

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
Increase the staffing budget for four planning specialists and two legal specialists (shared with West Devon Borough Council), to be financed by extra planning income - Planning Improvement Plan (Executive 14.10.21)	0	164,000	0	0
Better Lives for All strategy - Council 23 September 2021 - £110,000 cost pressures for 22/23 and 23/24	0	110,000	0	(110,000)
Waste collection, recycling and cleansing contract (estimate of around 3%)	130,000	130,000	130,000	130,000
National Living Wage and National Insurance (social care levy of 1.25% and NLW increases)	70,000	140,000	140,000	140,000
IT Support contracts - increased number of users on the network, increase in remote working, Disability Access legislation and above inflationary increases on support contracts		75,000		
Reduce the income budget for treasury management investment income		80,000		
Rough sleeper outreach worker (SHDC share of the cost is 60%), to be funded from Government Homelessness grant		24,000		
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	1,044,600	690,000	455,000
 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			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 £0.5m in 24/25)		(100,000)	(400,000)	0
Contribution to Joint Local Plan Earmarked Reserve		25,000		
Contribution from Homelessness Reserve (to fund rough sleeper outreach worker)		(24,000)		
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	147,000	(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)	
Implement e-billing for Council Tax	(2,100)			
Extra recycling income		(70,000)		
Extra planning income (to fund four planning specialists and two legal specialists) - Planning Improvement plan - Executive 14.10.21		(164,000)		
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	122,191	(404,000)	(150,000)	0

Figures shown in Grey are those which have changed since the Draft Budget Proposals report in December 2021