

**BUDGET PROPOSALS 2020/21 JANUARY 2020**  
**(This shows the changes to the existing Base Budget)**

**APPENDIX A**

|  | <b>BASE<br/>2019/20</b> | <b>Yr1<br/>2020/21</b> | <b>Yr2<br/>2021/22</b> | <b>Yr3<br/>2022/23</b> | <b>Yr 4<br/>2023/24</b> | <b>Yr 5<br/>2024/25</b> |
|--|-------------------------|------------------------|------------------------|------------------------|-------------------------|-------------------------|
|  | <b>£</b>                | <b>£</b>               | <b>£</b>               | <b>£</b>               | <b>£</b>                | <b>£</b>                |
| <b>BUDGET PRESSURES</b>  |                         |                        |                        |                        |                         |                         |
| Inflation and increases on goods and services  | 220,000                 | 110,000                | 110,000                | 110,000                | 110,000                 | 110,000                 |
| Torr Quarry Transfer Station   | 142,500                 |                        |                        |                        |                         |                         |
| Triennial Pension revaluation (increase in Pension Employer primary rate contributions)  |                         | 140,000                |                        |                        |                         |                         |
| Salaries - provision for pay award at 2% for 20/21 onwards   | 280,000                 | 140,000                | 140,000                | 140,000                | 140,000                 | 140,000                 |
| Waste collection, recycling and cleansing contract (estimate)  |                         | 130,000                | 130,000                | 130,000                | 130,000                 | 130,000                 |
| National Living Wage and National Insurance  | 50,000                  | 70,000                 | 70,000                 | 70,000                 | 70,000                  | 70,000                  |
| Two planning enforcement officers<br>(SHDC share of the cost - Council September 19)   | 29,000                  | 50,078                 |                        |                        |                         |                         |
| Employer's pension costs - Waste collection, recycling and cleansing contract  | 290,000                 | 25,000                 |                        |                        |                         |                         |
| Depot annualised costs - Waste collection, recycling and cleansing contract  | 22,200                  | 60,762                 | 60,761                 |                        |                         |                         |
| Devon aligned service for waste  |                         | 175,000                | 175,000                |                        |                         |                         |
| Implementation costs for Devon aligned service for waste (one-off)<br>This is additional staffing support for implementation such as roadshows,<br>communications and customer services support.           |                         | 125,000                | (125,000)              |                        |                         |                         |
| Reduction in recycling income  | 125,000                 | 95,000                 |                        |                        |                         |                         |
| Blue and Clear recycling bag processing (safe working practice requirement)  | 75,000                  |                        |                        |                        |                         |                         |
| Haulage contract   | 60,000                  |                        |                        |                        |                         |                         |
| Reduction in Housing Benefit administration subsidy and Council Tax Support<br>Admin Grant   | 15,000                  |                        |                        |                        |                         |                         |
| Car parking costs - collection fees  | 25,000                  |                        |                        |                        |                         |                         |
| ICT future service provision   |                         | 150,000                |                        |                        |                         |                         |
| ICT support contracts - increase the budget to better align to actual expenditure  | 50,000                  |                        |                        |                        |                         |                         |
| Housing Benefit overpayment recoveries   |                         | 100,000                | 70,000                 |                        |                         |                         |
| Payment collection expenses  |                         | 25,000                 |                        |                        |                         |                         |
| Maintenance of trees   |                         | 40,000                 |                        |                        |                         |                         |
| Climate Change Policy Officer (SHDC share of cost - 2 year temporary post)   |                         | 25,000                 |                        | (25,000)               |                         |                         |
| Housing Posts (make three temporary posts permanent - SHDC share of costs - to<br>be funded by Government grant - Flexible Homelessness Grant funding)   |                         | 48,700                 |                        |                        |                         |                         |
| SLT/ELT Restructure - redundancy/pension strain costs  |                         | 25,000                 |                        |                        | (25,000)                |                         |
| Dartmouth Ferry - management recharge from Salcombe Harbour  |                         | 21,100                 |                        |                        |                         |                         |
| Large and hazardous fly tipping costs (outside of the FCC contract)  |                         | 20,000                 |                        |                        |                         |                         |
| <b>TOTAL BUDGET PRESSURES</b>  | <b>1,383,700</b>        | <b>1,575,640</b>       | <b>630,761</b>         | <b>425,000</b>         | <b>425,000</b>          | <b>450,000</b>          |
| <b>Changes to contributions to Earmarked Reserves</b>  |                         |                        |                        |                        |                         |                         |
| Reduce the contribution from the New Homes Bonus Reserve<br>(assumes a contribution of £500,000 in 2019/20 and 2020/21 with reduced<br>contributions from 2021/22 onwards from any replacement NHB scheme) | 141,084                 |                        | 150,000                | 100,000                | 100,000                 | 50,000                  |
| Vehicle Fleet Replacement Reserve (Council 6th December 2018)  | 60,000                  |                        |                        |                        |                         |                         |
| Contribution to Economic Regeneration Projects Reserve<br>(Business Rates Pilot gain). This contribution is one-off for 2018/19 only.  | (475,000)               |                        |                        |                        |                         |                         |
| Reduce contribution to Land and Development Reserve  | (43,000)                |                        |                        |                        |                         |                         |
| Dartmouth Ferry - increase annual contribution to £235,000 by 2024/25  |                         | 30,000                 | 30,000                 | 30,000                 | 30,000                  | 28,000                  |
| Transformation Project (T18) - Approved at 11 December 2014 Council<br><i>Contribution to Strategic Change Reserve to meet pension strain costs</i>  | (150,000)               | (60,000)               |                        |                        |                         |                         |
| Repairs and Maintenance Reserve - increase annual contribution from £55,000 to<br>£80,000 in 2020/21 and £105,000 from 2021/22   |                         | 25,000                 | 25,000                 |                        |                         |                         |
| Contribution from the Flexible Homelessness Government Grant for three housing<br>posts (SHDC share of costs)  |                         | (48,700)               |                        |                        |                         |                         |
| <b>Total changes in contributions to Earmarked Reserves (as per Appendix D)</b>  | <b>(466,916)</b>        | <b>(53,700)</b>        | <b>205,000</b>         | <b>130,000</b>         | <b>130,000</b>          | <b>78,000</b>           |

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**SAVINGS AND INCOME GENERATION IDENTIFIED**

|   | <b>Yr1</b>         | <b>Yr2</b>       | <b>Yr3</b>       | <b>Yr 4</b>      | <b>Yr 5</b>     | <b>Yr 5</b>    |
|---|--------------------|------------------|------------------|------------------|-----------------|----------------|
|   | <b>2019/20</b>     | <b>2020/21</b>   | <b>2021/22</b>   | <b>2022/23</b>   | <b>2023/24</b>  | <b>2023/24</b> |
|   | <b>£</b>           | <b>£</b>         | <b>£</b>         | <b>£</b>         | <b>£</b>        | <b>£</b>       |
| Boat Storage Charges (as per Fees and Charges report)   | (3,000)            |                  |                  |                  |                 |                |
| Duty Planning - charged appointment basis (as per Fees and Charges report)  | (9,000)            |                  |                  |                  |                 |                |
| Savings from re-procurement of contracts (e.g. leisure contract)  | (22,000)           | (165,000)        | (65,000)         | (116,000)        | 0               |                |
| Procurement of waste collection, recycling and cleansing contract<br>(Note - The employer's pension costs of £290,000, the depot annualised costs of £22,200 and the increase to the Vehicle Earmarked Reserve of £60,000 are deducted from this figure to show the total net annual saving as per the report to Council on 6th December 2018)  | (658,351)          | (129,674)        | (129,672)        |                  |                 |                |
| Income from Commercial Developments (Executive 13/12/18)  |                    |                  | (115,911)        | (41,096)         |                 |                |
| Planning fee income   | (40,000)           |                  |                  |                  |                 |                |
| Dartmouth Lower Ferry   | (25,000)           |                  |                  |                  |                 |                |
| Public Conveniences - Pay on Entry, contributions and transfer to Parish Council/ closure 1.9.2019 where agreement has not been reached for transfer - Includes rate relief from 2021 - Savings as set out in the Executive report 22nd November 2018. Figures have been updated to reflect the proposals set out within the Public Conveniences update report to the Executive on 19th December 2019 | (118,275)          | (55,203)         | (54,537)         |                  |                 |                |
| Other budget savings (cessation of Communities Together Fund)   | (7,000)            |                  |                  |                  |                 |                |
| Reduce partnership grant funding to the CVS (£12,600) and South Devon AONB (£9,700)   | (22,300)           |                  |                  |                  |                 |                |
| Advertising on website and e-bulletins  | (3,500)            |                  |                  |                  |                 |                |
| Corporate consultancy income  | (20,000)           |                  |                  |                  |                 |                |
| Energy Certificate for Eco Schemes  | (10,000)           |                  |                  |                  |                 |                |
| Food and Health and Safety advice   | (3,000)            |                  |                  |                  |                 |                |
| Increase investment in CCLA from £1.5m to £3.5m (treasury management income) - Appendix F   | (60,000)           |                  |                  |                  |                 |                |
| Dartmouth Park and Ride - charging review   |                    |                  | (30,000)         | (20,000)         | (10,000)        |                |
| Senior Leadership Team - Interim arrangement (£34,000) - Restructure (£60,000) as per July 2019 Council report - a total of £94,000   | (34,000)           | (60,000)         |                  |                  |                 |                |
| Review ICT contracts  | (10,300)           | (6,300)          |                  |                  |                 |                |
| Review cleaning contract Follaton   | (5,000)            |                  |                  |                  |                 |                |
| Vehicle Trackers  | (2,900)            |                  |                  |                  |                 |                |
| Digital Downloads of Planning applications  | (3,500)            | (3,500)          |                  |                  |                 |                |
| Implement e-billing for Council Tax   | (2,100)            | (2,100)          | (2,100)          | (2,100)          | (2,100)         | (2,100)        |
| Council Tax Support Grant - proposal to reduce by 50% per annum over two years  | (8,000)            | (37,000)         | (37,000)         |                  |                 |                |
| Car parking pay & display fees - increase by 4%   |                    | (80,000)         |                  |                  |                 |                |
| Commercial Investment Strategy  |                    | (75,000)         |                  |                  |                 |                |
| Employment Estates income   |                    | (25,000)         |                  |                  |                 |                |
| Treasury Management income  |                    | (20,000)         |                  |                  |                 |                |
| Corporate Consultancy income  |                    | (10,000)         |                  |                  |                 |                |
| Premium Planning Service  |                    | (9,600)          |                  |                  |                 |                |
| Cancellation of the IEG4 Contract & implementation of the Northgate Citizen access portal   |                    | (12,000)         | (12,000)         |                  |                 |                |
| Review of fees and charges - boat storage fees (£2,000) and S257 footpath diversion orders (£2,100)   |                    | (4,100)          |                  |                  |                 |                |
| Dartmouth Lower Ferry income  |                    | (20,000)         |                  |                  |                 |                |
| Triennial Pension Revaluation - no secondary pension contributions payable due to the pension Deficit being Nil at 31.3.2019  |                    | (200,000)        |                  |                  |                 |                |
| <b>TOTAL SAVINGS AND INCOME GENERATION</b>  | <b>(1,067,226)</b> | <b>(914,477)</b> | <b>(446,220)</b> | <b>(179,196)</b> | <b>(12,100)</b> | <b>(2,100)</b> |