

BUDGET PROPOSALS 2021/22
(This shows the changes to the existing Base Budget)

APPENDIX A

| | (Amended Budget) | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------------|----------------|----------------|----------------|-----------------|
| | BASE 2020/21 | Yr1 2021/22 | Yr2 2022/23 | Yr3 2023/24 | Yr4 2024/25 | Yr 5 2025/26 |
| | £ | £ | £ | £ | £ | £ |
| BUDGET PRESSURES | | | | | | |
| Inflation and increases on goods and services (Business Rates Multiplier is being frozen in 2021/22) | 110,000 | 90,000 | 110,000 | 110,000 | 110,000 | 110,000 |
| Triennial Pension revaluation (increase in Pension Employer primary rate contributions) | 140,000 | | | | | |
| Salaries - provision for pay award at 1% for 21/22 onwards (the actual pay award for 20/21 was 2.75% and therefore 21/22 includes an extra 0.75% to build this extra amount for 2020/21 into the base budget as 2% was budgeted for 2020/21) | 140,000 | 123,000 | 70,000 | 70,000 | 70,000 | 70,000 |
| Waste collection, recycling and cleansing contract (estimate) | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 | 130,000 |
| National Living Wage and National Insurance | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 | 70,000 |
| Two planning enforcement officers (SHDC share of the cost - Council September 19) | 50,078 | | | | | |
| Localities service - seasonal staffing posts - Executive report 28.1.2021 | | 25,000 | | | | |
| Employer's pension costs - Waste collection, recycling and cleansing contract | 25,000 | | | | | |
| Depot annualised costs - Waste collection, recycling and cleansing contract | 60,762 | 60,761 | | | | |
| Devon aligned service for waste | 175,000 | 175,000 | | | | |
| Implementation costs for Devon aligned service for waste (one-off) This is additional staffing support for implementation such as roadshows, communications and customer services support. | 125,000 | (125,000) | | | | |
| Reduction in recycling income | 95,000 | | | | | |
| ICT future service provision | 150,000 | | | | | |
| Housing Benefit overpayment recoveries (to reduce income target to Nil in 21/22) | 100,000 | 145,000 | | | | |
| 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 be funded by Government grant - Flexible Homelessness Grant funding) | 48,700 | | | | | |
| Economy Post - 50% of cost (shdc share), for two years | 25,000 | | (25,000) | | | |
| 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 | | | | | |
| Partnership funding (increase in the base budget - as 5.1 of the report) | | 3,000 | | | | |
| TOTAL BUDGET PRESSURES | 1,600,640 | 696,761 | 330,000 | 355,000 | 380,000 | 380,000 |
| Changes to contributions to Earmarked Reserves | | | | | | |
| Reduce the contribution from the New Homes Bonus Reserve (assumes a contribution of £564,143 in 2020/21 and contributions in future years equating to £0.746m in 2021/22 and £0.546m in 22/23) | (64,143) | (181,857) | 200,000 | 100,000 | 150,000 | 96,000 |
| Dartmouth Ferry - increase annual contribution to reserve (except in 21/22 and 22/23) | 30,000 | | | 30,000 | 30,000 | 30,000 |
| Transformation Project (T18) - Approved at 11 December 2014 Council <i>Contribution to Strategic Change Reserve to meet pension strain costs</i> | (90,000) | 30,000 | | | | |
| Funding from the Economic Regeneration (Business Rates Pilot Gain) Earmarked Reserve (one-off in 2020-21) | (127,000) | 127,000 | | | | |
| Repairs and Maintenance Reserve - reduce annual contribution of £55,000 in 2020-21 | (55,000) | 80,000 | | 25,000 | | |
| Cease making a contribution to the Planning Earmarked Reserve in 2020-21 | (50,000) | 50,000 | | | | |
| Funding from the Business Rates Retention Earmarked Reserve (one-off 20-21) | (343,000) | 343,000 | | | | |
| Contribution from the Flexible Homelessness Government Grant for three housing posts (SHDC share of costs) | (48,700) | | | | | |
| Total changes in contributions to Earmarked Reserves (as per Appendix D) | (747,843) | 448,143 | 200,000 | 155,000 | 180,000 | 126,000 |

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SAVINGS AND INCOME GENERATION IDENTIFIED

| | BASE 2020/21 | Yr1 2021/22 | Yr2 2022/23 | Yr3 2023/24 | Yr4 2024/25 | Yr 5 2025/26 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------|
| Savings from re-procurement of contracts (e.g. leisure contract) | (165,000) | | (186,000) | | | |
| Procurement of waste collection, recycling and cleansing contract (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) | (129,674) | (129,672) | | | | |
| Income from economic regeneration projects within the District | | | (40,000) | (58,000) | | |
| 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 | (55,203) | (54,537) | | | | |
| Senior Leadership Team - Interim arrangement (£34,000) - Restructure (£60,000) as per July 2019 Council report - a total of £94,000 | (60,000) | | | | | |
| Review ICT contracts | (6,300) | | | | | |
| Digital Downloads of Planning applications | (3,500) | | | | | |
| Implement e-billing for Council Tax | (2,100) | (2,100) | (2,100) | (2,100) | (2,100) | (2,100) |
| Council Tax Support Grant -Reduction by 50% per annum over two years | (37,000) | (37,000) | | | | |
| Car parking pay & display fees - increase by 4% | (80,000) | | | | | |
| Commercial Investment Strategy | (75,000) | | | | | |
| Employment Estates income | (25,000) | (10,000) | | | | |
| Treasury Management income | (20,000) | | | | | |
| Corporate Consultancy income | (10,000) | | | | | |
| 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 Street Naming and Numbering (£1,500) | (4,100) | (3,500) | | | | |
| 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) | | | | | |
| 3rd tranche of COVID funding received from the Government (one-off in 20-21) | (121,000) | 121,000 | | | | |
| Cease the 2020-21 annual contribution towards building up a budget for future years for the Follaton Roof and Follaton Lift (one-off in 20-21) | (80,000) | 80,000 | | | | |
| Use of New Burdens Government grant funding received for the administration of the Business Rates Grants (one-off in 20-21) | (170,000) | 170,000 | | | | |
| TOTAL SAVINGS AND INCOME GENERATION | (1,275,877) | 122,191 | (228,100) | (60,100) | (2,100) | (2,100) |