

## Annex 2: Draft Funding Requirements

| 2026/27 - 2028/29 Funding Proposals  |  |                 |                 |                 |                                       |
|--|--|-----------------|-----------------|-----------------|---------------------------------------|
| Proposal Description   | Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)  | 2026/27<br>£000 | 2027/28<br>£000 | 2028/29<br>£000 | Cabinet Portfolio Holder / Director   |
| <b>Portfolio: Built Environment, Housing and Sustainable Development</b>   |  |                 |                 |                 |                                       |
| Pay Inflation  | Pay inflation is estimated at 3% per annum   | 159             | 166             | 176             | Cllr Matt McCabe / Various            |
| Being Our Best Programme Pay and Grading Review  | Net changes in salary budget as a result of a pay and grading review, including increment pay growth   | 58              | 46              | 8               | Cllr Matt McCabe / Various            |
| Pensions Triennial Valuation   | Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund   | (140)           |                 |                 | Cllr Matt McCabe / Various            |
| <b>Built Environment, Housing and Sustainable Development Total</b>  |  | <b>77</b>       | <b>212</b>      | <b>184</b>      |                                       |
|  |  |                 |                 |                 |                                       |
| <b>Portfolio: Communications and Community (Emergency Planning, Bereavement Services and Public Protection Only)</b> |  |                 |                 |                 |                                       |
| Licensing - reduce income target linked to statutory capped fees   | Some license types have statutory fee levels that are set nationally and do not allow for full cost recovery. There is no scope to address this shortfall by setting higher discretionary fees locally so budgeted income target requires adjusting accordingly. | 150             |                 |                 | Cllr Manda Rigby / Chris Major        |
| Pay Inflation  | Pay inflation is estimated at 3% per annum   | 61              | 64              | 67              | Cllr Manda Rigby / Chris Major        |
| Being Our Best Programme Pay and Grading Review  | Net changes in salary budget as a result of a pay and grading review, including increment pay growth   | 9               | 4               | 0               | Cllr Manda Rigby / Chris Major        |
| Pensions Triennial Valuation   | Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund   | (84)            |                 |                 | Cllr Manda Rigby / Chris Major        |
| Contract Inflation   | Contract and running costs inflation across portfolio  | 32              | 11              | 12              | Cllr Manda Rigby / Chris Major        |
| <i>Extended Park and Ride Hours</i>  | <i>Removal of one-off 25/26 growth - Trial of increased Park and Ride service</i>  | <i>(125)</i>    |                 |                 | <i>Cllr Manda Rigby / Chris Major</i> |
| <b>Communications and Community Total (Emergency Planning, Bereavement Services and Public Protection Only)</b>      |  | <b>43</b>       | <b>79</b>       | <b>79</b>       |                                       |
|  |  |                 |                 |                 |                                       |
| <b>Portfolio: Resources (Waste Services Only)</b>  |  |                 |                 |                 |                                       |
| Waste Services - staffing growth required to remove budgeted vacancy factor  | There is no staff turnover in waste services as any vacancies or sickness are covered by agency to ensure service delivery   | 255             |                 |                 | Cllr Mark Elliot / Chris Major        |
| Waste Services - increased running costs   | Primarily increased insurance policy associated with Pixash Recycling Centre   | 67              |                 |                 | Cllr Mark Elliot / Chris Major        |
| Borrowing Costs  | Inflationary increases associated with vehicle replacement   | 188             |                 |                 | Cllr Mark Elliot / Chris Major        |
| Extended Producer Responsibility (EPR) - maintain grant income at 2025/26 level                                      | To account for annual budgetary funding in the form of EPR payments within Waste to offset upcoming pressures from legislative changes impacting waste contracts. As such is one-off only pending more detail on future legislation and grant value.             | (16)            | 716             |                 | Cllr Mark Elliot / Chris Major        |
| Waste Services Inflation   | Contract and running costs inflation across department   | 284             | 209             | 211             | Cllr Mark Elliot / Chris Major        |
| WECA Transport Levy - estimated increase in contribution   | Increase in levy contribution required to meet shortfall in funding to sustain existing supported bus services.  | 385             |                 |                 | Cllr Sarah Warren / Marc Cole         |
| Pay Inflation  | Pay inflation is estimated at 3% per annum   | 425             | 442             | 469             | Cllr Mark Elliot / Chris Major        |
| Being Our Best Programme Pay and Grading Review  | Net changes in salary budget as a result of a pay and grading review, including increment pay growth   | 32              | 4               | 1               | Cllr Mark Elliot / Chris Major        |
| Pensions Triennial Valuation   | Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund   | (389)           |                 |                 | Cllr Mark Elliot / Chris Major        |
| <i>Increase in Clean and Green Funding</i>   | <i>Removal of one-off 25/26 growth - Two additional demand led rapid response crews (weeds, graffiti, litter, fortnightly monitoring)</i>  | <i>(81)</i>     |                 |                 | <i>Cllr Mark Elliot / Chris Major</i> |
| <b>Resources Total (Waste Services Only)</b>   |  | <b>1,150</b>    | <b>1,371</b>    | <b>681</b>      |                                       |
|  |  |                 |                 |                 |                                       |

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|---|---|-----------------|-----------------|-----------------|--------------------------------------|
| Proposal Description  | Proposal Detail (incl. impacts on service delivery / knock-on impact to other services)   | 2026/27<br>£000 | 2027/28<br>£000 | 2028/29<br>£000 | Cabinet Portfolio Holder / Director  |
| <b>Portfolio: Sustainable Bath and North East Somerset</b>  |   |                 |                 |                 |                                      |
| Pay Inflation   | Pay inflation is estimated at 3% per annum  | 102             | 106             | 112             | Cllr Sarah Warren / Various          |
| Being Our Best Programme Pay and Grading Review   | Net changes in salary budget as a result of a pay and grading review, including increment pay growth  | 29              | 29              | 1               | Cllr Sarah Warren / Various          |
| Pensions Triennial Valuation  | Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund  | (89)            |                 |                 | Cllr Sarah Warren / Various          |
| Contract Inflation  | Contract and running costs inflation across portfolio   | 12              | 12              | 13              | Cllr Sarah Warren / Various          |
| <b>Sustainable Bath and North East Somerset Total</b>   |   | <b>54</b>       | <b>147</b>      | <b>126</b>      |                                      |
| <b>Portfolio: Sustainable Transport Delivery</b>  |   |                 |                 |                 |                                      |
| Home to School Transport Contract Inflation   | No contract inflation currently built into the MTFS at present  | 336             | 290             | 298             | Cllr Lucy Hodge / Chris Major        |
| Investment in new Business Manager Post in Home to School Transport service   | Better management of home to school transport while achieving efficiencies and providing resilience.  | 90              |                 |                 | Cllr Lucy Hodge / Chris Major        |
| Highways operational costs  | Growth to support increased maintenance costs of highways services.   | 110             | 142             | 6               | Cllr Lucy Hodge / Chris Major        |
| Pay Inflation   | Pay inflation is estimated at 3% per annum  | 177             | 184             | 195             | Cllr Lucy Hodge / Chris Major        |
| Being Our Best Programme Pay and Grading Review   | Net changes in salary budget as a result of a pay and grading review, including increment pay growth  | 23              | 14              | 5               | Cllr Lucy Hodge / Chris Major        |
| Pensions Triennial Valuation  | Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund  | (154)           |                 |                 | Cllr Lucy Hodge / Chris Major        |
| Contract Inflation  | Contract and running costs inflation across portfolio   | 104             | 106             | 107             | Cllr Lucy Hodge / Chris Major        |
| <i>Speed Indicator Signage</i>  | <i>Removal of one-off 25/26 growth - 6 new vehicle activated speed signs throughout B&amp;NES</i>   | <i>(40)</i>     |                 |                 | <i>Cllr Lucy Hodge / Chris Major</i> |
| <b>Sustainable Transport Delivery Total</b>   |   | <b>646</b>      | <b>736</b>      | <b>611</b>      |                                      |
| <b>Portfolio: Sustainable Transport Strategy</b>  |   |                 |                 |                 |                                      |
| Remove unachievable income targets from transport strategy  | Income targets associated with recovery staff time from projects and additional grant income will not materialise and as such need writing out of the budget. | 50              |                 |                 | Cllr Joel Hirst / Marc Cole          |
| Pay Inflation   | Pay inflation is estimated at 3% per annum  | 97              | 101             | 107             | Cllr Joel Hirst / Various            |
| Being Our Best Programme Pay and Grading Review   | Net changes in salary budget as a result of a pay and grading review, including increment pay growth  | 24              | 15              | 1               | Cllr Joel Hirst / Various            |
| Pensions Triennial Valuation  | Reduction in employer pension on-cost % applied to salaries following revaluation of the Avon Pension Fund  | (80)            |                 |                 | Cllr Joel Hirst / Various            |
| Contract Inflation  | Contract and running costs inflation across portfolio   | 39              | 39              | 40              | Cllr Joel Hirst / Various            |
| <i>More Enforcement Cameras</i>   | <i>Removal of one-off 25/26 growth - Improvements to pedestrian and traffic safety through two new enforcement camera sites.</i>                              | <i>(120)</i>    |                 |                 | <i>Cllr Joel Hirst / Chris Major</i> |
| <i>Car Club Delivery</i>  | <i>Removal of one-off 25/26 growth - Extension to car club scheme to North East Somerset - implementation already planned for Bath</i>                        | <i>(50)</i>     |                 |                 | <i>Cllr Joel Hirst / Chris Major</i> |
| <i>Extra Support for Subsidised Bus Services</i>  | <i>Removal of one-off 25/26 growth - Extra funding for supported bus services where Bus Service Improvement Plan (BSIP) funding is not available.</i>         | <i>(50)</i>     |                 |                 | <i>Cllr Joel Hirst / Marc Cole</i>   |
| <i>School Streets</i>   | <i>Removal of one-off 25/26 growth - Increase funding to existing planned programme to deliver three School Streets in 2025/26</i>                            | <i>(87)</i>     |                 |                 | <i>Cllr Joel Hirst / Marc Cole</i>   |
| <b>Sustainable Transport Strategy Total</b>   |   | <b>(177)</b>    | <b>155</b>      | <b>148</b>      |                                      |
| <b>Total Funding Proposals Relating to the Climate Emergency and Sustainability Policy Development and Scrutiny Panel</b> |   | <b>1,793</b>    | <b>2,700</b>    | <b>1,829</b>    |                                      |