

BUDGET PROPOSALS 2022/23
(This shows the changes to the existing Base Budget)

APPENDIX A

	BASE 2021/22	Yr1 2022/23	Yr2 2023/24	Yr3 2024/25
	£	£	£	£
BUDGET PRESSURES				
Inflation and increases on goods and services	90,000	110,000	110,000	110,000
Triennial Pension revaluation (increase in Pension Employer primary rate contributions)			150,000	0
Salaries - provision for pay award at 2% (£185,000) from 2022/23 onwards, total pay of £9.5m	123,000	185,000	185,000	185,000
Waste collection, recycling and cleansing contract (estimate of around 3%)	130,000	130,000	130,000	130,000
National Living Wage and National Insurance	70,000	70,000	70,000	70,000
Community composting groups		10,000		
Salcombe Harbour recharges to the Council for staff time - increase in time charged in days for beach and water safety, car park management, inspections and fish quay and slipway work		16,600		
Localities service - seasonal staffing posts - Executive report 28.1.2021	25,000			
Depot annualised costs - Waste collection, recycling and cleansing contract	60,761			
Devon aligned service for waste	175,000			
Implementation costs for Devon aligned service for waste (Reversal of one-off cost) This is additional staffing support for implementation such as roadshows, communications and customer services support.	(125,000)			
Housing Benefit overpayment recoveries (to reduce income target to Nil in 21/22)	145,000			
SLT/ELT Restructure - redundancy/pension strain costs			(25,000)	
Partnership funding (increase in the base budget - as 5.1 of the report)	3,000			
TOTAL BUDGET PRESSURES	696,761	521,600	620,000	495,000

Changes to contributions to Earmarked Reserves

Reduce the contribution from the New Homes Bonus Reserve to fund the Revenue Base Budget (assumes a contribution of £0.746m in 2021/22 and £0.5m in 22/23 onwards)	(181,857)	246,000	0	0
Dartmouth Ferry - increase annual contribution to reserve (except in 21/22 and 22/23)			30,000	30,000
Contribution from Business Rates Retention reserve to smooth the volatility in business rates income from the baseline reset and the loss of a pooling gain (This would use £0.1m of the Reserve in 22/23, £0.5m in 23/24 and a further £0.5m in 24/25)		(100,000)	(400,000)	0
Transformation Project (T18) - Approved at 11 December 2014 Council <i>Contribution to Strategic Change Reserve to meet pension strain costs</i>	30,000			
Funding from the Economic Regeneration (Business Rates Pilot Gain) Earmarked Reserve (one-off in 2020-21)	127,000			
Repairs and Maintenance Reserve - increase annual contribution in 2023-24	80,000		25,000	
Cease making a contribution to the Planning Earmarked Reserve in 2020-21	50,000			
Funding from the Business Rates Retention Earmarked Reserve (one-off 20-21)	343,000			
Total changes in contributions to Earmarked Reserves (as per Appendix D)	448,143	146,000	(345,000)	30,000

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SAVINGS AND INCOME GENERATION IDENTIFIED

	BASE 2021/22	Yr 1 2022/23	Yr 2 2023/24	Yr 3 2024/25
Savings from re-procurement of contracts (e.g. leisure contract)		0	TBA	TBA
IT FIT Project - software savings		(70,000)	(10,000)	
Efficiencies gained from IT and digital communications		(20,000)	(100,000)	
Employment Estates - additional rental income	(10,000)	(80,000)	(40,000)	
Extra recycling income		(70,000)		
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)	(129,672)			
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	(54,537)			
Council Tax Support Grant -Reduction by 50% per annum over two years	(37,000)			
Cancellation of the IEG4 Contract & implementation of the Northgate Citizen access portal	(12,000)			
Review of fees and charges - boat storage fees (£2,000) and Street Naming and Numbering (£1,500)	(3,500)			
3rd tranche of COVID funding received from the Government (one-off in 20-21)	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			
Use of New Burdens Government grant funding received for the administration of the Business Rates Grants (one-off in 20-21)	170,000			
TOTAL SAVINGS AND INCOME GENERATION	124,291	(240,000)	(150,000)	0