurement regulations
Corporate Subscriptions	Corporate subscriptions reduction	Cllr Richard Samuel / Andy Rothery	30			G	0.0	No impact
HCRG In-Housing	Meet corporate support service requirements from existing budget	Cllr Richard Samuel / Andy Rothery		200		A	0.0	Will need to ensure appropriate funding is in place to meet the support service requirements of Adult Social Care services.
Commercial Estate	Align budget to in-year activity and business plan for Investment and new lettings.	Cllr Richard Samuel / Andy Rothery	1,000			G	0.0	
Deputy Leader, Resources Total			3,318	(230)	115		23.0	

2023/24 - 2025/26 Budget Savings and Income Generation Proposals								
Savings Title	How to be achieved	Portfolio Holder / Director	23/24 Saving £000	24/25 Saving £000	25/26 Saving £000	Risk to delivery of saving (RAG)	FTE Reduction	Impacts to service delivery
Portfolio: Economic Development, Regeneration and Growth								
Refocus business support function	Focus business support through close working with WECA. Reduce inefficient business support subsidies	Cllr Mark Roper / Simon Martin	40			G	1.0	Risk – reputational and reduced grant income to B&NES (both Council and B&NES businesses) No WECA Interface
Income - Stretch income target in Housing and Regeneration chargeable work	Rebaseline Housing, Regeneration and Business and Skills budgets to reflect historic overachievement of income in chargeable areas	Cllr Mark Roper / Simon Martin	200			A	0.0	No direct service impacts
Economic Development, Regeneration and Growth Total			240	0	0		1	
Portfolio: Adult Services and Council House Building								
Reduce subsidy to Housing	Combination of: £50k - greater use of development capitalisation £52.5k - increased income, reduction in affordable warmth grants and stopped commissioned service. £47.5k - further use of HPG to fund existing staffing costs	Cllr Tom Davies / Simon Martin	150			G	0.0	Savings calibrated to have minimal impact on service delivery. However, will impact on some client grants & reduced scope for homelessness prevention activities.
Learning Disability Pool Budget Adjustment	Review of social care contributions to the learning disabilities pool to reflect demand	Cllr Alison Born / Suzanne Westhead	4,800			A	0.0	The current split in funding arrangements hasn't recently been reviewed. There are an increasing number of clients that have continuing healthcare need. An aging population has lead to increased nursing costs. It is timely to review the shared cost arrangements with the NHS. The individual packages of care would not be impacted.
Funding Reviews	Review of different category of packages to reflect changing needs and sign post to other services	Cllr Alison Born / Suzanne Westhead	100			G	0.0	We will review packages to ensure people receive the right care
Transitions (children to adult services)	Review of package costs on transitions pathway	Cllr Alison Born / Suzanne Westhead	200			G	0.0	We will review packages to ensure people receive the right care
Staffing Review	Review of teams following transfer back to the council	Cllr Alison Born / Suzanne Westhead	50			G	0.5	Review of safeguarding functions following transfer back of safeguarding from Prime provider.
Continuing Health Care review	Application of the national framework to B&NES continuing health care to ensure the Council only funds Social Care requirements.	Cllr Alison Born / Suzanne Westhead	100			G	0.0	No impact upon service delivery.
Grant (IBCF) support of ASC	Grant (IBCF) support of ASC protection of Social Care	Cllr Alison Born / Suzanne Westhead	200			G	0.0	Additional funding to be used against the Protection of Social Care activity within the plan.
Adult Services and Council House Building Total			5,600	0	0		0.5	

2023/24 - 2025/26 Budget Savings and Income Generation Proposals								
Savings Title	How to be achieved	Portfolio Holder / Director	23/24 Saving £000	24/25 Saving £000	25/26 Saving £000	Risk to delivery of saving (RAG)	FTE Reduction	Impacts to service delivery
Portfolio: Children and Young People, and Communities								
Customer Contact Strategy	Web bot - encouraging self service via the website	Clr Dine Romero / Amanda George	15	15		A	1.0	Reduction of 1 x FTE in Council Connect via vacancy management
Public Health	Use of public health grant to fund additional health improvement services	Clr Dine Romero / Rebecca Reynolds	100			G	0.0	Small amount of reprioritisation of services due to realignment of funding
Project costs	Removal of some monies for PH campaigns and project development and implementation	Clr Dine Romero / Rebecca Reynolds	50			G	0.0	Focusing the funding on priority campaigns.
Health and wellbeing services	Reduce monies for recommissioning of public health services currently delivered by and through prime provider	Clr Dine Romero / Rebecca Reynolds		200		A	0.0	Greater targeting of resources for population health impact.
Drug prescribing	Reduction in drug prescribing monies	Clr Dine Romero / Rebecca Reynolds	100			G	0.0	At the present time we have a contingency for drug prescribing, which provides us with flexibility to expand prescribing on a limited basis (when needed).
Approach golf	Potential annual income from 2023/24 in region of £8k-£10k	Clr Dine Romero / Rebecca Reynolds	10			G	0.0	Nil.
Prevention	Extend Family Group Conferencing Provision	Clr Dine Romero / Mary Kearney-Knowles	633			A	0.0	To prevent children from coming into care and to strengthen the family networks of CYP. Waiting list for this support. Delivering better outcomes for CYP.
Joint Agency Panel (JAP) Budget - Review	Review of social care contributions to JAP to reflect demand	Clr Dine Romero / Mary Kearney-Knowles	500			A	0.0	The current funding split does not reflect the reduced social care demand and increased complexity of health needs. Individual packages of care would not be impacted.
Bath West Children's Centre Service	Provide service in a different way that will not affect front line services	Clr Dine Romero / Mary Kearney-Knowles	(36)			G	0.0	Reversal of one off saving from 22/23
Intensive Fostering Service	Intensive Fostering Service creation to avoid residential placements. This is a new project	Clr Dine Romero / Mary Kearney-Knowles	90			A	0.0	Provision of a range of in-house fostering care reduces the need for more costly placements and delivers better outcomes for CYP/family groups
Reprofiled Transformation Savings	Reprofiled Transformation Savings	Clr Dine Romero / Mary Kearney-Knowles			924	A	0.0	Reprofiled due to significant increase in number of looked after children in 2022/23.
Children and Young People, and Communities			1,462	215	924		1.0	
Portfolio: Neighbourhood Services								
Income - Weddings and Registrars	To increase ceremonies income for the Registration Service by promoting the ceremonies, developing the social media profile and building cross-service ceremony products.	Clr Dave Wood / Cherry Bennett	50			G	0.0	Working closely with Heritage Services and using existing registrar resource this will not have a material impact on service delivery
Income - Recyclates Sales	Sale of material to contracted merchants at prices tracking market fluctuations - market currently overachieving budget projections. Prices may go down in future	Clr Dave Wood / Chris Major	325	(225)		G	0.0	Nil.
Income - Increase in fees and charges & increased sales	Increased Charging for service provision to reflect inflationary pressures	Clr Dave Wood / Chris Major	78			G	0.0	No specific impact individually but cumulative impacts on service provision will be identifiable by residents and customers.
Capitalisation of salaries	To accommodate management overheads	Clr Dave Wood / Chris Major	138	(100)		G	0.0	No specific impact individually but cumulative impacts on capital budgets may reduce overall delivery of capital projects
Vehicle efficiencies	Review of hire vehicles and financing options	Clr Dave Wood / Chris Major	56	(30)		A		Potential for higher maintenance costs and potential further inflationary pressures
Service efficiencies - Highways Delivery, Parking and Passenger Transport	Management of service including holding vacancies, alternative funding streams increased fee's	Clr Dave Wood / Chris Major	171	(169)		A	1.0	No specific impact individually but cumulative impacts on service provision will be identifiable by residents and customers.
Service efficiencies - Neighbourhood Environmental Services	Do not recruit to post once it becomes vacant and restructure to meet service demands.	Clr Dave Wood / Chris Major	147	(40)		G	1.0	No specific impact individually but cumulative impacts on service provision will be identifiable by residents and customers. Reduction in provision for some sections of community. Small investment required.
Service and contract efficiencies - Highways Maintenance	Volume capping and capitalisation of management overhead	Clr Manda Rigby / Chris Major	180	(100)		G	0	No specific impact individually but cumulative impacts on capital budgets may reduce overall delivery of capital projects. Volume capping of works may increase rate of deterioration of the highway asset base resulting in higher costs in future years.
Income - Registrars Fees	Current fees benchmark lower than regional comparators	Clr Dave Wood / Cherry Bennett	25			G	0.0	Nil.
Vehicle efficiencies	Review of hire vehicles and financing options	Clr Dave Wood / Chris Major	24	(24)		G	0.0	Potential for higher maintenance costs and potential further inflationary pressures
Reduce sports provision - Lansdown South playing fields	Site maintained as grassland rather than sports pitches. In addition to the operational saving there will be a further saving on utilities - estimated £12.5K.	Clr Dave Wood / Chris Major	45			G	0.0	The pitches are not cost effective and are underused as there are better alternative facilities with capacity for clubs.
Neighbourhood Services Total			1,239	(688)	0		2	

2023/24 - 2025/26 Budget Savings and Income Generation Proposals								
Savings Title	How to be achieved	Portfolio Holder / Director	23/24 Saving £000	24/25 Saving £000	25/26 Saving £000	Risk to delivery of saving (RAG)	FTE Reduction	Impacts to service delivery
Portfolio: Transport								
Parking and Permits charges review	Income generated from the implementation of Emission Based P&D, RPZ schemes, Permit changes and Enforcement Review	Cllr Manda Rigby / Chris Major	790	225		A	0	Consultations will be undertaken. Outcome of consultations may impact upon the nature and the number of schemes to be implemented.
Development and introduction of City Centre Permit process	City Centre Security Permit Application Fee, Subject Access Requests, Control Rooms	Cllr Manda Rigby / Chris Major			30	G	0	Scheme to be developed to deliver outcomes. Increase reflects current inflationary pressures
CAZ - Review of Financial Assistance Scheme and pricing model	Income from Financial Assistance Scheme use by other Authorities, HGV Euro 6 charge and review of CAZ fee	Cllr Manda Rigby / Chris Major	712	(528)	(24)	A	0	Confirmation of changes to systems, vehicles classes and pricing mechanisms are subject to consultation and will need to be agreed with Joint Air Quality Unit
Service efficiencies, vacancy management and income generation - Network and Traffic Management	Vacant and unable to fill school crossing patrol location converted to Zebra crossings	Cllr Manda Rigby / Chris Major	378	(2)		A	4.5	Limited impact individually but cumulative impact may increase lead times on delivery of committed programmes and increased costs for statutory services and permits
Transport Total			1,880	(305)	6		4.5	
Portfolio: Planning and Licensing								
Increased charges	Increase charges for services where possible (i.e. not set at a level by statute). Such as Building Control, Land Charges, Pest Control. Fees increased at 5%.	Cllr Tim Ball / Chris Major	45			A	0.0	Service areas that compete with private sector providers Building Control, Land Charges & Pest Control risk losing market share with an increase in charges so the level of increase has to be carefully balanced and in accordance with statutory frameworks. This increase reflects current inflationary pressures.
Stop gull work	Delete gull prevention and protection budget. This is non-statutory work which Councils do not have to undertake. Additional advice could be provided to property owners about how to proof their roofs to reduce nesting sites.	Cllr Tim Ball / Chris Major	20			G	0.0	Likely there would be increased complaints to officers and councillors about gull nuisance.
Planning and Licensing Total			65	0	0		0.0	
OVERALL SAVINGS AND INCOME GENERATION PROPOSALS			14,383	(1,008)	1,045		33.2	
			<i>Removal of One-Off Savings Reversal 2024/25</i>					
			<i>New Savings for 2024/25</i>					

Annex 2 - 2023/24 Budget Funding Requirements

2023/24 - 2025/26 Funding Proposals					
Funding Title	Description of Funding Requirement	Portfolio Holder / Director	23/24 Funding £000	24/25 Funding £000	25/26 Funding £000
Portfolio: Leader of the Council					
Reduction in growth applied in 2021/22	Build back of income built into MTF5. Original growth £4.235m for significantly reduced income resulting from the pandemic.	Cllr Kevin Guy / Sophie Broadfield	(2,008)	(2,032)	(2,838)
Business Rates	Business Rates Revaluation 2023/24 - 2025/26	Cllr Kevin Guy / Various	(4)	1	1
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Kevin Guy / Various	13	33	14
Pay Inflation 2022/23	Salary inflation over and above inflation budgeted in 22/23	Cllr Kevin Guy / Various	6		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments	Cllr Kevin Guy / Various	13	11	11
Leader of the Council Total			(1,980)	(1,987)	(2,812)
Portfolio: Deputy Leader, Climate and Sustainable Travel					
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Sarah Warren / Various	1	3	1
Pay Inflation 2022/23	Salary inflation and members allowances over and above inflation budgeted in 22/23	Cllr Sarah Warren / Various	29		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments and member allowances	Cllr Sarah Warren / Various	48	36	36
Deputy Leader, Climate and Sustainable Travel Total			78	39	37
Portfolio: Deputy Leader, Resources					
Licences	Microsoft Licences Renewal cost increase from MS 365. Liquid Logic licences, shortfall in existing budget to meet new license requirements for Children's and Adults services.	Cllr Richard Samuel / Andy Rothery	25	30	
Invest to Save Inspector Role	New homes, new commercial developments = new business rates, new council tax.	Cllr Richard Samuel / Andy Rothery	38		
Creation of new Business Change Hub	Creation of a Business Change Hub to programme manage and deliver organisational improvement projects	Cllr Richard Samuel / Amanda George	330		
Unfunded pensions	Rebase corporate budget for historic pension liabilities in line with reduction in actual charges - reverses 22/23 growth	Cllr Richard Samuel / Andy Rothery	(100)		
External Audit Fees	Uplift in contract price following PSAA national procurement for Public Sector external audit. Additional price will need to be demonstrated with additional auditor capacity to ensure timely sign off of the statement of accounts.	Cllr Richard Samuel / Andy Rothery	270		
Increase in Coroners Levy	Share coroners service administered by BCC, material uplifts in operating costs due to skill and supply shortages creating backlog in the mortuary.	Cllr Richard Samuel / Andy Rothery	80		
Capital Financing and Treasury Management - return budget from 2022/23 2 year saving item	Planned return of £1m temporary capital financing saving approved in 2022/23 to base budget	Cllr Richard Samuel / Andy Rothery		1,000	
Supported Bus Service investment	Additional Transport Levy funding for cost pressures in supported bus routes	Cllr Richard Samuel / Andy Rothery	281	(121)	
Business Rates	Business Rates Revaluation 2023/24 - 2025/26	Cllr Richard Samuel / Various	162	70	42
Corporate Budget Adjustments	Corporate Base Budget Adjustments including New Homes Bonus & Settlement Grants	Cllr Richard Samuel / Andy Rothery	50	29	8,387
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Richard Samuel / Various	191	478	195
Pay Inflation 2022/23	Salary inflation and members allowances over and above inflation budgeted in 22/23	Cllr Richard Samuel / Various	453		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments and member allowances	Cllr Richard Samuel / Various	1051	823	822
Deputy Leader, Resources Total			2,831	2,309	9,446
Portfolio: Economic Development, Regeneration and Growth					
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Mark Roper / Simon Martin	4	10	4
Business Rates	Business Rates Revaluation 2023/24 - 2025/26	Cllr Mark Roper / Simon Martin	(2)	1	1
Pay Inflation 2022/23	Salary inflation and members allowances over and above inflation budgeted in 22/23	Cllr Mark Roper / Simon Martin	8		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments and member allowances	Cllr Mark Roper / Simon Martin	22	19	19
Economic Development, Regeneration and Growth Total			32	30	24

2023/24 - 2025/26 Funding Proposals					
Funding Title	Description of Funding Requirement	Portfolio Holder / Director	23/24 Funding £000	24/25 Funding £000	25/26 Funding £000
Portfolio: Adult Services and Council House Building					
ASC Market Sustainability and Improvement Fund Grant Funding	Spend linked to ring-fenced ASC Market Sustainability and Improvement Fund Grant Funding	Cllr Alison Born / Suzanne Westhead	1,216	860	
ASC Discharge Fund	Spend linked to ring-fenced ASC Discharge Fund Grant Funding	Cllr Alison Born / Suzanne Westhead	687	459	
Community equipment store	Unavoidable pressure - costs for community equipment store arising from transfer from Sirona	Cllr Alison Born / Suzanne Westhead	34		
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Alison Born / Suzanne Westhead	1,766	3,164	1,317
Demography	Growth in numbers of service users	Cllr Alison Born / Suzanne Westhead	999	999	999
Pay Inflation 2022/23	Salary inflation over and above inflation budgeted in 22/23	Cllr Alison Born and Cllr Tom Davies / Various	493		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments	Cllr Alison Born and Cllr Tom Davies / Various	722	600	600
Adult Services and Council House Building Total			5,918	6,082	2,916
Portfolio: Children and Young People, and Communities					
Transformation Savings	To smooth out the delivery of savings across a longer period	Cllr Dine Romero / Mary Kearney-Knowles	924		
Foster Care Transformation Project	Revised savings projections from this transformation project, that aims to increase the amount of Foster Carers, and reduce the use of other residential placements	Cllr Dine Romero / Mary Kearney-Knowles	22	26	
Reunification Transformation Project	Revised savings projections from this transformation project that aims to reunite children and young people with their families, and therefore exit from residential placements.	Cllr Dine Romero / Mary Kearney-Knowles	10	11	
Extend Family Group Conferencing Provision	Cost of Delivery	Cllr Dine Romero / Mary Kearney-Knowles	201		
Care Leavers Statutory Duties	Care Leavers - Requirement to address increased UASC and enhanced care leavers responsibility up to 25.	Cllr Dine Romero / Mary Kearney-Knowles	120		
Contract Inflation	Updated costs of inflation across the demand budget areas taking into account current year spend levels and inflation levels.	Cllr Dine Romero / Mary Kearney-Knowles	197	28	7
Demographic Growth	UASC - New Burdens. Based on half of 18+ proceeding to Residential placements: to enable LA meet its statutory duties	Cllr Dine Romero / Mary Kearney-Knowles	165		
Demographic Growth	Updated costs of demographic growth across the demand budget areas taking into account current year spend levels and activity data: growth required to ensure that the LA meets its statutory duties	Cllr Dine Romero / Mary Kearney-Knowles	825	170	(293)
Demographic Growth	Children Social Care Costs linked to increase in Social Care Grant for 24/25 for MTFS update - to be reviewed during 2023/24	Cllr Dine Romero / Mary Kearney-Knowles		1,415	
Grant Funding Cessation	Connecting Families. Grant funding confirmed for 22/23 and for 23/24. From 24/25, if no national grant, will need to fund this service if it is to continue. Note: Current pressure is on the Priorities Tab of existing MTFS - this rephases back a year	Cllr Dine Romero / Mary Kearney-Knowles			400
National PE and Sports Grant Income	This grant was time limited. It has been accounted for as an on-going income line - Education budget 1078. The grant has ceased and growth is required to remove the income line.	Cllr Dine Romero / Chris Wilford	137		
Demographic Growth	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.	Cllr Dine Romero / Chris Wilford	367	90	
Home to School Transport (HTST)	Increase in volume of children that need transport, and significant increase in contractual prices in a very difficult market, driver shortages. Failure of public bus routes in some areas, has resulted in the LA needing to add school routes.	Cllr Dine Romero / Chris Wilford	1,100		
Web bot - encouraging self service via the website	Cost of Delivery	Cllr Dine Romero / Amanda George	20		
Business Rates	Business Rates Revaluation 2023/24 - 2025/26	Cllr Dine Romero / Various	(1)	4	4
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Dine Romero / Various	303	758	357
Demography	Growth in numbers of service users	Cllr Dine Romero / Various	711	713	713
Pay Inflation 2022/23	Salary inflation over and above inflation budgeted in 22/23	Cllr Dine Romero / Various	357		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments	Cllr Dine Romero / Various	707	544	523
Children and Young People, and Communities			6,165	3,759	1,711

2023/24 - 2025/26 Funding Proposals					
Funding Title	Description of Funding Requirement	Portfolio Holder / Director	23/24 Funding £000	24/25 Funding £000	25/26 Funding £000
Portfolio: Neighbourhood Services					
Market Supplement	<p>2 year fixed term market supplement for increased workload for staff at Ashmead Road due to increased volumes of kerbside recycling. Planning to implement shortly to retain staff and stop service failure.</p> <p>National Shortage of HGV/LGV drivers meant that we had drivers resigning and agencies unable to provide due to pay and workload. Package to attract drivers to stay urgently needed. This package included enhanced pay, plus increased loaders per crew.</p> <p>Outcomes to date include:</p> <ul style="list-style-type: none"> •Retention of most existing drivers (this payment combined with increase in loaders per crew) •Several resignations redacted •Payment still lower than marketplace so no new drivers attracted as yet. National shortage will take up to 12 months to resolve. Still need to work on further incentives for Council to be seen as an attractive employer to younger drivers. Significant lack of diversity in the workplace needs further investment in facilities, training and development to improve the situation. 	Cllr Dave Wood / Chris Major		(105)	
Staff regrading as per ACAS negotiations	Regrading as agreed with TU's	Cllr Dave Wood / Chris Major	658		
Staff regrading resulting from ACAS negotiations for grounds staff	Regrading as agreed with TU's	Cllr Dave Wood / Chris Major	240		
Alexandra Park Security	Providing an opening and closing service for Alexandria Park in light of the reported ASB within the park location. This service will need to continue permanently as the proposed infrastructure changes (subject to PID currently) will still need manual intervention as the scheme will prevent access after the pre agreed time but still allow exit from the park.	Cllr Dave Wood / Chris Major	19		
Insource back office admin for cleansing enforcement	Cost of Delivery	Cllr Dave Wood / Chris Major	2		
Clean and Green initiative	Growth funding for Neighbourhoods initiatives to tackle litter and prevention work	Cllr Dave Wood / Chris Major	1,000	(542)	
Business Rates	Business Rates Revaluation 2023/24 - 2025/26	Cllr Dave Wood / Chris Major	46	26	26
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Dave Wood / Chris Major	334	824	348
Pay Inflation 2022/23	Salary inflation over and above inflation budgeted in 22/23	Cllr Dave Wood / Various	569		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments	Cllr Dave Wood / Various	658	543	543
Neighbourhood Services Total			3,526	746	917

2023/24 - 2025/26 Funding Proposals					
Funding Title	Description of Funding Requirement	Portfolio Holder / Director	23/24 Funding £000	24/25 Funding £000	25/26 Funding £000
Portfolio: Transport					
Staff Restructure	Following re-evaluation of Job Descriptions of Team Manager and Team Leader posts, additional revenue required to meet new grades	Cllr Manda Rigby / Chris Major	15		
Emergency Planning Equipment	To keep rest centre equipment and emergency planning stock replenished and replaced annually (to ensure we do not have to do one-off capital requests (As agreed at CMT on 20.07.22)	Cllr Manda Rigby / Chris Major	5		
CAZ Euro 6 HGV Charge	Cost of Delivery	Cllr Manda Rigby / Chris Major	50		
Business Rates	Business Rates Revaluation 2023/24 - 2025/26	Cllr Manda Rigby / Chris Major	178	76	90
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Manda Rigby / Chris Major	43	107	44
Pay Inflation 2022/23	Salary inflation over and above inflation budgeted in 22/23	Cllr Manda Rigby / Chris Major	199		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments	Cllr Manda Rigby / Chris Major	224	187	187
Transport Total			714	370	321
Portfolio: Planning and Licensing					
Contractual Inflation	Annual increases in contract costs within the portfolio	Cllr Tim Ball / Various	2	5	2
Pay Inflation 2022/23	Salary inflation over and above inflation budgeted in 22/23	Cllr Tim Ball / Various	84		
Pay Inflation 2023/24	Salary inflation estimated at 2% and allowing for annual staff pay increments	Cllr Tim Ball / Various	156	130	126
Planning and Licensing Total			242	135	128
OVERALL FUNDING PROPOSALS			17,526	11,483	12,688

Annex 3 - Draft Emerging Capital Schemes (Growth)

	23/24 Budget (£'000)	24/25 Budget (£'000)	25/26 Budget (£'000)	26/27 Budget (£'000)	27/28 Budget (£'000)	5 year Total (£'000)	Description
Corporate Support Borrowing (CSB)							
Pixash Site Redevelopment	1,208	1,500				2,708	Additional risk contingency provision
City Centre Security	4,403					4,403	Funding for completion of proposals
Bath Western Riverside - Pipe Bridge Demolition	2,284					2,284	Removal of deteriorating structure
CRC Equipment Replacement Programme	105	50	50	50	50	305	New need from in-house provision
Major Incident Equipment Replacement	12					12	Essential replacement overdue
Security Surveillance Hub Plan	50					50	Business Case Development
Electric Vehicle Feasibility Plan	50					50	Business Case Development
Park and Ride Site Improvements	400					400	Improvements for better customer experience
Commercial Estate Refurbishment					500	500	Extension of Programme for steady state replacements
Play Area Refurbishment / Equipment					350	350	Extension of Programme for steady state replacements
Corporate Estate Planned Maintenance					3,000	3,000	Extension of Programme for steady state replacements
Highways Maintenance					2,000	2,000	Extension of Programme for steady state replacement (enhancement to grant)
IT Asset Refresh					500	500	Extension of Programme for steady state replacements
Parks Equipment					21	21	Extension of Programme for steady state replacements
Developer CIL (Community Infrastructure Levy)							
Green Infrastructure	200					200	Various proposals including Chew Valley, Limestone Link and Riverline
Recreation & Leisure Schemes	285					285	Various proposals including Radstock Methodist Hall, Odd Down BMX and Floodlighting
Public Realm Schemes	287					287	Support to High Street Renewal Programmes
Sustainable Transport Initiatives	800					800	Matching contribution to CRSTS
Somer Valley Enterprise Zone	375	380				755	Support to provision of Eastern Cycle Track
Highways Maintenance	1,400					1,400	Programme Enhancement above grant to be part-funded from CIL not CSB (see below)
Haycombe Cemetery Chapel	100					100	Upgrade proposals
Grant Adjustments							
Cycling & Walking - Bath Quays Links	1,841	10			10	1,861	Confirmed WECA Allocation
Cycling & Walking - Scholars Way	3,183	30			30	3,243	Confirmed WECA Allocation
Manvers Street Remediation	1,030	3,300				4,330	Confirmed WECA CRSTS Allocation
Cleeve Court & Combe Lea Heating Upgrade	540					540	Public Sector Decarbonisation Scheme Grant will supplement Council Allocation
Waterspace Connected	323	760	1,292			2,375	Confirmed WECA Allocation for Phase 1
Somer Valley Rediscovered	187	146	90			424	Confirmed WECA Allocation
Disabled Facilities Grants					1,442	1,442	Extension of programme reflecting potential grant award
Highways Maintenance					5,834	5,834	Extension of programme reflecting potential grant award
Transport Improvement Programme					1,163	1,163	Extension of programme reflecting potential grant award
Service Supporting Borrowing/Revenue/Other							
Community Resource Centres Improvements	1,321	881				2,202	Borrowing outline from service savings subject to business case
Strategic Transport Infrastructure	630					630	Additional Borrowing for CRSTS Match funding from RPZ Income
Liveable Neighbourhoods	1,000					1,000	Additional Borrowing for CRSTS Match funding from RPZ Income
Heritage Infrastructure Development					300	300	Extension of Programme for steady state replacements
Renewable Energy Development Fund		500	500	500	500	2,000	Extension of Programme but subject to business cases providing savings
Vehicle replacement programme	52					52	Adjustment to Programme for steady state replacements
Affordable Housing	-	800	1,000	600		2,400	Adjustment to Programme reflecting Right to Buy Receipts and income supporting borrowing
Bath Christmas Market				20	20	40	Adjustment to Programme for steady state replacements
Total Additional Programme	22,066	8,357	2,933	1,170	15,720	50,246	

Annex 3 - Draft Emerging Capital Schemes (Savings)

	23/24 Budget (£'000)	24/25 Budget (£'000)	25/26 Budget (£'000)	26/27 Budget (£'000)	27/28 Budget (£'000)	5 year Total (£'000)	Description
Capital Review Adjustments (Corporate Support Borrowing)							
Bath Package	(1,605)					(1,605)	Bath Package contingency released to fund growth elsewhere (P&R and City Centre Security)
Highways Maintenance	(1,400)					(1,400)	Programme Enhancement above grant to be part-funded from CIL not CSB (see above)
Corporate Contingency	(1,500)					(1,500)	Allocation for exceptional costs of City Centre Security
Project Inception Fund	(309)					(309)	Review of need released funding for elsewhere
Borrowing Match Grant Programmes	(300)					(300)	Review of need released funding for elsewhere
Corporate Estate Planned Maintenance	(300)					(300)	Rebalance of Programme to Delivery profile into 24/25
Affordable Housing	(405)			405			0 Rephase of Programme to Delivery profile into future years (in light of other funds above)
Haycombe Crematorium	(1,500)				1,500		0 Rephase of Programme to Delivery profile into future years
Waste Infrastructure modernisation - Bath Recycling	(2,860)	(7,240)	10,100				0 Budget realignment to delivery programme with £1m in 23/24, £2.86m in 24/25 and £10.1m in 25/26.
Capital Review Adjustments (Other funding)							
Englishcombe Lane Development	(467)					(467)	Proposals now within Affordable Housing. This was grant which is not available as envisaged
Digital B&NES	(620)					(620)	Scheme removed as no payback for borrowing identified, government grant funding being explored
York Street & Swallow Street- Public Realm	(225)					(225)	Residual Scheme budget removed following completion of works
Total Review Savings	(11,491)	(7,240)	10,100	405	1,500	(6,726)	

Annex 4

Equality impacts of 2023 to 2024 budget proposals

1. Introduction and legal background

- a. This report outlines how the impacts of the Council's budget proposals are being considered within the context of the Equality Act 2010¹. The Act makes it unlawful to discriminate directly or indirectly against an individual because of certain personal characteristics ('protected characteristics'). The Act also requires that equality issues are considered by public bodies as part of decision making, especially where services are reduced or redesigned.
- b. Failure to undertake proportionate Equality Analysis (Equality Impact Assessment) could present risks of legal challenge to the Council for failing to pay due regard to its Public Sector Equality Duty². Courts have held that a local authority has to show they have consciously addressed their mind to the duty and actively considered any new plan or policy in light of the potential impact it may have on particular protected groups.

2. Bath and North East Somerset background

- a. The Census 2021 results are currently being released, what we know so far is that Bath and North East Somerset is a diverse area which includes the City of Bath as well as vibrant towns, villages and rural communities. The latest population 2021 United Kingdom Census shows there is an estimated 193,400 residents in B&NES an increase of 9.9% since 2011.
- b. Bath & North East Somerset Council covers approximately 135 square miles. Bath is the largest urban settlement in the area, acting as the commercial and recreational centre of the district. It is home to just over 50% of the B&NES population and is a UNESCO World Heritage Site.
- c. At time of drafting full ethnicity data from the 2021 census is not yet available. According to the 2011 Census 94.6 % of the population is from white groups. 5.4% are from the following groups:
 - Chinese (1912 people) 1.1%
 - Other Asian (1160 people) 0.7%
 - Asian (Indian): (1116 people) 0.6%
 - Mixed white and Asian (954 people) 0.5%,
 - Mixed white and Caribbean (951 people) 0.5%
 - Black Caribbean (672 people) 0.4%
- d. The 9.9% increase in the size of the population (from an estimated 176,016) to an estimated 193,400 is higher than the overall increase for England (6.6%) and the South West (7.8%). This growth has come from a combination of increasing student numbers at the two Universities and an increasing number of new housing developments.

¹ <https://www.legislation.gov.uk/ukpga/2010/15/contents>

² <https://www.legislation.gov.uk/uksi/2011/2260/contents/made>

- e. As of 2021, B&NES is the 11th most densely populated local authority in the South West; since 2011 there has been a 17.5% increase in people aged 65 years and over in B&NES, lower than the national increase of 20.1%. We have also seen an increase of 8.2% in people aged 15-64 years and an increase of 7.6% in children under 15 years.
- f. Despite being an area with generally good health and low crime, there is significant variation within the area. Compared with the most affluent communities in the area, the most deprived communities experience a range of inequalities and poorer life outcomes. Bath and North East Somerset is ranked 269 out of 317 Local Authorities in England for overall deprivation, making it one of the least deprived in the country, however two areas are within the most deprived 10% nationally.

3. Actions to date

- a. As part of the Council's equality analysis process, Directors (and their officers with delegated responsibilities) have considered their proposals from an equality perspective. Where available, these have been set out in a 2023/24 budget proposal template, with the high-level intentions outlined. The proposals describe what service redesign is being proposed and should identify if there will be impacts upon residents, employees and/or service users.
- b. This document highlights those individual proposals where Directors have identified a potential impact, either positive or negative on residents, employees and or service users.
- c. The 2023/24 budget proposal template and an initial overview of the equality implications have been considered by Corporate Equality Diversity Inclusion Steering Group (CEDIS) prior to being submitted to Policy Development and Scrutiny Panel (PDS).
- d. This process aims to highlight if any of the proposals have the potential to have significant impacts upon service users, and if so, what actions, if any, could be taken to mitigate any unexpected or unintentional impacts.

4. Equality scrutiny process

- a. The budget proposals were presented to Corporate Policy Development and Scrutiny Panel on 23rd January 2023.
- b. The PDS panel members have received a brief to support them to scrutinise the proposals from an equality perspective (see Appendix 1).

5. Savings proposals for 2023-24

- a. Across the Council, every attempt has been made to achieve efficiencies through service redesign, with minimum reduction in frontline services.
- b. It should be noted that a number of proposals refer and rely on income generation. This in itself has the potential to increase pressure on stretched teams and have indirect impacts to other parts of the service, particularly should the income generation not be realised.

- c. Regarding any equality impacts on staff, the council's Human Resources policies and procedures ensure there is full consultation and consideration of staffing matters and that employment-related equality issues are fully considered.

6. Detailed equality analysis

- a. The details of how the selected proposals will be implemented will follow in due course. It is recommended that a comprehensive and detailed equality analysis is carried out on some of the proposals as they are taken forward. This will help to ensure that opportunities to promote equality are identified, and any possible negative impacts or barriers for particular groups are considered, and where possible, mitigated.
- b. As above, regarding equality impacts on staff, the Council's Human Resources policies and procedures ensure there is full consultation and consideration of staffing matters and that employment-related equality issues are fully considered. Therefore, the focus here is largely on impacts upon service delivery and service users.
- c. The process has highlighted a number of proposals where there is a possibility of negative impact upon certain groups of people with protected characteristics and/or opportunities to promote equality. Each item is accompanied by an appropriate recommendation based on information available at time of drafting.
- d. The selected budget proposals, considerations and recommendations are listed below grouped in order of portfolio holder.

7 Table of portfolio holders holding budget proposals with potential impact

	Page
Adult Services and Council House Building - Cllr Alison Born & Cllr Tom Davies	
• Safeguarding Staffing review	5
• Funding Review	6
• Housing Services Savings	7
Children and Young People, Communities - Cllr Dine Romero	
• Extend Family Group Conferencing	8
• Review of Social Care contribution to Joint Agency Pool	9
• Use of Public Health Grant to fund additional health improvement services	10
Neighbourhood Services - Cllr David Wood	
• Increased Income to Registrars Service	11

<ul style="list-style-type: none"> • Increase in fees and charges & increased sales (allotments, commercial waste and horticultural services) 	12
Transport - Cllr Manda Rigby	
<ul style="list-style-type: none"> • Clean Air Zone – review of financial assistance scheme, Euro 6 HGV charge and pricing model. 	13
<ul style="list-style-type: none"> • Development and introduction of city centre permit process 	14
<ul style="list-style-type: none"> • Parking & Permit changes review 	15
Deputy Leader, Resources – Cllr Richard Samuel	
<ul style="list-style-type: none"> ➤ Creation of Business Change Hub 	16
<ul style="list-style-type: none"> ➤ Customer Experience programme 	17
Leader of the Council - Cllr Kevin Guy	
<ul style="list-style-type: none"> ➤ Remembrance & Community Events 	18
<ul style="list-style-type: none"> ➤ Increasing Filming and Events Fees 	19

8 Budget proposals that note a potential impact on people with protected characteristics.

Portfolio holder: Cllr Alison Born and Cllr Tom Davies

Adult Services and Council House Building: Safeguarding Staffing review										
Precis: To review management structure in the safeguarding team.										
2023-24 budget proposal statement <i>"Since the transfer of the HCRG safeguarding team back to the council there is need to review the overall structure of 2 teams which have come together. The first phase of this has been to hold a management vacancy for 22/23 and review whether this post will be needed in 23/24".</i>										
Considerations: <ul style="list-style-type: none"> ➤ It could be possible that people with protected characteristics will be adversely affected by not receiving the required service. ➤ Potential increase in pressure on existing members of staff, this may have a detrimental impact on existing staff requiring reasonable adjustments. 										
Recommendation: <ul style="list-style-type: none"> ➤ Proportionate equality analysis should be carried out in order to identify if reduced staff numbers will have any negative impact on vulnerable service users. 										
All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓	✓								

Adult Social Care: Funding Review

Precis:

To ensure the right sized care package is provided to individuals who receive a service from Adult Social Care following discharge from hospital.

2023-24 budget proposal statement:

"To review the size of packages of care at the end of the short term D2A period to ensure all packages are as small as they can be. Focus on UCB provision".

Considerations:

- Insufficient Social Worker time to engage with reviews.
- People with protected characteristics at risk of needs not being identified and met.

Recommendation:

- Complete a detailed EqIA considering where people with protected characteristics may be more impacted than others (see below). Determine whether people from particular groups are disproportionately more likely to benefit from care that is not within threshold.
- Consultation, including with Independent Equality Advisory Group (IEAG).

All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓	✓						✓		✓

Adult services and Council House provision

Proposal: Housing Services Savings										
Precis: Greater use of development capitalisation; increased income provision; reduction in client grants; stopping discharge from hospital contract; and further use of Homeless Prevention Grant (HPG) to fund existing front-line services.										
2023-24 budget proposal statement <i>"The proposals aim to reduce service provision, rather than stopping provision, and are not viewed as directly conflicting with other proposals or existing policies. However, the cancellation of community alarm grants does conflict with the Decent Homes Policy, which states that the Council will offer such grants. However, these grants are infrequently accessed, and the policy also states that this offer is subject to available funding"</i>										
Considerations: <ul style="list-style-type: none"> ➤ Reduction in homelessness capacity; possible disproportionate impact on particular groups who are overrepresented in homelessness services; knock-on to Children and Families services. ➤ Cumulative effect of reductions on older people. 										
Recommendation: <ul style="list-style-type: none"> ➤ EqlA required on community alarms and affordable warmth grants. 										
All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓									✓

Children's Services and Education proposal: Extend Family Group Conferencing										
Precis: To increase the provision and uptake of support for families, aiming to divert children from moving into care.										
2023-24 budget proposal statement <i>"To prevent children from coming into care and to strengthen the family networks of CYP. There are waiting lists for this support. Delivering better outcomes for Children and young people being connected to family and community".</i>										
Considerations: ➤ None										
Recommendation: ➤ Complete a detailed EqIA to identify where the proposal complies with the PSED through the promotion of equality.										
All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓	✓				✓		✓		✓

Children's Services and Education proposal: Review of Social Care contribution to Joint Agency Pool

Precis:

Reduction in budget paying for cost of care through more equitable contribution sharing with partner agencies.

2023-24 budget proposal statement:

"The current Joint Agency Pool (JAP) funding split does not reflect the reduced social care demand and increased complexity of health needs. The pool is funded by the Local Authority, Direct Schools Grant and Health, Integrated Care Board. Individual packages of care would not be impacted. Move to 30/30/30 contribution arrangement, thus reducing the current social care contribution".

Considerations:

- Budget savings will not be met should the Integrated Care Board / Local Authority decide to pull out of the joint pooled budget arrangements; Children's social care costs will increase.

Recommendation:

- No further action.

All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic

Public Health and Prevention proposal: Use of Public Health Grant to fund additional health improvement services

Precis:

Move budget to other council services that promote health initiatives.
To reduce the number and scale of public health campaigns

2023-24 budget proposal statement

*“Use of Public Health Grant to fund additional council services that benefit health.
Move use of identified funding from Public Health team to fund other services in the council that also have an impact on improving health
Reduction in capacity of commissioned public health services and reduction in number and scale of public health campaigns and projects”.*

Considerations:

- Allocations of the government Public Health Grant are made annually.
- Potential for reduction in capacity of commissioned public health services and number and scale of PH campaigns and projects to have negative impact on one or more equalities groups. However, such interventions are already focused on particular groups that experience poorer health outcomes.
- Mitigation – continue to ensure that services/projects/campaigns are focused on meeting needs of groups, including equalities groups, experiencing poorer health outcomes and greater barriers in accessing opportunities.
- Mitigation - greater targeting of campaigns and projects, and use of digital assets is in consideration.

Recommendation:

- During implementation and through an ongoing review process, consider any knock-on effects of the other proposals where the focus is on reducing or removing events and facilities that promote or enhance health and welfare including social contact and activities, and / or where transfer of funding puts extra pressure on other stretched services.

All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓	✓	✓			✓		✓	✓	✓

People and Policy proposal: Increased Income to Registrars Service										
<p>Precis:</p> <p>Increase the number of ceremonies and ceremony fees in Council premises / facilities.</p>										
<p>2023-24 budget proposal statement</p> <p><i>“To increase ceremonies income for the Registration Service by increasing fees in line with other LAs and promoting the ceremonies, developing the social media profile and building cross-service ceremony products. Additional resources from IT (web team) and Heritage (marketing and promotion) will also be needed”.</i></p>										
<p>Considerations:</p> <ul style="list-style-type: none"> ➤ People with protected characteristics and those who are socio-economically disadvantaged may not be able to meet the increased costs although up to 18 ceremonies per week are available at the statutory minimum fee. ➤ Increased number and variety of venues will become available for hire which has potential to increase choice of accessible options. 										
<p>Recommendation:</p> <ul style="list-style-type: none"> ➤ Complete an EqlA to identify where the proposal contributes to cumulative impact re cost of public services to residents particularly to Disabled people. ➤ Carry out inclusive consultation. 										
All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
		✓		✓						✓

Neighbourhoods proposal: Increase in fees and charges & increased sales (allotments, commercial waste and horticultural services)

Precis:

To increase charges for allotment holders by 10%

2023-24 budget proposal statement

“Increased charging for service provision to reflect inflationary pressures. There will be an anticipated financial impact on service users through increased charges, although allotment holders have already been notified of this. There is a positive impact of new allotment provision. There can also be a positive impact of providing services where there is user demand through the increased sales”.

Considerations:

- Places barriers for people living with socio-economic disadvantage.
- Note the 50% concession already in place for those on relevant benefits.
- Note the low cost of allotment rental (compared with neighbouring local authorities) at £25 per 25m²
- Possible conflict with Public Health services. Possible impact on physical health benefits from the opportunity ‘allotmenteeing’ offers and in increased physical activity
- Potential impact on opportunities for making social connections and mental health benefits.

Recommendation:

- Carry out EqIA, consider public health implications if people on low incomes are unable to retain / take on allotments.
- Consider the knock-on effects of the other proposals where the focus is on increasing charges to the residents.

All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓	✓								✓

Portfolio holder: Cllr Manda Rigby

Place Management proposal: Clean Air Zone – review of financial assistance scheme, Euro 6 HGV charge and pricing model.										
Precis: To increase revenue from the scheme by increasing existing charges. End the Blue Badge Holder charge exemption.										
2023-24 budget proposal statement <i>"Income from Financial Assistance Scheme use by other Authorities, HGV Euro 6 charge and review of CAZ charging structure. Further price increases may impact the disabled who have a low income. The sunset period exemption for blue badge holders (BBH) is due to expire in March 2023 and from this date BBH will be expected to make payment for zone entry".</i>										
Considerations: ➤ From March 2023 potential risk of reputational damage / legal challenge by disabled rights groups										
Recommendation: ➤ Revise and update the current EqlAs in line with feedback from current public consultation; contribute to cumulative impact re cost of public services to residents particularly to Disabled people.										
All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
		✓								

Place Management proposal: Development and introduction of city centre permit process										
Precis: To charge for permits for entry to city centre security zone; Consider charge for subject access requests and to set up Emergency Planning incident rooms.										
2023-24 budget proposal statement <i>"To explore options for charging fees to entering the city centre security zone, subject access requests for CCTV footage and setting of incident rooms".</i>										
Considerations: <ul style="list-style-type: none"> ➤ This proposal will not begin until 2025/26 giving time for development of the plans and to complete statutory consultation. ➤ Potential cumulative impact along with CAZ proposals on blue badge holders. ➤ Consider any cost implications on night time economy, safety (especially violence against women and girls and the Council motion related to this) and any impact on reporting and investigating hate crime this may affect blue badge holders. ➤ Blue badge parking to be considered throughout implementation of individual schemes. 										
Recommendation: <ul style="list-style-type: none"> ➤ Complete an EqlA prior to implementation to identify where the proposal contributes to cumulative impact re cost of public services to residents ➤ Consider knock-on effects with street works permits ➤ Carry out inclusive consultation. 										
All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
		✓						✓		✓

Place Management proposal: Parking & Permit changes review

Precis:

- To Implement wider emissions based charging via pay and display parking and new residents parking schemes through differential rates for non-compliant vehicles .
- Income generated from, residents parking zones, permit changes and enforcement review.
- To increase the number of residents parking zones.
- To ensure that enforcement activity is carried out proportionately across the local authority

2023-24 budget proposal statement

“To implement a pay and display charging strategy to align with emission-based charging already in place for permit schemes within the city, implement new residents parking schemes with emission-based permits and review enforcement priorities to target areas where contraventions are occurring to ensure most effective use of the available resources”.

Considerations:

- Consider cumulative impact, especially to Disabled people who are not blue badge holders and cost of living.
- Ensure technology is fully accessible for vehicle owners.
- Fully consider and publicise all other parking options, public transport availability and mitigations.

Recommendation:

- Continue to review EqIA to identify where the proposal contributes to cumulative impact re cost of public services to residents particularly to Disabled people.
- Ensure the statutory consultation re parking charges is inclusive and accessible.

All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓	✓								✓

Business Change and Customer Services proposal: Creation of Business Change Hub										
<p>Precis:</p> <p>To create a team of five full time equivalent posts to focus on business change to improve outcomes for our residents and customers.</p>										
<p>2023-24 budget proposal statement:</p> <p><i>“To lead business change and transformation across the Council in a consistent and coordinated way, with effective governance and programme management processes in place to enable and support services to deliver efficiencies and realise benefits from their change programmes. As well as supporting services, there will also be a number of high risk / reputation programmes that will be delivered centrally by the Business Change Hub”.</i></p>										
<p>Considerations:</p> <ul style="list-style-type: none"> ➤ The aim of the Business Change Hub is to continually improve and transform services to make them accessible for all our customers and residents; accessible communication with the public will be instrumental in its success. ➤ Discretionary option to provide services in different ways for individuals should remain available on request where that request is reasonable 										
<p>Recommendation:</p> <ul style="list-style-type: none"> ➤ To consider and address all potential access requirements and utilise best practice during the implementation of change programmes. ➤ To ensure the Business Change Hub team are aware of the Equality Act with particular emphasis to have due regard to the requirements of the Public Sector Equality Duty. 										
All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
✓										

Business Change and Customer Services proposal: Customer Experience programme

Precis:

To encourage customers to self-serve via the website by the introduction of a web bot

2023-24 budget proposal statement

To introduce a web bot to enable our customers to contact us 24/7 at a time convenient to them should they wish to do so.

The current methods of contact will also be available for customers should they wish to use the telephone or access face to face mediated support.

Considerations:

- An online customer service web bot / portal may not be fully accessible for some residents, for example those in rural areas without reliable internet access; people with digital poverty; some Disabled people; some older people.
- This proposal may reduce face to face contact with residents thus limiting opportunities for local authority staff to identify and provide support to vulnerable people.
- It should be noted that simple queries could be resolved by the bot for those with ability, freeing up staff time for face to face interaction with residents and customers.

Recommendation:

- To consider and address all potential access requirements and utilise best practice during the design, configuration and introduction of the web bot.

All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓	✓								✓

Place Management proposal: Remembrance & Community Events										
<p>Precis:</p> <p>To remove the Local Authority's budget for Council events including Remembrance Service and community events. This will be in place from 2025 onwards.</p> <p>An alternative funding source has been identified to cover cost of the remembrance event for 2023 and 2024. Work with external partners is ongoing to plan and prepare for either handing over responsibility or for full cost recovery for remembrance events from 2025 onwards.</p>										
<p>2023-24 budget proposal statement</p> <p><i>"Removing the Remembrance and Community Events budgets to ease budgetary pressures</i></p> <p><i>In withdrawing financial support for Council led community events, we will no longer have the opportunity to animate our parks and green spaces to provide affordable/free to attend events to the community who are unable to ordinarily attend events. We work with other partners and stakeholders on these events e.g., Bath BID, Libraries, Bath Festivals, who also make a contribution".</i></p>										
<p>Considerations:</p> <ul style="list-style-type: none"> ➤ Risk of unaffordable events – exclusion for people living with socio-economic disadvantage. ➤ Some discounts for community groups are available for space hire. ➤ May impact on Council's ability to comply with the Public Sector Equality Duty to foster good relations between persons who share a relevant protected characteristic and persons who do not share it. ➤ Costs such as road closures, repair, maintenance and making good ground after community events are hidden costs that the Council can no longer carry. 										
<p>Recommendation:</p> <ul style="list-style-type: none"> ➤ Although outside the Equality Act legislation, this may have a detrimental impact on people on low incomes/ who are at socio-economic disadvantage meaning inequality in access to culture/heritage/learning opportunities/community events; Potential marginalisation of the most vulnerable and people with protected characteristics) ➤ Consider the knock-on effects of the Increasing Filming and Events Fees proposal. 										
All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓									✓

Place Management proposal: Increasing Filming and Events Fees

Precis:

To increase income by increasing charges to event and film organisers including community and charity events.

This needs to provide full cost recovery of, for example, the provision of road closures and access to historic (and other) rooms and buildings.

2023-24 budget proposal statement

"Increase all Filming & Event Fees & Charges to reflect inflationary pressures. Increased charges may deter filming and event organisers, particularly smaller organisations, community and charitable organisations".

Considerations:

- Potential for increased costs being passed onto customers, impacting people & families on lower income.
- Charities supporting people with protected characteristics may have an increase in cost to film in the local authority not only for filming this is also for events
- May impact on Council's ability to comply with the Public Sector Equality Duty to foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- It may impact on people who are socio-economically disadvantaged meaning inequality in access to culture/heritage/learning opportunities/community events
Potential marginalisation of the most vulnerable and people with protected characteristics.

Recommendation:

- Complete a proportionate EqIA to identify where the proposal contributes to any possible cumulative impact re reduction of provision of local services to residents, particularly to those people on low income.
- Consider the knock-on effects of the Remembrance and Community Events proposal.

All	Age	Disability	Gender reassignment	Marriage & civil partnership	Pregnancy & maternity	Race	Religion or belief	Sex	Sexual orientation	Socio economic
	✓									✓

9 Cumulative impacts

- a. Budget proposals have the potential to impact on people across the full range of protected characteristics. In addition, whilst considerations of socio-economic status are not a requirement of the Equality Act public sector duty, the impact of cost of living increases and other financial pressures is an important focus for the Council and its partners.
- b. Financial decisions need to be made with consideration for the unintended effects of budget proposals. The cumulative impact identifies that people may be affected multiple times, by different policies and service changes. i.e. the impact of all the proposals on Disabled people should be viewed together rather than only through the lens of an individual proposal.

10. The socio-economic context

- a. It should be noted that the council aims to ensure that services were protected from 'cuts' as much as possible during this budget setting process. However, with year-on-year savings we must balance the due regard duty and the longer term effects on frontline services that provide support to vulnerable service users as well as those with protected characteristics, particularly those people who may be less able to cope with service changes.
- b. Services users and residents are facing changes from other services other than the council, in Bath & North East Somerset this includes some proposals for significant changes to public transport availability. We are mindful that the council budget setting process forms only one part of the challenges that will face our residents over the coming years relating to the economic and cost of living crisis.
- c. Although socio-economic status is not a protected characteristic, this report notes that even relatively modest cost increases for services can have a substantial impact on the lives of households with low income. These households can often be more reliant on a range of public services; the cumulative impacts of multiple small cuts, increases in charges, travel times or costs can represent a significant barrier to accessing services for those on low incomes. This can impact on some peoples' ability/availability for work, thus keeping them in a cycle of limited opportunity to increase the household income.
- d. Ongoing tightening of eligibility thresholds for example for some health and social care provision, sometimes reducing to statutory provision only may cause unexpected consequences for other services, voluntary and community organisations where capacity is already stretched.

11. Council-wide mitigating action

- a. Bath and North East Somerset Council is committed to addressing any potential negative impacts on people with protected characteristics.
- b. Responsible officers will carry out proportionate equality analysis including equality impact assessment to ensure it has demonstrated due regard to the requirements of the Equality Act 2010. Any consultation carried out on these will aim to reach a variety of

people including and especially those who are likely to use the service and who may be affected by any changes.

- c. Undertake regular review of equality analysis and will update documentation as new information becomes available. Responsible officers will ensure that monitoring and analysis is carried out during implementation of proposals; this will be used to identify and develop further mitigations for any unexpected consequences of service changes. Individuals and groups who use services will be encouraged to give feedback on the revised services.
- d. Impacts identified throughout the process along with any monitoring information will be available to inform the following year's budget process.

12. Where specific Protected characteristics have been highlighted in initial screening:

Religion and Belief
<p>The Equality Act 2010 states you must not be discriminated against because:</p> <ul style="list-style-type: none"> • you are (or are not) of a particular religion • you hold (or do not hold) a particular philosophical belief • someone thinks you are of a particular religion or hold a particular belief (this is known as discrimination by perception)
<ul style="list-style-type: none"> • you are connected to someone who has a religion or belief (this is known as discrimination by association) In the Equality Act religion or belief can mean any religion, for example an organized religion like Christianity, Judaism, Islam or Buddhism, or a smaller religion like Rastafarianism or Paganism, as long as it has a clear structure and belief system. The Equality Act also covers non-belief or a lack of religion or belief.
Potential equality impact:
<p>Across the Budget proposals the initial impact assessments have not highlighted any negative or positive impacts on individuals in relation to religion and belief.</p>

Age	
<p>The Equality Act 2010 states that you must not be discriminated against because:</p> <ul style="list-style-type: none"> • you are (or are not) a certain age or in a certain age group • someone thinks you are (or are not) a specific age or age group, this is known as discrimination by perception • you are connected to someone of a specific age or age group, this is known as discrimination by association 	
Potential equality impact:	
<ul style="list-style-type: none"> ➤ Safeguarding staffing review ➤ Adult services funding review ➤ Housing services savings ➤ Extend family group conferencing ➤ Public health grant fund additional health improvement services ➤ Increase in fees and charges & increased sales (allotments, commercial waste and horticultural services) 	<ul style="list-style-type: none"> ➤ Parking and permit changes review ➤ Creation of business change hub ➤ Customer experience programme ➤ Remembrance and community events ➤ Increased filming and events fees
<p>Many people who use the internet may benefit from proposals to increase digital engagement. However there are risks that some older people, people from lower socio-economic groups and those in rural areas may be disadvantaged by not being able to engage with digital technology.</p>	
<p>The individual service EqlAs will address these issues and will develop mitigations as the proposals are developed and will review these during implementation.</p>	

Sex
<p>The Equality Act 2010 states you must not be discriminated against because:</p> <ul style="list-style-type: none"> •you are (or are not) a particular sex •someone thinks you are the opposite sex (this is known as discrimination by perception) •you are connected to someone of a particular sex (this is known as discrimination by association) In the Equality Act, sex can mean either male or female, or a group of people like men or boys, or women or girls.
Potential equality impact:
<ul style="list-style-type: none"> ➤ Adult services funding review ➤ Extend family group conferencing ➤ Public health grant fund additional health improvement services ➤ Development and introduction of city centre permit process

Gender Reassignment
<p>The Equality Act 2010 states that you must not be discriminated against because you are transsexual, when your gender identity is different from the gender assigned to you when you were born.</p>
Potential equality impact:
<p>Across the Budget proposals the initial impact assessments have not highlighted any negative or positive impacts on individuals in relation to gender reassignment.</p>

Marriage/Civil Partnership

The Equality Act states you must not be discriminated against in employment because you are married or in a civil partnership. In the Equality Act marriage and civil partnership means someone who is legally married or in a civil partnership. Marriage can either be between a man and a woman, or between partners of the same sex. Civil partnership is between partners of the same sex or opposite sex. People do not have this characteristic if they are:

- single
- living with someone as a couple neither married nor civil partners
- engaged to be married but not married
- divorced or a person whose civil partnership has been dissolved

Potential equality impact:

➤ Registrars

Across the Budget proposals the initial impact assessments have not highlighted any negative impacts on individuals in relation to marriage or civil partnership.

Registrars service will be able to increase the number of services carried out across a series of new venues, this includes marriage and civil partnership.

Pregnancy & Maternity

Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Potential equality impact:

Across the Budget proposals the initial impact assessments have not highlighted any negative or positive impacts on individuals in relation to pregnancy and maternity.

Sexual orientation
<p>The Equality Act 2010 states you must not be discriminated against because:</p> <ul style="list-style-type: none"> • you are heterosexual, gay, lesbian or bisexual • someone thinks you have a particular sexual orientation (this is known as discrimination by perception) • you are connected to someone who has a particular sexual orientation (this is known as discrimination by association) <p>In the Equality Act, sexual orientation includes how you choose to express your sexual orientation, such as through your appearance or the places you visit.</p>
Potential equality impact:
<p>➤ Public health grant fund additional health improvement services</p>

Race
<p>The Equality Act 2010 states you must not be discriminated against because of your race. In the Equality Act, race can mean your colour, or your nationality (including your citizenship). It can also mean your ethnic or national origins, which may not be the same as your current nationality.</p>
Potential equality impact:
<p>➤ Extend family group conferencing</p> <p>➤ Public health grant fund additional health improvement services</p>
<p>There are risks that accessibility to information may disadvantage non-English speakers. The lack of access to technology, digital capability, and cultural barriers are some of the challenges likely to be experienced by some people. The Council aims to use inclusive consultation for its budget proposals and will use plain language throughout its communication with the public.</p>

Disability	
<p>The Equality Act 2010 states that you must not be discriminated against because:</p> <ul style="list-style-type: none"> • you have a disability • someone thinks you have a disability (this is known as discrimination by perception) • you are connected to someone with a Disabled person (this is known as discrimination by association) It is not unlawful discrimination to treat a disabled person more favourably than a non-disabled person. <p>In the Equality Act a disability means a physical or a mental condition which has a substantial and long-term impact on your ability to do normal day to day activities. You are covered by the Equality Act if you have a progressive condition like HIV, cancer or multiple sclerosis, even if you are currently able to carry out normal day to day activities. You are protected as soon as you are diagnosed with a progressive condition. You are also covered by the Equality Act if you had a disability in the past.</p>	
Potential equality impact:	
<ul style="list-style-type: none"> ➤ Safeguarding staffing review ➤ Adults Funding review ➤ Extend family group conferencing ➤ Public health grant fund additional health improvement services ➤ Increased income to Registrars 	<ul style="list-style-type: none"> ➤ Increase in fees and charges & increased sales (allotments, commercial waste and horticultural services) ➤ Clean Air Zone – review of financial assistance scheme, Euro 6 HGV charge and pricing model. ➤ Development and introduction of city centre permit process ➤ Parking & Permit changes review ➤ Customer Experience programme
<p>There is a risk that proposals increasing digital citizen engagement may disadvantage disabled service users, and / or those with difficulty with literacy. Accessible software has been introduced for Council web pages and there is a focus on accessible information as a priority in setting up the revised council web site.</p>	
<p>Specific equality analysis for proposals before and during implementation will address and mitigate where possible; ongoing monitoring will inform these mitigations.</p>	

13 Recommendations for implementation of accepted budget proposals

- a. The following recommendations should be considered (as appropriate), to ensure that equality issues continue to be considered during the implementation stages.
- b. **Full or proportionate equality impact assessments / equality analysis.**

This should be carried out on all proposals where initial reviews have revealed likely impacts upon particular groups of people due to their protected characteristics. EqlAs must be carried out at a formative stage so that the assessment is an integral part of the development of a proposal, not a later justification of a policy that has already been adopted. The assessment should form part of the proposal, and should be considered before making the decision.

This enables the Council to demonstrate it has taken due regard to equality issues and has thoroughly considered how to meet the requirements of the Public Sector Equality Duty. The Council's Equality Impact Assessment template can be found on the Council's [EIA web pages](#), and support is available from the Equality Team in carrying out the assessments. Completed EIAs should be published on this web page.
- c. **Inclusive consultation.**

Where consultation is required, it is vital that a diverse range of people are encouraged to take part. This will help to identify any additional equality impacts that may need to be addressed and mitigated where possible. A variety of methods should be used to access consultees with varying protected characteristics. The Independent Equality Advisory Group can be used as a consultative body, and will provide further guidance on likely impacts, and ways of mitigating these.
- d. **Clear and transparent communication.**

It is important to ensure that the communication and publicity strategies about service changes are accessible to disabled people (for example, people with visual impairment or learning disability) and to those for whom English is an additional language. The Council has a commissioned interpreting and translation service to assist with this.
- e. **Including equality issues within commissioning specifications.**

Where proposals include commissioning or recommissioning external providers, detailed equality requirements in line with public sector equality duty should be built into contract specifications. This will ensure that best practice relating to equality in delivery of services is continued and improved upon when delivered by external partners.
- f. **Workforce training and development.**

A number of the budget proposals are dependent upon the ability of officers to recognise opportunities to advance equality (for example, within commissioning, or by targeting services towards those who are most vulnerable). It is also important that officers are aware of, and sensitive to, the particular needs of different groups of people. Equality training is available as part of the Corporate Training programme, and bespoke training can be arranged by the Council's Equality Team.
- g. **Ongoing monitoring.**

Where services are subject to redesign, equality monitoring should be carried out to help identify if the service is operating as intended, if it is reaching and meeting the needs of our most vulnerable communities, and if there are any unforeseen impacts that need to

be addressed. (In this instance the EqIA should be updated). See the Council's sample [equality monitoring template](#) for the data categories that should be used.

Appendix 1

1 Briefing note for elected members on equality in financial decision making

- a. The Equality Act 2010 makes it unlawful to discriminate against an individual because of certain personal characteristics ('protected characteristics').
- b. The Act requires that equality issues are considered by public bodies as part of decision making, especially where services are reduced or redesigned.
- c. The Public Sector Equality Duty (PSED) requires us to have due regard of the need to:
 - eliminate discrimination,
 - advance equality of opportunity and
 - foster good relations between different people.
- d. The questions below are intended to assist PDS panels to scrutinise the proposals from an equality perspective.

2 For each new draft proposal

- a. Are panel members clear that this proposal has been considered from an equality perspective?
- b. Do we know what the impact will be on the most vulnerable people?
- c. Are there any potential unintended impacts or "knock-on" effects and consequences - e.g. on partners, residents or other services?
- d. Have we consulted people and listened to what they have told us about this?
- e. During the implementation of the proposal – how will we continue to check for unintended effects on particular groups of people?
- f. Will there be room for discretion if during the implementation we discover that the change of service disproportionately disadvantages some people?
- g. Considering all the proposals together, what will the cumulative impact be, and will adverse impacts fall disproportionately on specific protected groups?
- h. What have we learnt about equality impacts following the implementation of last years' proposals?

3 What course of action does the EqIA suggest? Is it justifiable?

- a. There are four possible outcomes of an EqIA, more than one may apply to a single proposal:
 - *No major change required*: no potential for discrimination or adverse impact and all opportunities to advance equality have been taken.
 - *Adjustments to mitigate the issues identified*: will the proposed adjustments remove the barriers identified?
 - *Continue despite having identified some potential for adverse impacts or missed opportunities to advance equality*: the justification should be included in the assessment and should be in line with the duty to have 'due regard'. For the most important relevant policies, compelling reasons will be needed. You should consider whether there are sufficient plans to reduce the negative impact and/or plans to monitor the actual impact.

- *Stop and rethink*: when an assessment shows actual or potential unlawful discrimination

1 INTRODUCTION

This appendix sets out in some detail Members' individual responsibilities to set a legal budget and how Members should approach the task. It also reminds Members about the rules concerning pecuniary and other interests

2 LEGAL REQUIREMENTS

Section 31A of the Local Government Finance Act 1992 requires budget calculations to be made before 11th March, but they are not invalid merely because they are made on or after 11th March. Nevertheless, delay in setting the Council Tax would have significant legal and financial consequences.

3. PROCESS FOR AGREEING THE BUDGET & CONSIDERING ALTERNATIVE BUDGET

The Cabinet has the responsibility to prepare and propose a draft Budget to Council for its approval.

The Cabinet have formulated a budget proposal and Council Tax recommendation for the Council meeting on 21 February 2023. Such budget proposal may either take the form of a composite proposal or may include agreed core proposals and options for allocating parts of the budget.

The Council has two options available to it at the budget setting meeting. It can object to specific parts of the proposals and if it does so, must require the Leader on behalf of Cabinet to reconsider its proposals. The Council is required to give the Cabinet reason(s) why it considers those proposal(s) should be changed and it is then for the Cabinet to consider those proposed changes and the reasons put forward. Alternatively, it is open to the Council to accept the budget in its proposed form at the meeting, in which case no further action is necessary.

Council may then determine the budget on the basis of the Cabinet's recommendations, plus any insignificant changes adopted as amendments at the Council meeting.

ALTERNATIVE PROPOSALS

If alternative proposals to those contained in this report are moved at the budget setting meeting, the Chief Finance Officer will need to consider if the estimates or proposed financial reserves contained in this report are affected and whether a further report (which may be oral) is required under section 25 of the Local Government Act 2003.

If the Chief Finance Officer is unable to report on the estimates or the reserves because of the lateness of the alternative proposals, then he will **not** be able to comply with this statutory requirement.

The Constitution provides that the meeting itself (on advice from the Chief Executive) will decide whether any amendment to the budget proposals is of such significance as to amount to an "objection" to the budget to require reconsideration by the Cabinet.

If a significant proposal is accepted on a vote at Council (from those proposals notified at the Cabinet meeting), this stands as a formal objection within the terms of the law and will be referred to the Leader to secure consideration by the Cabinet and report back to the Council meeting on 2 March 2023.

When the Cabinet has considered the objections, it is required to put its proposals (which may or may not be revised) back to the Council Meeting. If the Cabinet does not agree with Council's views on a proposed change, it is required to state why and the Council can then take those reasons into account, along with its original thoughts as to why the change was desirable. At the meeting, it is open to Council to take such decision as it sees fit on any variation from the budget as originally proposed that has been the subject of consideration under the process outlined above.

4. FAILURE TO AGREE A BUDGET

This renders the Council vulnerable to judicial review proceedings because legislation requires the Council to set the Council Tax.

It also renders Councillors individually liable for failure to fulfil fiduciary duties. The obligation to make a lawful budget each year is shared equally by each individual Member. In discharging that obligation, Members owe a fiduciary duty to the Council Taxpayer.

5. FIDUCIARY DUTY

The budget must not include expenditure on items which would fall outside the Council's powers. Expenditure on lawful items must be prudent, and any forecasts or assumptions such as rates of interest or inflation must themselves be rational.

Power to spend money must be exercised in good faith for the purpose for which they are conferred, and any ulterior motives risk a finding of illegality.

In determining the Council's overall budget requirement, Members are bound to have regard to the level of Council Tax necessary to sustain it. The interests of the Council Taxpayer must be balanced against those of the various service recipients.

Setting a budget is not the same as deciding what expenditure will in fact be incurred. To budget for expenditure is to estimate likely expenditure and/or make financial provision for such expenditure. In setting the budget, commitments are being entered which will have an impact on future years. Some commitments may change in future years, such as staff numbers which are capable of upward or downward adjustment at any time. Other commitments impose upon the Council future obligations which are binding and cannot be adjusted, such as loan charges to pay for capital schemes. For some specific proposals within the overall Budgetary framework, Cabinet decisions have already been made. For some other proposals, subject to relevant consultation where necessary, decisions by the Cabinet will need to be made, especially where the making of such a decision would result or would be likely to result in the permanent closure of a facility used

by the public or a permanent and significant reduction in the level of services or facilities provided to the public other than where such closure or reduction in service is considered necessary by the relevant strategic director for reasons of health and safety.

Only relevant and lawful factors may be considered, and irrelevant factors must be ignored.

A Member who votes in accordance with the decision of his or her political group but who does so after considering the relevant factors and professional advice will be acting within the law. Party loyalty and party policy are capable of being relevant considerations for the individual member provided they properly exercise discretion and do not blindly follow the party line without considering the relevant factors and professional advice.

6. CODE OF CONDUCT CONSIDERATIONS

Finally, under the Bath & North East Somerset Council Member Code of Conduct, members are required when reaching decisions to have regard to relevant advice from the Chief Finance Officer and the Monitoring Officer (the Chief Legal Officer). If the Council should fail to set a budget at all or fail to set a lawful budget, contrary to the advice of these two officers there may be a breach of the Code by individual members if it can be demonstrated that they have not had proper regard to the advice given.

DISCLOSABLE PECUNIARY INTERESTS

Members are reminded to consider whether they have a Disclosable Pecuniary Interest (DPI) or, Other Registerable Interest (ORI) or, Non-Registerable Interest (NRI) in the setting of the council's budget. If a member has a relevant interest they must disclose the interest at the meeting, subject to the provisions in the Code in respect of sensitive interests. If the interest is a Disclosable Pecuniary Interest as set out in the Bath & North East Somerset Council Members Code of Conduct) the member may not participate in the discussions or vote on the matter, although if the interest is an Other Registerable Interest (ORI) or Non

Registerable Interest (NRI), the member may remain for the purposes of making representations or asking questions as a member of the public could but must not vote or take part in the debate.

Members should seek early advice to avoid any confusion on the night of the meeting if they consider they have a relevant interest.

Dispensations

The Council's Monitoring Officer may, on written request from a Member, grant a dispensation to relieve the applicant from the restrictions on participation and voting.

Dispensation may be granted if: -

- Without the dispensation the number of persons prohibited from participating would be so great a proportion to impede the effectiveness of the meeting.
- The representation of different political groups would be affected and likely to alter the likely outcome of any voting at the meeting.
- Granting the dispensation is in the interests of persons living in the area.
- Every Member of the Council's Cabinet would be precluded from participating in the meeting; -
- It is appropriate to grant a dispensation.

A dispensation will mean that the Member to whom it is granted can speak and vote on a matter in which they have a relevant interest.

Michael Hewitt, Head of Legal & Democratic Services (Monitoring Officer)

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CORPORATE POLICY DEVELOPMENT AND SCRUTINY PANEL

This Forward Plan lists all the items coming to the Panel over the next few months.

Inevitably, some of the published information may change; Government guidance recognises that the plan is a best assessment, at the time of publication, of anticipated decision making. The online Forward Plan is updated regularly and can be seen on the Council's website at:

<http://democracy.bathnes.gov.uk/mgPlansHome.aspx?bcr=1>

The Forward Plan demonstrates the Council's commitment to openness and participation in decision making. It assists the Panel in planning their input to policy formulation and development, and in reviewing the work of the Cabinet.

Should you wish to make representations, please contact the report author or, Democratic Services . A formal agenda will be issued 5 clear working days before the meeting.

Agenda papers can be inspected on the Council's website.

Ref Date	Decision Maker/s	Title	Report Author Contact	Director Lead
23RD JANUARY 2023				
		Budget and Council Tax 2023/24 and Financial Outlook		
30TH JANUARY 2023				
	Corporate Policy Development and Scrutiny Panel	Somer Valley Enterprise Zone	Richard Holden Tel: 01225 47 7655	Chief Operating Officer
30 Jan 2023 Page 82	Corporate Policy Development and Scrutiny Panel	Business Change Hub Programme	Amanda George, Marc Higgins Tel: 01225 396423	Director of People and Policy
30 Jan 2023	Corporate Policy Development and Scrutiny Panel	Aequus Update	Andy Rothery Tel: 01225 477103	Chief Finance Officer (S151)
13TH MARCH 2023				
13 Mar 2023	Corporate Policy Development and Scrutiny Panel	Economic Strategy		Director of Sustainable Communities

Ref Date	Decision Maker/s	Title	Report Author Contact	Director Lead
13 Mar 2023	Corporate Policy Development and Scrutiny Panel	Invest in Bath and North East Somerset	Rob Dawson	Chief Finance Officer (S151)
ITEMS TO BE SCHEDULED				
	Corporate Policy Development and Scrutiny Panel	Emerging Digital Data	Jeff Wring Tel: 01225 477323	Chief Operating Officer
Page 83	Corporate Policy Development and Scrutiny Panel	Parish Charter	Dave Dixon	Director of People and Policy
The Forward Plan is administered by DEMOCRATIC SERVICES: Democratic_Services@bathnes.gov.uk				

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