

<b>Report to:</b>	Overview & Scrutiny Committee Cabinet Council	<b>Date:</b> 9 February 2023 15 February 2023 <a href="#">22 February 2023</a>
<b>Subject:</b>	The Council's Budget 2023/24 and the Medium Term Financial Strategy 2024/25 - 2025/26	
<b>Report of</b>	Cabinet Member for Finance and Communities	

## Summary

1. This report sets out the key elements of the 2023/24 budget proposals and the framework for the longer-term Medium Term Financial Strategy (MTFS) 2023/2026. It makes available the latest financial information that will underpin the 2023/24 budget and the MTFS. The report also sets out the process that will lead to the agreement of the budget and the setting of the 2023/24 Council Tax at Full Council on the 22 February 2023.
2. This report reflects the Government's Annual Settlement for Local Government as delivered in December 2022 and the associated two-year policy statement. It has also been produced at a time of continued unsettlement within financial forecasting due to international and national pressures. As such the financial tables within the report focus on the 2023/24 budget position, with a less in-depth forecast for the two years beyond.
3. The Housing Revenue Account is a separate report on this agenda, this report is part of the suite of financial reports including:
  - Capital strategy 2023/24 to 2025/26
  - Flexible Use of Capital Receipts Strategy 2023/24
  - Treasury Management Strategy 2023 –24
  - The Dedicated Schools Grant and the schools budget 2023 –24

## Role of Overview and Scrutiny Committee in budget process

4. Under the Council's Constitution, the Overview and Scrutiny Committee is required to advise and consider the Cabinet's budget and Council Tax proposals and report to Cabinet on the outcome of its deliberations before the matter is referred to Council.

5. In considering the budget proposals, the Committee can challenge how the budget has been constructed. It may wish to probe the assumptions that lie behind the budget strategy, what are the main savings proposals, how will any growth be funded, and has an appropriate level of reserves been set.
6. The Committee will also need to maintain a 'big picture' view of the financial pressures affecting the Council and understand how these might impact on existing budgets and budget setting in subsequent years. These issues are set out in the Financial Context and Background section below.

### **Recommendation(s)**

Overview and Scrutiny Committee is asked to:

- Note the report.
- Consider whether they wish to make any recommendations to Cabinet on the content of this report.

The Cabinet is asked to and recommends to Council to:

1. Approve the Medium-Term Financial Strategy and the assumptions regarding resources and spending requirements.
2. Note the Council Tax base is the equivalent of 56,708 Band D dwellings, this is the basis on which the Council Tax funding has been calculated.
3. Approve the net revenue budget of £210.813m for 2023/24.
4. Approve an increase in Council Tax of 2.99% in terms of General Council Tax and a further 2% for the Adult Social Care Precept in each of the 2023/24 and 2024/25 financial years.
5. Approve, subject to statutory regulations and legislation with regard to any guidance issued by the Secretary of State, to implement a 100% Council Tax premium on 2nd homes and to amend the timing of the premium on empty and unoccupied properties with effect from April 2024.
6. Approve the recurrent changes to expenditure of £16.852m in 2023/24.
7. Approve the non-recurrent changes to expenditure of £3.618m in 2023/24.
8. Approve the proposed savings and additional income of £22.545m for the 2023/24 financial year.
9. Approve the use of reserves of £4.802m in 2023/24.
10. Approve the transfer of £1.912m into reserves with regards to the funding of social care reforms.
11. Note the forecast position on reserves.
12. Approve the flexible use of Capital receipts strategy 2023/24 as set out in Appendix 2.
13. Approve the Treasury Management Strategy as set out in Appendix 2
14. Approve the recommendations to Council as set out relating to the Dedicated Schools Grant and setting the schools budget.
15. Note the Departmental cash limits as set out at Appendix 5.

16. Approve the commencement of consultation in respect of options set out in paragraph 101 of this report.
17. Recommend that Council approve and adopt the budget for 2023/24.

## **1. FINANCIAL CONTEXT AND BACKGROUND**

1.1 This budget is brought forward in an extremely difficult context. Since 2019 the Council has been managing through a pandemic, with the associated resource challenges across increased costs, additional demand and reduced income. A strategic decision was made to apply reserves to manage the short-term impacts caused by Covid, including the use of one-off monies provided by central government to mitigate the impact of the pandemic. Although this provision concludes this year, the challenges of the national economic context have increased and as such this budget has to respond to the significant worsening of the Council's financial position. Specific pressures include:

- Sharp increases in energy costs as a result of the war in Ukraine, and the impact on operating council services in particular the Leisure Centres.
- Inflation in the UK at a 40 year high which is feeding into additional pressures on contract values, staff pay and utility costs for the Council. The Bank of England has, however, issued an improved forecast with a prediction that inflation will decrease below 10% after March 2023, by the end of 2023 be between 5-6% and then below 2% in the first half of 2024.
- Ongoing increases in demand for many services, particularly in children and adults social care and more widely across urgent, elective and primary care. As an integrated system this places more demand on council services.
- A need for investment in children's services to support the social care improvement journey, to address the Dedicated Schools Grant deficit and to "pump prime" longer term efficiencies.
- National shortages of labour are also increasing workforce costs, particularly within services for children.
- UK interest rates are now at their highest level for 14 years which will feed into higher costs for Council borrowing.
- Increases in costs caused by the disruption of supply chains during Covid.

1.2 On the 19<sup>th</sup> October 2022, the Council's Cabinet received a financial planning document, the Medium-Term Financial Strategy Refresh, within which the 2023/24 financial assumptions were updated in this context. Since then, the Local Government Finance Settlement has been announced for one year only, although with planning indications for up to two years. In light of this, the Council can only set a one-year budget. The settlement, winter funding and additional step-down funding announcements all make increased provision for adult social care, but again these are short term provisions.

1.3 The scale of immediate macroeconomic challenges faced by the Council and uncertainty of the national position require a long-term approach to resources.

However, forward financial planning remains difficult in the context of a one-year settlement and short-term funding announcements. This budget has therefore been developed as a one-year position, but in the context of the Borough's strategy, LET'S Do It!, to 2030 which, from a financial perspective, aims to drive growth to widen and deepen the tax base and tackle deprivation to reduce the demand on council services (particularly social care).

1.4 The LET'S Do It! strategy directs the Council's Corporate Plan comprises:

- A focus on "Local" services delivered by joined-up public services which manage demand through integration and the appropriate engagement of the voluntary and community sector.
- Pursuing income and reducing costs through the "Enterprise" of economic development and internal transformation, particularly digital technologies.
- Delivering change "Together" with local people, through consultation and co-design.
- Taking a "Strengths-based" approach to service provision which draws on the resources of residents to manage their lives independently as far as possible and allows the Council to prevent, reduce and delay the costs of its interventions.

**2. FORECAST OUTTURN POSITION FOR 2022/23**

2.1 It is important that the current year's budget position is taken into consideration and that any trends and information available are reflected on. Monitoring at the end of the third quarter, December 2022, shows that the Council is forecasting a deficit of £3.959m. The pressures in children's services and those caused by rising utilities costs have been regularly reported to Cabinet. The table below provides a summary of the forecast position based on information available at the end of December 2022.

Directorate	Approved Budget	Forecast	(Under)/ OverSpend
	£m	£m	£m
Business, Growth, and Infrastructure	3.269	3.347	0.078
Children and Young People	45.910	52.361	6.451
Corporate Core	14.872	14.281	(0.591)
Corporate Core – Finance	5.169	5.481	0.312
Housing General Fund	1.288	1.288	0
Non-Service Specific	6.349	(0.815)	(7.164)
One Commissioning Organisation	80.781	82.215	1.434
Operations	19.846	23.283	3.437
<b>TOTAL</b>	<b>177.484</b>	<b>181.441</b>	<b>3.958</b>

- 2.2 The budget remains under regular review by the Executive Team and is reported on a quarterly basis to Cabinet. The potential for the position to change because of the increasing pressures in children's and adults' services remains a risk and will continue to be managed and monitored carefully for the remainder of the year. A separate report on the Council's financial position at the end of December 2022 is on this agenda.

### 3. REVENUE RESOURCE REQUIREMENT AND THE LOCAL GOVERNMENT FINANCE SETTLEMENT

- 3.1 The Council continues to work with a one year only Local Government Finance Settlement, although this year the Government announced a two-year policy statement which did give an indication on which grants will continue for 2024/25, and the deferral of the business rates reset until at least the 2025/26 financial year.
- 3.2 The Council's forecast revenue resource prior to the provisional Local Government Settlement was £176.078m for 2023/24, as reported to Cabinet on 19 October 2022 within the Medium-Term Financial Strategy Refresh.
- 3.3 The 2023/24 Local Government Finance Settlement was announced on 19 December 2022. The settlement confirmed the following amounts:

- Continuation of the additional Social Care grant, which can be used to support both Adults and Children's social care. The value of which has increased from the 2022/23 value of £3.071m to a value of £4.793m. This will continue into 2024/25 but there is no confirmation of any funding beyond this and therefore has been treated as non-recurrent for these two years.
- £0.288m of the above Social Care Grant relates to funding for independent living fund packages that we previously received separate funding for but has now been consolidated into the above. This funding will need to be allocated to the respective budget.
- Continuation of the Improved Better Care Fund Grant at a value of £7.628m and the original Social Care Grant at a value of £7.841m. Both of which were already built into the MTFS.
- Social Care market sustainability continues at an increased value from the £0.551m received for 2022/23 to £1.912m for 2023/24. It is being given as additional monies to make tangible improvements to adult social care, and, in particular, to address discharge delays, social care waiting times, low fee rates, workforce pressures and to promote technological innovation in the sector therefore it is proposed to hold as a ringfenced reserve which will require a business case to justify how the expenditure meets these criteria.
- There is also a further non recurrent Adult Social Care grant of £1.069m which is specifically to address delayed transfers of care from hospitals. This must form part of the Better Care Fund and therefore will have matching expenditure. There are conditions and criteria in respect of outcomes attached to this grant.
- The Lower Tier Services grant which was £0.266m, in 2022/23 has ceased, along with the Local Council Tax Support Admin Grant of £0.250m. At the present time the Council has not received confirmation of the Housing Benefit Admin Grant (previously £0.512m) therefore this has not been included in the current projections resulting in a reduction of £1.055m for these three grants.
- The non-recurrent services grant which was £2.482m in 2022/23 has been confirmed again but this is reduced to £1.399m the removal of the allowance for the employers increases in national insurance, the value of which was circa £0.500m per annum. There was a further reduction because of redistributing funds between this and the Supporting Families programme.
- A further year of the New Homes Bonus Grant which is subject to achievement of certain targets of £0.053m.

3.4 The increase in Spending Power within this short-term budget includes income from locally raised Council Tax, which following the Autumn Statement can be

raised by up to 3% without a local referendum, and the Adult Social Care Levy of up to 2%, both of which are subject to local decision making and have been included within these figures.

- 3.5 The Council's forecast revenue resource after the Local Government Settlement announcement is £192.186m, an increase of £16.108m. This includes increases in Council tax, business rates and Government grants. However, £3.269m of the increase in grants is related to Social Care funding which is needed to match already committed expenditure, in the case of discharge funding and independent living fund or is recommended for transfer to reserves until the criteria and outcomes for spend is known. The only grant assumed to be continuing into 2024/25 from above is the Social Care grant which after the impact of the loss of the three grants identified above gives a one-year benefit of £3.450m in 2024/25. The ASC market sustainability grant may also continue but is subject to confirmation and therefore has not been included in the assumptions for 2024/25.
- 3.6 The Council must ensure it has a robust financial strategy and is also holding sufficient reserves to mitigate against planned or unplanned expenditure and other risks. The impact of the pandemic meant that reserves were needed to support some of the anticipated short term financial impacts on the Council in the last two financial years. This was in line with the Council's financial strategy. This budget has been produced on the basis that savings and efficiencies have been identified to close the full gap recurrently, but this may take up to four years in some cases for the schemes to deliver in full and therefore the use of reserves and the non-recurrent grants identified above will be needed to smooth the position.
- 3.7 The Council's financial strategy for 2023/24 through to 2024/25 assumes that:
- There will be a 2.99% annual increase in Council tax for each financial year.
  - The Council will also further increase Council tax by the 2% Adult Social Care Precept for each of these two financial years.
  - The Better Care Fund, the main element of the Improved Better Care Fund and other longstanding Government grants continue to be received at their current levels over the medium term.
  - The new Social Care grant is assumed for two years. The market sustainability, discharge and the Services grant are assumed as non-recurrent one-year only grants for 2023/24.
- 3.8 The table below sets out the base revenue funding forecasts for 2023/24 both pre and post settlement. The pre settlement figure is as per the October Cabinet report. The setting of the Council Tax precept is a

decision for Council after taking advice from officers and information available at that time.

Revenue Resource Forecast 2023/24		
	Pre-settlement estimate	Post-settlement update
	£m	£m
<b>Resource funding streams</b>		
Improved Better Care Fund	7.628	7.628
Social Care Grant	7.841	7.841
Additional Social Care grant	0.0	4.793
New Homes Bonus	0.0	0.053
Independent Living Fund now part of Social Care Grant	0.0	0.0
LCTS Admin Grant	0.250	0.0
Housing Benefit Admin Grant	0.512	0.0
Lower Tier Services Grant	0.293	0.0
Services Grant assumed non recurrent	0.0	1.399
Market Sustainability assumed non recurrent	0.0	1.912
ASC Discharge	0.0	1.069
<b>Sub Total</b>	<b>16.524</b>	<b>24.695</b>
Council Tax	100.158	103.680
Business Rates	59.396	63.811
<b>Sub Total</b>	<b>159.554</b>	<b>167.491</b>
<b>Total Revenue Resource forecast</b>	<b>176.078</b>	<b>192.186</b>
<b>Additional revenue resource funding post settlement</b>		<b>16.108</b>
<b><u>Adjustments</u></b>		
Social Care market sustainability funding recommended to be transferred to reserves		(1.912)
<b>Revised additional revenue resource funding post settlement</b>		<b>14.196</b>

### 3.9 Council Tax and Business Rates

- 3.10 The proposal is to increase Council tax rates to the maximum rate of 2.99% now permitted by Government. This increase is incorporated in the resource forecasts. Not only does this approach ensure the Council's financial sustainability over the



medium term, it is also assumed in the Government's estimates of the funding available to Local Authorities.

- 3.11 The calculation of the Council Tax base for 2023/24 is set out in Appendix 1.
- 3.12 The 2022/23 Local Government Finance Settlement announcement in December 2021 confirmed that the 100% Business Rates Retention pilot will continue in 2022/23 for the original five regions which includes the Greater Manchester area. Therefore, existing arrangements will continue with no change to these arrangements taking place for 2023/24. The Greater Manchester Combined Authority (GMCA) has produced a budget for the utilisation of the GMCA element from districts which for 2023/24 is proposed to continue at 25%.
- 3.13 The business rate income comes in through several sources:

	2023/24
	£m
Business Rates: Local Share	(41.745)
Business Rates: Top Up	(5.695)
Business Rates: Section 31 Grants	(17.255)
Business Rates: GMCA no detriment contribution	0.884
<b>Total</b>	<b>(63.811)</b>

- 3.14 The Mayoral precept increase being proposed to the February Combined Authority budget setting meeting is £5 for the fire precept and no increase for Mayoral non-fire precept resulting in a £5 increase for a Band D property. The police and crime precept is a proposed increase of £15.
- 3.15 The Government is currently bringing forward the Levelling-up and Regeneration Bill which will give Billing Authorities further flexibility to charge a council tax premium of 100% on 2nd homes and to bring forward the time period under which a premium can be charged on long-term empty properties from 2 years to 1 year. This may affect approximately 660 properties in Bury. The proposed bill confirms that these amendments have effect for financial years beginning on or after 1 April 2024 and it is further stated within the Bill that it does not matter if this period begins before the proposed section comes into force.
- 3.16 To bring these changes into effect for the financial year beginning on 1 April 2024 a Council Resolution must be made prior to 1st April 2023 with notice of that resolution published in at least one local paper before the end of the period of 21 days beginning with the date of that resolution.

### **3.17 Adult Social Care Levy**

In addition to an increase of 2.99% in Council Tax income, the Council has a further option of implementing a 2% adult social care levy. This report recommends that the adult social care levy will be applied to Council Tax rates. The raising of 2% adult social care precept delivers £1.978m of increased income, which not only benefits the 2023/24 financial year, but then forms part of the recurrent tax base. This is assumed in both the 2023/24 financial year and the 2024/25 financial year within these figures in order to support the setting of a balanced budget.

## **4. DEVELOPING THE MEDIUM-TERM FINANCIAL STRATEGY AND THE 2023/24 BUDGET**

### **4.1 Permanent Spending Need**

The October Cabinet paper identified several cost pressures and spend requirements totalling £14.936m, £14.376m of these were increased costs and £0.560m was reduced revenue resources. These have been further updated following Cabinet decisions since October which have committed further spend. This has resulted in the gap increasing by £1.916m. The cost pressures totalling £16.852m are summarised in the table below. These are proposed as additional permanent allocations and are set out in detail at Appendix 2.

### **4.2 Pay Inflation £6.857m**

The Council has historically budgeted for pay inflation at 2%. The national pay settlements for 2022/23 agreed a flat increase of £1,925 across all pay points for staff on NJC and JNC Chief Officer terms and Conditions. This equated to a 7.1% increase in the Council's pay budget. (The uplift percentage was differential across all pay points). For 2023/24 the same approach has been taken as part of budget setting. The £6.857m is the recurrent impact of the 2022/23 pay award over and above the previously budgeted 2% and the impact of a 2023/24 pay award at a similar level.

### **4.3 Utilities Inflation £1m**

Utilities budgets have significantly overspent in 2022/23 due to the rising costs of gas and electricity. The overspend in 2023/24 is expected to be circa £1.500m after the utilisation of the £1.500m reserve. However, the Council has undertaken actions which will start to reduce spend on utilities over time. These include the rationalisation of administrative buildings which will continue during 2023/24, decarbonisation works in our most energy inefficient buildings and an

education campaign amongst staff on how they can reduce energy consumption within Council buildings and at home.

This, however, remains an area of significant volatility and risk. Both the financial position here and progress of work to reduce costs will be closely monitored and updates provided to Cabinet as necessary.

#### **4.4 Children & Young People's Investment £3.327m**

Investment of over £6.3m has been made in Children's Services this year, in the context of the social care improvement journey and following an LGA finance review.

Two restructures have been supported to significantly increase capacity across children's social care and education, with associated investment of £3.327m. One-off resources of £3m and additional repurposing of existing reserves was approved by Council as part of the 2022/23 budget, to support improvement which will also ultimately reduce costs.

Despite this, the department is forecasting a significant overspend as described in the latest budget monitoring report. The overspend largely relates to temporary and additional staffing costs because of the restructure and agreement to increase capacity, due to a heavy reliance on agency staffing and temporary externally managed teams. The additional pressures should reduce as permanent recruitment and wider improvement activity progresses, however there is a major dependency on the timely implementation of the education restructure and correct alignment of DSG funding.

The budget is therefore developed on the basis that Children's Services can deliver within its budget and, further, to make a longer-term contribution to reduced costs through investment in new delivery models which will reduce demand. To increase in-borough fostering; reductions in expensive residential placements and preventing children moving into care through the family safeguarding model. To allow time for the benefits of the improvement work to be achieved, most associated savings have been deferred to 2024/25 onwards.

#### **4.5 Increased Levies £1.12m**

Within the October Cabinet report a value of £1.12m was included as the information that was available at the time for the 2023/24 recurrent uplifts in the waste disposal and transport levies which are administered by the Greater Manchester Combined Authority. These figures have been maintained within

this report for consistency. However, following review of these budgets by the GMCA and the ten GM Authorities both proposed recurrent increases have been reduced for 2023/24. This reduces this pressure by £0.52m and is included within the strategic finance proposals. There is however, a non-recurrent increase in the transport levy of 1% which for Bury is £129k which will be offset by Bury's share of a return from a waste disposal reserve held by the GMCA of £0.162m.

#### **4.6 Unachieved Procurement Savings £1m**

The transformation report presented to December Cabinet identified that £1m of procurement savings which were to be delivered £0.50m in 2022/23 and a further £0.50m in 2023/24 were a duplicate of savings that were already being delivered within Departmental savings through contract negotiations and commissioning reviews. They were therefore deemed unachievable over and above what was already being delivered. Work is ongoing to review all contracts when they come up for renewal and as part of the review of the contracts register where there are multiple suppliers for similar supplies and services to determine if further savings can be achieved.

#### **4.7 Other Sundry Changes (£0.244m)**

This is the net impact of funding the increase in members allowances approved after the 2022/23 budget was set and those that were presented to January 2023 Council, offset by the saving from the removal of the NI levy.

#### **4.8 Impact of Real Living Wage £3.504m**

The Council has committed to pay not only its directly employed staff the Real Living Wage, but to ensure commissioned provider staff working for Bury are also paid at this rate by April 2023. The real living wage hourly rate increased to £10.90 per hour in September 2022, with accredited organisations having until May 2023 to pay staff at this rate. This is higher than previously estimated. Consequently, the cost of social care commissioned services have increased significantly. This £3.504m investment is in addition to the initial costs of £5.487m commitment by the Council to paying the Real Living Wage over the first five years of agreed by Cabinet in September 2021. These costs are significant, particularly in the wider financial context. However, the benefits of the Council's investment here is critical to our overall LET'S Do It! ambition and commitment to leading by example in the provision of Good Work. Analysis in December 2022 demonstrated the Council's Real Living Wage commitment has directly increased the wages of around 5,000 Bury workers with, beyond this, 16 local employers now also achieving Real Living Wage accredited status following the Council's example.

## 5. SUMMARY SPENDING POSITION

### 5.1 Non-Recurrent Spending Requirements

The table below outlines the non-recurrent spending requirements which are either one off for 2023/24 or are required for 2023/24 and 2024/25 but no longer.

Summary Forecast Spending Requirement	2023/24	2024/25
	£m	£m
1% Non-Recurrent transport levy	0.129	0.00
Children's Safeguarding Model	1.000	1.000
Utilities Contingency	1.000	0.00
Flexi Hall market office decant and loss of market car park income	0.420	0.420
ASC discharge matched expenditure	1.069	0.00
<b>TOTAL NON-RECURRENT CHANGES TO EXPENDITURE</b>	<b>3.618</b>	<b>1.420</b>

### 5.2 Recurrent Spending Requirements

Bringing together the recurrent and non-recurrent spending requirements indicates that the Council has a net revenue budget requirement of £210.813m in 2023/24.

Summary Forecast Spending Requirement	2023/24
	£m
<b>SPENDING REQUIREMENT BROUGHT FORWARD</b>	<b>190.343</b>
<b>Recurrent Spending Requirements</b>	
Pay Inflation	6.857
Utilities Inflation	1.000
Children's and Young Peoples Investment	3.327
Increased Levies	1.120
Unachieved Procurement Savings	1.000
Other Sundry Changes (net impact)	(0.244)
Impact of Real Living Wage	3.504
Independent Living Fund previously separately funded now inc. ASC grant	0.288
<b>RECURRENT CHANGES TO EXPENDITURE</b>	<b>16.852</b>
<b>TOTAL FORECAST ONGOING SPENDING REQUIREMENT</b>	<b>207.195</b>
<b>NON-RECURRENT CHANGES TO EXPENDITURE</b>	<b>3.618</b>
<b>TOTAL NET REVENUE BUDGET REQUIRED</b>	<b>210.813</b>

## **6. PROPOSALS FOR BALANCING THE BUDGET**

### **6.1 Forecast spending requirement**

As can be seen in the tables above, there is an initial forecast spending requirement of £210.813m in 2023/24.

### **6.2 Forecast funding resource and resulting budget shortfall**

It should be noted that due to the funding settlement being a one-year settlement and the receipt of non-recurrent grants the revenue resource for the 2023/24 and 2024/25 financial years is higher than in future years.

The recurrent position i.e., the on-going position without the non-recurrent grants is a recurrent gap of £31.395m, hence why savings programmes, efficiencies and additional income has been identified to close the full recurrent gap.

### **6.3 Savings proposals and updated budget shortfall**

6.3.1 Savings proposals totalling £24.261m and additional Council Tax and business Rates income of £7.134m have been brought forward to balance the budget. As far as possible, proposals have been developed around and to align with the LET'S framework of demand management; transformation; collaborative delivery and pursuit of income and growth. These options total around 66% of the total reductions and involve:

- **Efficiencies from strategic financial management** including appropriate use of cost capitalisation and external grants.
- **Increases to fees, charges and recharges**, aligned to inflation values. This includes uplifts to Council Tax and Business Rates and, following consultation feedback, a commercialisation model for Bury Art Museum.
- A strategy to **reduce the cost of high-cost social care placements** in children's services; for working-age adults and an all-age disability strategy. Proposals are also made to invest in the Shared Lives service for adults and a strategy will also come forward to increase the number of in-borough foster placements for children.
- **Transformation and innovation** within services, to prevent demand and reduce costs through transformation, including the increased use of assistive technology. These proposals include implementation of the Hertfordshire family safeguarding model and progressing the edge of care service, which were reported within the July Cabinet reports on children's services. A community wellness offer is proposed and ongoing development of models of care within adult social care.

- **Investment will be made in supported and specialist housing** to reduce the costs of residential provision over the next three years. The Care Act will also be implemented fully to remove the cost of the Support at Home service.

6.3.2 In addition, **workforce costs will be reduced** by £0.700m over the next two years through a reduction of workforce related costs, including an increase in voluntary unpaid leave uptake for all staff and a saving in Chief Officer costs.

6.3.3 Despite this work, the scale of budget reductions required mean that not all savings can be achieved through strategic alignment. In parallel, it has been necessary to review all non-statutory services and to make some risk-based reductions in provision. This includes over £1m of reductions within functions in corporate core services, finance, the Public Health function and the Operations department. A reduction in grants to the voluntary and community sector was proposed but has been withdrawn in this budget period, pending a fuller review of Council investment in the sector

A template with the detail of each option is appended to this report. The schedule of proposals is below.

6.3.4 As stated elsewhere in this report not all of these savings will be deliverable from 1 April, given the scale of reductions required and extent of some of the service and delivery changes required. These proposals therefore close the recurrent 2023/24 budget gap but will require the utilisation of reserves to smooth the position until all savings and revenue delivers in full.

6.3.5 The table below identifies the schemes by department including the phasing of delivery. It is recognised that utilisation of reserves will be required each year to close the gap.

	<b>Total</b>				
	<b>£m</b>	<b>23/4</b>	<b>24/5</b>	<b>25/6</b>	<b>26/7</b>
Strategic Financial Management	6.404	6.304	6.304	6.304	6.404
One Commissioning Organisation	5.045	3.054	4.645	4.825	5.045
Public Health	0.192	0.159	0.192	0.192	0.192
Business, Growth and Infrastructure	0.650	0.500	0.650	0.650	0.650
Housing	2.533	0.964	1.689	2.533	2.533
Operational Services	1.336	1.336	1.336	1.336	1.336
Children and Young People	4.759	0.390	2.362	4.171	4.759
Finance	1.313	1.000	1.157	1.313	1.313
Corporate Core	2.029	0.901	1.641	2.029	2.029
<b>Total</b>	<b>24.261</b>	<b>14.608</b>	<b>19.976</b>	<b>23.353</b>	<b>24.261</b>
Additional Revenue from Council Tax and Business Rates	7.134	7.937	9.313	6.734	7.134
<b>Sub Total</b>	<b>31.395</b>	<b>22.545</b>	<b>29.289</b>	<b>30.087</b>	<b>31.395</b>

#### 6.4 Non Recurrent Resources in Year

In common with a number of non-recurrent expenditure items in year there are also some non-recurrent items of revenue resource in year in addition to the government grants which were issued as part of the spending review. The Greater Manchester Combined Authority will be further distributing to the ten GM authorities a refund from the waste disposal reserves of £0.129m which will be used to offset the 1% non-recurrent increase in the transport levy and £2m which it is proposed is used to fund the investment in the children's family safeguarding model that was approved at Cabinet in July 2022, £1m will be required in 2023/24 with the further £1m being required in 2024/25.

#### 6.5 Additional funding resource post settlement and resulting budget position

The table below identifies the proposed 2023/24 budget position which is balanced in year using reserves.



	<b>2023/24</b>
<b>Spending Requirement</b>	210.813
<b>Funded By</b>	
Council Tax	103.680
Business Rates	63.811
Government Grants	24.695
ASC market sustainability funded transferred to reserves	(1.912)
<b>Revenue Resource Forecast</b>	<b>190.274</b>
Savings Identified to be delivered in 2023/24	14.608
Waste Reserves return from GMCA	1.129
Use of reserves to smooth the in-year savings delivery	4.802
<b>Total Sources of Funding</b>	<b>210.813</b>

## 6.6 Workforce Implications

6.6.1 The Council employs circa. 1,936 Full Time Equivalent staff (excluding those directly employed within schools) and spends in the region of £85m a year on its employees, which represents around a third of the organisational expenditure.

6.6.2 The Council's workforce is central to the delivery of our LET'S Do It! vision for Bury, driving forward work to reduce deprivation and drive economic growth. In support of this, a significant programme of work to strengthen workforce engagement, capability and capacity is underway, aligned to the LET'S Do It! principles.

6.6.3 The October Medium Term Financial Strategy refresh highlighted three potential areas of direct workforce impact from the Council's emerging budget proposals at the time of writing:

- A proposal to maximise savings through the voluntary purchase of unpaid annual leave, with a target of £0.600m in savings.
- A £0.100m reduction in the Council's costs associated with Chief Officers.
- The potential for around 75 redundancies across departments as a direct result of the delivery of the budget reductions required.

6.6.4 Between October and January, the Council formally consulted staff for a period of 90 days on both the overarching budget proposals and, where relevant, on those specific changes under consideration. This process included all-staff broadcast communications and online briefings and Departmental and Service specific engagement opportunities in those areas of most significant likely impact. This process saw a very limited level of

response from staff. Where responses did emerge, they related largely either to specific proposals (such as the proposals around Bury Art Museum) or wider efficiency suggestions (such as around potential procurement savings options or energy efficiency measures). These suggestions have been shared with relevant service leads for consideration.

6.6.5 Whilst the final budget proposals included in this report include the same three areas of direct staffing impact, the detail here has evolved over the last three months as proposals have developed.

- Work to maximise savings through the voluntary purchase of unpaid annual leave has generated circa. £0.150m of savings for 2023/24. The Council will seek to further savings, to £0.300m, by adopting an 'opt out' approach for all staff. (The detail of this proposal is included within the budget template appended). To meet the remaining £0.300m savings target for the 2024/25 financial year further workforce efficiencies will need to be identified.
- There remains a commitment to deliver £0.100m reduction in the Council's costs associated with Chief Officers, with this target included in proposals for 2024/25.
- The potential number of redundancies across departments as a direct result of the delivery of the budget reductions has reduced from 75 to 36 as a result of the detailed design work on budget proposals and strict vacancy management over the last three months. The Council remains committed to further reducing this number and avoiding compulsory redundancies wherever possible.

6.6.6 Throughout the budget delivery process there will be a continued focus on staff engagement and support to wellbeing, recognising both the impact of these changes on individuals and the anxiety this may cause as well as the workforce's continued work and commitment in support of Bury people.

## **6.7 Fees and Charges and Other Income**

A full review of fees and charges has been undertaken by all heads of service in conjunction with finance. Fees and charges have been increased by differential percentage points and identified within the savings above is an additional £1.000m of income. The increase in fees and charges across all services is more than £1.000m in total but in some areas this results in the achievement of income budgets that had been impacted by the pandemic and where yet to fully recover.

## **6.8 Cash Limits**

The proposed cash limits for each department are set out in Appendix 5.

## **7. RESERVES**

- 7.1 The October paper referenced that when the Council set its budget for 2019/20 it agreed to end a reliance on reserves and to move to a position of contributing to reserves in future years. This was achieved in 2020/21 when the Council added £10.000m to general reserves and created a further £5.800m Transformation Reserve from a review of the Collection Fund.
- 7.2 However, the 2021/22 budget had to respond to the extreme financial challenges of the Covid 19 pandemic and planned use of reserves formed part of the MTFS in both 2020/21 and a further £14.355m in 2022/23. It is recognised that due to the size of the financial gap in 2023/24 not all the savings will be delivered in the first year and that reserves will be required to smooth the financial position until delivery of the full recurrent value is achieved in 2026/27.
- 7.3 Reserves are also an appropriate source of funding for one off non- recurrent items of spend which cannot be funded from departmental budgets.
- 7.4 The table above identifies a requirement to use £4.802m of reserves in 2023/24 to close the in-year budget gap. Without further non recurrent grants there is a further requirement of £4.285m in 2024/25 and £0.908m in 2025/26

## **8. ROBUSTNESS OF THE BUDGET AND THE ADEQUACY OF RESERVES**

- 8.1 Section 25 of the Local Government Act 2003 requires that, in considering budget proposals, Members must have regard to the advice of the Council's Executive Director of Finance, on the robustness of the estimates and the adequacy of the Council's reserves.
- 8.2 The basis on which the budget has been prepared, as in previous years, relies on the forecast of activity and the impact of changes in policy previously agreed by the Council. These forecasts are kept under review as part of the budget monitoring process and actions identified to address financial risks arising from the changes in the forecast as they occur.
- 8.3 The Council holds reserves for several reasons:

- To enable the Council to manage variations in the demand for services which cause in year budget pressures.
- To fund specific projects or identified demands in the budget.
- To enable the Council to deal with unexpected events such as flooding or destruction of a major asset.

8.4 Setting an appropriate level of reserves is a matter of judgement considering:

- The level of risk evident within the budget as set out above.
- A judgement on the effectiveness of budgetary control within the organisation.
- The degree to which funds have already been set aside for specific purposes which will reduce the need for general reserves.
- The robustness and resilience of reserves is key and will be monitored on an ongoing basis.

8.5 As part of the budget setting process, the Executive Director of Finance who is also the Council's Section 151 statutory officer is required to assess the adequacy of the Council's reserves given risks both known and unknown at that time. If it is the Executive Director of Finance's opinion that reserves are not adequate and are below an adequate level to reflect the risks, and therefore the setting of a balanced budget was at risk, then further statutory responsibilities under Section 114 of the Local Government Finance Act exist. A formal report to Council would have to be issued.

8.6 Based upon the current position, the position on reserves is sufficient but very tight. The CIPFA financial resilience good practice says that general reserves of between 5 and 10% of annual revenue budgets should be held as a buffer. Based upon a spending need of circa £210m for 2023/24 this would suggest a buffer of between £10.5m and £21m should be held.

8.7 The sufficiency of the current reserves is reliant upon stringent budgetary control and the continuous monitoring of all budgets and awareness of risks which may impact upon the Council's financial position. Both the Executive Team and the Cabinet receive regular reports throughout the year. Should the position change which means there is a requirement to consider a S114 notice, a report will be issued to the Cabinet and the Council.

8.8 A forecast of reserves has been carried out and is set out in the table below. Whilst the total reserves balance is in excess of the CIPFA recommended value for resilience there are only the general reserves that are not earmarked or ringfenced for specific purposes.

<b>Forecast of Council Reserves at 31 March</b>	<b>31/03/22</b>	<b>31/03/23</b>	<b>31/03/24</b>
General Reserves	23.816	16.341	11.629
Directorate Risk Reserves	9.257	2.560	2.560
Volatility and Fiscal Risk	37.675	35.730	35.730
<b>Total Management of Risk Reserves</b>	<b>70.748</b>	<b>54.631</b>	<b>49.919</b>
COVID-19 Related Grants	4.691	0	0
Corporate Priorities	11.375	7.829	6.500
Transformation & Capacity Reserve*	6.424	4.974	2.000
External Funding/Grants	19.427	9.091	4.000
Other Earmarked Reserves	12.080	12.439	10.000
<b>Total Earmarked Reserves</b>	<b>53.996</b>	<b>34.334</b>	<b>22.500</b>
<b>Total Council Reserves (excluding Schools)</b>	<b>124.745</b>	<b>88.965</b>	<b>72.419</b>

<b>Dedicated Schools Grant Reserves</b>	<b>Closing 31/03/22</b>	<b>Closing 31/03/23</b>	<b>Closing 31/03/24</b>
DSG Reserve - School Balances	8.358	2.000	0.000
DSG Reserve - High Needs	(21.214)	(20.607)	(18.553)
<b>Total DSG Reserves</b>	<b>(12.856)</b>	<b>(18.607)</b>	<b>(18.553)</b>

8.9 The closing balance at 31/03/2023 includes the recommendation that; as part of this report Cabinet and Council approve the establishment of a £2.000m Children and Young People's reserve to support the Family Safeguarding Model, which will result in the balance of the existing reserve being released during 2022/23 to partially offset the spend incurred on the managed teams and agency staff that is contributing to the significant overspend. The balance at 31/03/2024 assumes there will still be £1.000m of the newly created reserve for the Family Safeguarding Model to carry forward for use into 2024/25.

8.10 With regards to the Dedicated Schools Grant there are two elements:

- Schools' balances which consist of the year end balances held by individual schools.

- High Needs, this relates to the forecast deficit on the High Needs element of the DSG and Bury Council are working as part of Project Safety Valve to remove the deficit. The original agreement was by the end of the 2025/26 financial year, but this timeframe has now slipped and the current forecast estimates there will still be a remaining deficit at this time of £6.483m. The forecast figures included in the above table relate to the latest Department for Education return in January 2023. There is a risk that the DfE will not accept this revised forecast,

8.11 The overall forecast position shows that the Council will have sufficient financial resilience in the short term, subject to the delivery of the proposals above. There are however several key risks that should they crystallise in any of the financial years would likely create further pressure on the reserves position. The table below sets out the scale of a small variance in the assumptions made, showing the potential of both a positive and negative movement of 1% across the main areas within the MTFS.

<b>Financial Risk in the MTFS</b>	
	<b>Potential Full Year Impact</b>
	<b>£m</b>
Pay (1%)	1.132
Price inflation (1%)	1.878
Council Tax Collection Rate	1.041
Business Rates Collection Rate	0.402

## **9 Risks and Opportunities**

- 9.1 The pressures on utilities budgets still remains a risk. The budget has been increased by £1.000m recurrently and a further £1.000m is held as a contingency. However, as reported within this report the overspend in 2023/24 is expected to be circa £1.500m after the utilisation of the £1.500m reserve and costs remain volatile. Therefore, it is imperative that all actions are taken to mitigate this but costs within our leisure services remains a concern.
- 9.2 During 2023/24 £6.6m has been spent on high cost managed teams and premium agency staff costs, £2.3m of this has been mitigated due to vacancies but permanent staff in post would not be as expensive as the premium rates charged by agencies. The restructure was approved by Cabinet in July 2022 and is fully funded within this budget. However, recruitment and the filling of the permanent establishment remains an ongoing challenge. Children's services both social care and SEND are on an improvement journey and budgets both within the general fund and DSG are under pressure.

## **10. NHS System Funding**

- 10.1 The new NHS system architecture came into place from 1<sup>st</sup> July 2022. This has impacted upon the budgets that are within the direct control of the locality. The NHS continues to be under increasing pressure both operationally and financially and the GM Health and Care system continues to work collaboratively to address these issues which impact upon our residents. However, these are challenging times for the whole of the public sector and increased waiting times and the deteriorating health of residents both in the community and upon discharge from hospitals is impacting upon social care demand. Work continues to explore every opportunity to jointly invest and benefit from system wide health and care transformation.
- 10.2 Due to the challenges identified within this report, additional budgetary control processes to monitor the delivery of savings and in-year expenditure will be put in place. Effectiveness of budgetary control is a combination of systems and processes, as well as the risk environment within which the Council is operating. It therefore remains an essential requirement that the Council continues to ensure that processes are effective in maintaining a grip on in year expenditure and that there is a clear focus on delivering a balanced and sustainable budget, without the unplanned use of reserves.

## **11. Capital Strategy**

- 11.1 The Capital Strategy is prepared in accordance with the latest Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential and Treasury Management Codes of Practice. The strategy provides a framework within which the Council's capital investment plans will be delivered. These plans are driven by the Council's objectives and are linked to the delivery of the Bury LET'S Do It! strategy.
- 11.2 The proposed Capital Strategy and programme 2023/24 – 2024/25 also takes the essential elements of previous year's strategies and programmes and moves them forward to the forthcoming year. Capital spending is a key determinant of future revenue commitments, and the capital programme and revenue budget are interlinked and have been developed as integrated strategies.
- 11.3 The ability for the Council to deliver its ambitions relating to capital will to some extent be affected by the Council's ability to afford the borrowing costs associated with this. Further alignment of the revenue and capital budget is currently being developed and it is anticipated that the financial strategy in future years will be a fully integrated one that includes revenue, capital and growth and investment strategies. The co-dependency and inter dependencies of the strategies is becoming more evident as the Council sets out its longer-

term plan and ambitions in both the Bury LET'S Do It! strategy and the Corporate Plan.

- 11.4 In 2015, the then Secretary of State for Housing, Communities and Local Government, issued guidance with regards to the financial years beginning 1st April 2016 to 1st April 2021 that allowed Local Authorities dispensation to use capital receipts to support revenue transformation projects and expenditure that would deliver long term and future savings. This guidance was then extended for a further 3 years and is now available for financial years of 1st April 2022, 2023 and 2024.
- 11.5 The guidance sets out examples of qualifying expenditure which includes “funding the cost of service reconfiguration, restructuring or rationalisation (staff or non-staff), where this leads to ongoing efficiency savings or service transformation” and it is for this purpose that the Council is proposing to use Capital Receipts in 2023/24.
- 11.6 However, to utilise this dispensation, the authority must approve in advance of the financial year a strategy stating that it intends to do so and what those capital receipts will be used for. To that end a report titled “The Flexible use of Capital Receipts Strategy 2023/24” is also on this agenda.

## **12. Treasury Management Strategy**

The Treasury Management Strategy is prepared in accordance with the CIPFA Prudential and Treasury Management Codes of Practice. The strategy sets out the Council's approach to managing investments, cash flows, money market and capital market transactions. The strategy provides a framework for the effective control of risks associated with these activities.

The Treasury Management Strategy for 2023/24 reflects the Council's capital expenditure plans as set out in the capital strategy. The strategy also sets out the position in relation to the prudential indicators arising from the Council's capital expenditure plans. As well as borrowing and investment strategies, the Treasury Management strategy also covers the current treasury position, economic outlook and interest rates forecasts, risk, and creditworthiness. Finally, the strategy also includes the Council's policy on borrowing in advance of need and the Minimum Revenue Provision (MRP) policy statement. No changes to the MRP policy or the treasury management strategy are proposed.



### **13. Housing Revenue Account**

A separate Housing Revenue Account report has been prepared for presentation to Cabinet and is set out as a separate report on this agenda. This report sets out the recommended dwelling and non-dwelling rents and service charge increases to be applied from April 2023. The report is a key element of the Council's overall Medium Term Financial Strategy.

### **14. Dedicated Schools Grant**

A separate report on the Dedicated Schools Grant (DSG) is set out elsewhere on this agenda. This report sets the schools budget for 2023/24 and the hourly rates for the early years education. The report also sets out the position on the DSG deficit relating to high needs and information on the recovery plan and the Department for Education's Safety Valve Project, which the Council is currently part of.

### **15. Local Taxation and Benefits Discretionary Policies**

Annually the Council reviews and updates policies covering discretionary Council Tax discounts, discretionary Business Rates Relief, local welfare provision and discretionary housing payments. These policies provide support to local businesses and some of the poorest and most vulnerable residents within the Borough. These policies operate within a legislative framework determined by various Local Government Acts of Parliament.

### **16. Counter Fraud and Corruption**

The Accounts and Audit Regulations 2015 state that the Council must have measures in place 'to enable the prevention and detection of inaccuracies and fraud'. In this context fraud also refers to cases of bribery and corruption. The budget proposals contained in this report rely on effective processes for mitigating the risk of financial loss from fraud, bribery and corruption.

### **17. CIPFA Financial Management Code**

CIPFA's Financial Management Code was published in October 2019 with an effective date of 1 April 2021. The objectives of the code are 'to support good practice in financial management and to assist Local Authorities in demonstrating their financial sustainability'. The code is based upon a series of principles which will be supported by specific standards of practice which CIPFA consider necessary for a strong foundation. The foundation being the ability to:

- Financially manage the short, medium and long-term finances of a Local Authority.
- Manage financial resilience to meet foreseen demands on services.
- Financially manage unexpected shocks in their financial circumstances.

## 18. CONSULTATION

18.1 The Council commenced a budget conversation with residents in August 2022. Over 300 residents were engaged in qualitative research to understand their perceptions about the Council budget and priority services to protect. From this analysis, an indicative ranking of the perception of the most to least valued priority services was produced:

- 1.1. Protecting vulnerable people
- 1.2. Roads
- 1.3. Housing
- 1.4. Clean & green
- 1.5. Education
- 1.6. Support to businesses and the voluntary sector
- 1.7. Climate & environmental health
- 1.8. Culture

18.2 Between October and December 2022, a further and more detailed consultation with the public was undertaken around the specific proposals being made by the Council to reduce budgets. Consultation involved a communications campaign to raise awareness of the proposals, how funding is spent, how the Council is funded, pressures and reasons for the shortfall. Digital, social media, flyers and PR channels were used to promote the consultation. In total, 124 responses were received via the One Community portal.

18.3 Of those who responded, approximately two thirds agreed that Council Tax should be raised to contribute to balancing the budget. There was also a high degree of understanding that inflation and the cost of living has added to an already difficult situation.

18.4 In response to the proposed savings as described under the five headings of Strategic Finance, high-cost social care reductions, Maximising income, Service reviews and Transformation models, the majority of responses indicated that the options were “about right” or did not go far enough. This suggests that the plans were seen as acceptable and in the right areas based on the previous feedback from the public.

18.5 In terms of the LET’S principles, over half of those replying to this consultation felt that they were clear on their role in helping to reduce demand which is important with regards to the sustainability of provision. Of more concern

regarding working Together, nearly two thirds of respondents felt unable to influence the way the Council spends its money and less than half felt they could agree with the statement “I believe the Council is doing its best under difficult circumstances”.

- 18.6 A larger number of separate replies were provided specifically in response to the option to reduce Bury Art Museum by £0.250m. A summary of the replies is appended with the template (No 37), the majority of which signalled the public value of the facility and strong support for a more commercial model to underwrite its costs, including through applications for national funding, public donations and a programme of ticketed, commercial events. In response to this feedback, it is proposed that a commercialisation strategy for the museum is developed and that the savings from new arrangements are deferred to year two, to allow time for such a fundraising model to be established.
- 18.7 As described in “workforce implications” further consultation with the Trade Unions on the detail of options that have a potential impact on staffing will be followed in accordance with Council procedures.
- 18.8 Further consultation will be required on the specific savings proposals set out in the attached templates. Specific proposals relating to changes to the warden service and aligning medication reminders to our Care Act duties as set out in templates 9 and 19 will be carried out in accordance with statutory requirements, this will include consultation with service users and staff providing these services. The results of this consultation will be evaluated and proposals will be reviewed in light of these outcomes.

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#### **Links with the Corporate Priorities:**

1. The strategic imperatives of the LET’S Do It! Strategy, to prevent demand and deliver early intervention to reduce the costs, will be essential to the Council’s ability to maintain a balanced budget.
2. This budget provides the resources to maintain the Council’s strategic leadership of the LET’S Do It! Strategy, including the specific delivery priorities for 2023/24 which are described in the Corporate Plan.

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#### **Equality Impact and Considerations:**

1. In considering the budget for 2023/24 the Council must also consider its ongoing duties under the Equality Act 2010 to have due regard to the need to eliminate discrimination and advance equality of opportunity between all irrespective of whether they fall into a protected category such as race, gender, religion, etc. Having due regard to these duties does not mean that the Council has an absolute obligation to eliminate discrimination but that it

must consider how its decisions will contribute towards meeting the duties in the light of all other relevant circumstances such as economic and practical considerations.

2. Beyond the Council's legal obligations, the Authority has made a strategic commitment to inclusion as a key priority through both the LET'S Do It! Strategy and local Inclusion Strategy and defined Equality Objectives. The Council's commitment to inclusion extends beyond the nine legally protected characteristics and encompasses carers, Looked After Children and care leavers, military veterans and reservists and the socio-economically disadvantaged.
3. An initial overarching Equality Impact Assessment of the Council's Budget for 2023/24 and the Medium Term Financial Strategy has been undertaken and is appended below. This assessment has taken account of base data on the Bury population (including the latest data from the 2021 Census), the results of both the public and workforce consultation exercises on the budget and the detailed budget templates developed over recent weeks and months. This assessment confirms the Council's overarching commitment to mitigate any differential impact of the budget on protected groups insofar as is possible and in accordance with its statutory obligations and local strategic commitments.
4. In many cases there will be a need to ensure more detailed consideration of equality as proposals move to implementation, and the need for individual Equality Impact Assessments in relation to 22 of the 38 budget proposals has been identified. Initial analysis suggests there are a small number of these proposals where there is a particular risk of differential impact in relation to protected characteristics and these will need to be fully considered on a case-by-case basis.
5. The Council's Equality, Diversity and Inclusion Manager and Director of People and Inclusion will work closely with the Executive Team and Cabinet Member for HR and Corporate Affairs to ensure individual EIAs are developed as appropriate and mitigating actions to address potential disproportionate implications are taken as necessary.

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#### **Environmental Impact and Considerations:**

1. The Council is working towards becoming a carbon neutral organisation by 2038. A number of these budget proposals will reduce the organisations carbon footprint.

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#### **Assessment and Mitigation of Risk:**

1. The risks identified within this report and set out within the relevant sections above.
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## **Legal Implications:**

1. The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992. S30 of the Act states that it is an obligation to set Council tax for categories of dwellings, s31A sets out that the Council has a statutory responsibility to set a balanced budget. The budget must be fixed by 11 March 2023.
2. The Council is required by the Local Government Finance Act 1992 to make specific estimates of gross revenue expenditure and anticipated income leading to the calculation of the Council tax requirement and it must be sufficient to meet the Council's legal and financial commitments to ensure the proper discharge of its statutory duties and lead to a balanced budget. In setting the budget the Council has a duty to ensure that it continues to meet its statutory duties.
3. The provisions of Section 25 of the Local Government Act 2003 require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the Executive Director of Finance (S.151 officer) as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. The Council has a statutory duty to have regard to the Executive Director of Finance's report when making decisions about the calculations.
4. Section 28 of the Local Government Act 2003 imposes a duty on the Council to monitor the financial position must be closely monitored and, members must satisfy themselves that sufficient mechanisms are in place to ensure the delivery of savings as well as to ensure that any new expenditure is contained within the available resources. Under s144 of the Local Government Finance Act 2003 where it appears to the Executive Director that expenditure will exceed the resources available to it the Officer has a duty to report this to the Council.
5. Further legal advice will be sought for specific proposals during the implementation phase which may need a specific consultation process. The consultation process, including the Council's consideration of the responses, is required to comply with the following overarching obligations (unless detailed statutory rules supplant these):
  - Consultation must be at a time when proposals are at a formative stage.
  - The proposer must give sufficient reasons for its proposals to allow consultees to understand them and respond to them properly.
  - Consulters must give sufficient time for responses to be made and considered.
  - Responses must be conscientiously taken into account in finalising the decision. Members must have adequate evidence on which to base their decisions on the level of quality at which services should be provided.
6. Where a service is provided pursuant to a statutory duty, it would not be lawful to fail to discharge it properly or abandon it, and where there is discretion as

to how it is to be discharged, that discretion should be exercised reasonably. The report sets out the relevant considerations for Members to consider during their deliberations and Members are reminded of the need to ignore irrelevant considerations. Members have a duty to seek to ensure that the Council acts lawfully. Members must not come to a decision which no reasonable authority could come to; balancing the nature, quality and level of services which they consider should be provided, against the costs of providing such services.

7. There is a particular requirement to take into consideration the Council's fiduciary duty and the public sector equality duty in coming to its decision. The public sector equality duty is that a public authority must, in the exercise of its functions, have due regard to the need to:
8. Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010,
9. Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it,
10. Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
11. Any decision made in the exercise of any function is potentially open to challenge if the duty has been disregarded.
12. The duty applies both to Council when setting the budget and to Cabinet when considering particular decisions.
13. The Local Government Act 2003 establishes a system to regulate the capital expenditure and borrowing of the Council. The heart of the prudential borrowing system is the duty imposed upon authorities to determine and keep under review how much money they can afford to borrow. The Local Authorities (Capital Financing and Accounting) Regulations 2003 (as amended) specify the prudential code for capital finance to which the Council must have regard in setting and reviewing their affordable borrowing limits (sections 3 and 5 of the 2003 Act).
14. The Localism Act 2011 provides for a Council tax referendum to be held if an authority increases its relevant basic amount of Council tax in excess of principles determined by the Secretary of State. The Local Government Finance Settlement for 2023/24 published in December 2022, announced that Council tax could rise by 3% before the need to hold a referendum and Councils could apply a Adult Social care levy of up to 2%.
15. The Local Government & Housing Act 1989 Part VI sets a statutory regime for housing finance. The Council has a general duty to review the rents of its houses from time to time and in fixing rents the Council must have regard to the principle that the rents of dwellings of any class or description should bear broadly the same proportion to private sector market rents as the rents of dwellings of any other class or description.

16. The review of the rents is a Cabinet function and is undertaken with due regard to the provisions of Part VI of the 1989 Act which governs housing finance and housing subsidy. Rents for Council houses are a credit to the housing revenue account and outgoings a debit. The Council is under a duty to prevent a debit balance on the housing revenue account which is ring-fenced. There are restrictions in the way in which the account can be operated. Members are referred to the separate Housing Revenue Account report, this report must comply with these accounting requirements. All proposals should comply with its duty to prevent a debit balance arising on the Housing Revenue Account.
17. Each proposal to make or increase charges must comply with the statutory framework (including primary and secondary legislation and any statutory guidance issued) relating to the activity in respect of which charges are being levied, including any limitations on levels of charges.
18. Where reliance is placed on the power to charge for discretionary services (Section 93 of the Local Government Act 2003), any charges must be set so that when the charges are taken as a whole no surpluses are made (i.e. the power is limited to cost recovery).
19. In relation to certain activities which are subject to authorisation by the Council (e.g. licences), the Provision of Services Regulations 2009 prevent the recovery of charges in excess of the cost of the procedures and formalities under the scheme of authorisation, (i.e. the Council is permitted to recover costs only), and such costs must also be reasonable and proportionate.
20. Where activities are being undertaken for which charges are being made with the intention of producing surplus income, it is necessary to consider whether that activity is material and would amount to "commercial trading". For commercial trading, the Council must develop a business case and establish an arms' length company to undertake that activity (in accordance with the general trading power under Section 95 Local Government Act 2003) or identify another statutory power for a particular trading activity.
21. In accordance with s 33(2) of the Localism Act 2011 the Monitoring Officer intends to grant dispensations to all members to allow members to participate in and vote on the setting of the Council Tax or a precept (and matters directly related to such decisions including the budget calculations).
22. Members should be aware of the provisions of Section 106 of the Local Government Finance Act 1992, which applies to members where:
23. (a) they are present at a meeting of the Council, the Executive or a Committee and at the time of the meeting an amount of council tax is payable by them and has remained unpaid for at least two months, and
24. (b) any budget or council tax calculation, or recommendation or decision which might affect the making of any such calculation, is the subject of consideration at the meeting.

25. In these circumstances, any such members shall at the meeting and as soon as practicable after its commencement disclose the fact that Section 106 applies to them and shall not vote on any question concerning the matter. It should be noted that such members are not debarred from speaking on these matters. Failure to comply with these requirements constitutes a criminal offence, unless any such members can prove they did not know that Section 106 applied to them at the time of the meeting or that the matter in question was the subject of consideration at the meeting.

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**Financial Implications:**

2. The financial implications are included within the Report.

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**Background papers:**

*Cabinet report – MTFS October 2022*

***List of Appendices***

*Appendix 1 – Calculation of the Council Tax Base*

*Appendix 2 – Spending allocations*

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*Appendix 5 – Departmental Cash Limits*

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*Appendix 7 - Formal Council Tax Resolution*

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**Please include a glossary of terms, abbreviations and acronyms used in this report.**

Term	Meaning
CIPFA	Chartered Institute of Public Finance and Accountancy
DfE	Department for Education
DLUHC	Department for Levelling Up, Housing and Communities
DSG	Dedicated Schools Grant
EDI	Electronic Data Interchange
HRA	Housing Revenue Account
ICES	Integrated Community Equipment Services
ICT	Information Communication Technology
IFA	Independent Fostering Agency
GM	Greater Manchester
LCTS	Local Council Tax Support
MBC	Metropolitan Borough Council
MTFS	Medium Term Financial Strategy
NHS	National Health Service
OCO	One Commissioning Organisation
OFSTED	Office for Standards in Education

## Appendix 1

Calculation of Council Tax Base 2023/24 (Based on all properties)										
Bands	A Reduced	A	B	C	D	E	F	G	H	TOTAL
Total Number of Dwellings on the valuation list	0.00	30,508.00	18,616.00	17,401.00	9,262.00	5,604.00	1,883.00	1,300.00	184.00	84,758.00
Total Number of Exempt and Disabled Relief dwellings on the Valuation List	60.00	17.00	27.00	-33.00	-18.00	-34.00	11.00	-12.00	-18.00	0.00
Less: estimated discounts, exemptions and disabled relief	63.50	4,004.25	1,768.25	1,223.25	548.25	217.50	95.25	44.25	-20.50	7,944.00
Total Equivalent number of dwellings after discounts, exemptions and disabled relief	-3.50	26,520.75	16,874.75	16,144.75	8,695.75	5,352.50	1,798.75	1,243.75	186.50	76,814.00
Factor stipulated in regulations	5/9	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	0.00
Band D equivalent	-1.94	17,680.50	13,124.81	14,350.89	8,695.75	6,541.94	2,598.19	2,072.92	373.00	65,436.06
Net effect of Local Council Tax Support Scheme (LCTSS) and other adjustments	8.77	3,799.06	1,172.76	623.36	211.46	104.71	36.04	18.26	1.60	5,976.02
Additional Net Dwellings in 2023/24 based on known regeneration with the Borough										174.000
Total after LCTSS and Other Adjustments	-10.71	13,881.44	11,952.04	13,727.53	8,484.29	6,437.23	2,562.16	2,054.66	371.40	59,634.04
Multiplied by estimated collection rate	0.951	0.951	0.951	0.951	0.951	0.951	0.951	0.951	0.951	0.951
<b>BAND D EQUIVALENTS</b>	<b>-10.19</b>	<b>13,200.41</b>	<b>11,365.68</b>	<b>13,054.06</b>	<b>8,068.05</b>	<b>6,121.42</b>	<b>2,436.46</b>	<b>1,953.85</b>	<b>353.18</b>	<b>56,708.39</b>
										<b>2.99%</b>
					Band D Equivalent assuming 2.99% increase					£1,793.48
					<b>Total Tax Yield £'000</b>					<b>£101,705</b>
										<b>2%</b>
					Band D Equivalent assuming 2% Adult Social Care Precept					<b>£1,828.31</b>
					<b>Tax Yield including ASC Precept £'000</b>					<b>£103,680</b>

Note A Reduced are band A properties that have disabled adaptations.

## Appendix 2 – Spending Allocations

Previously Agreed Permanent Spending Allocations to Budget 2023/24		
Directorate	Description	2023/24
		£m
<b>Pay Inflation</b>		
All	Pay Inflation	1.945
All	National Insurance Increase (Health & Social Care levy)	0.011
<b>TOTAL</b>		<b>1.956</b>
<b>Contractual Inflation</b>		
Corporate Core	Utilities	0.083
Corporate Core	Rent/Rates	0.042
Corporate Core	ICT Contracts	0.026
Children and Young People	Residential Care	0.276
Children and Young People	Living Wage	0.454
Children and Young People	External Fostering Placements	0.214
Children and Young People	Fostering, Adoption and Leaving Care Allowances	0.270
Children and Young People	Leaving Care inflation	0.085
Children and Young People	Support Packages and Direct Payments	0.105
Children and Young People	Premature Retirement Costs	0.012
Children and Young People	Provider National Insurance Increase (Health & Social Care levy)	0.002
Operations	Living Wage	0.052
One Commissioning Organisation	Community Care and Other Contracts	1.167
One Commissioning Organisation	Persona Contract	0.229
One Commissioning Organisation	Other contractual inflation	0.275
One Commissioning Organisation	Living Wage	2.899
One Commissioning Organisation	Provider National Insurance Increase (Health & Social Care levy)	0.014
Housing	Housing Contracts	0.050
Non Service Specific	GM Waste Levy charge	0.023
Non Service Specific	GM Passenger Transport Levy	0.198
<b>TOTAL</b>		<b>6.476</b>



Previously Agreed Permanent Spending Allocations to Budget 2023/24		
Directorate	Description	2023/24
		£m
<b><i>Demand</i></b>		
Corporate Core	Debt Collection Costs	0.050
Corporate Core	ICT Capital/Reserves Fall out	-0.060
Corporate Core	Municipal Election 2022 costs	-0.235
One Commissioning Organisation	Adults Demographics	1.000
One Commissioning Organisation	Transition from Children's Services	0.398
<b>TOTAL</b>		<b>1.153</b>
<b>Reprofiled Savings</b>		
Non Service Specific	Transformation Savings reprofiling per Dec 21 Cabinet report	-1.900
<b>TOTAL</b>		<b>-1.900</b>

Previously Agreed Permanent Spending Allocations to Budget 2023/24		
Directorate	Description	2023/24
		£m
<b>Income Losses</b>		
Operations	Income Loss - partial reinstatement of income budget	-0.538
<b>TOTAL</b>		<b>-0.538</b>
<b>GRAND TOTAL</b>		<b>7.147</b>

Proposed Permanent Spending Allocations to Budget 2023/24		
Directorate	Description	2023/24 £m
<b>Pay Inflation</b>		
All	Pay Inflation	6.857
All	National Insurance Increase (Health & Social Care levy)	-0.540
<b>TOTAL</b>		<b>6.317</b>
<b>Contractual Inflation</b>		
Non Service Specific	Utilities Inflation	1.000
Non Service Specific	Utilities non recurrent contingency	1.000
Corporate Core	Members Expenses	0.296
One Commissioning Organisation	Living Wage	3.504
Non Service Specific	GM Passenger Transport & Waste Levy	1.120
Non Service Specific	GM Passenger Transport Levy	0.129
<b>TOTAL</b>		<b>7.049</b>
<i>Demand</i>		
Children and Young People	Investment in structure	3.327
Children and Young People	Children's Safeguarding Model - non recurrent	1.000
One Commissioning Organisation	ASC discharge matched expenditure - non recurrent	1.069
Operations	Flexi Hall market office decant	0.120
<b>TOTAL</b>		<b>5.516</b>
<b>Reprofiled Savings</b>		
Non Service Specific	Procurement removal of savings	1.000
<b>TOTAL</b>		<b>1.000</b>
<b>Budget Re-Alignment</b>		
One Commissioning Organisation	Independent Living Fund previously separately funded now incl in ASC grant	0.288
<b>TOTAL</b>		<b>0.288</b>
<b>Income Losses</b>		
Operations	Flexi Hall loss of market car park	0.300
<b>TOTAL</b>		<b>0.300</b>
<b>GRAND TOTAL</b>		<b>20.470</b>

### Appendix 3 – Existing Savings Previously Agreed

Directorate	Proposal Description	2023/24
		£m
Business, Growth and Infrastructure	Assumed growth in the Council Tax base as a result of the investment in regeneration and housing	(0.500)
One Commissioning Organisation	Innovative Commissioning	(0.200)
One Commissioning Organisation	Personalisation and Transformation	(1.000)
One Commissioning Organisation	Improved Housing Options	(0.050)
One Commissioning Organisation	Effective and Efficient Commissioning	(0.100)
One Commissioning Organisation	Review of Care Packages	(0.611)
<b>TOTAL OF PREVIOUSLY AGREED SAVINGS</b>		<b>(2.461)</b>

## Appendix 4A - Savings Proposals for 2023/24

Directorate	Proposal Description	2023/24	2024/25	2025/26	2026/27
		£m	£m	£m	£m
All	Technical review of individual non-allocated budget lines	0.688	0.688	0.688	0.688
All	Increase in vacancy factor	0.414	0.414	0.414	0.414
All	Reduced Employers Pension contribution	0.300	0.300	0.300	0.300
All	Review of fees & charges	1.000	1.000	1.000	1.000
All	Workforce costs	0.310	0.700	0.700	0.700
Children & Young People	Early Help	0.066	0.066	0.066	0.066
Children & Young People	Multi-disciplinary early help	0.124	0.124	0.124	0.124
Children & Young People	Children's short breaks & personal budgets	0.200	0.300	0.300	0.300
Children & Young People	Step down of very high-cost placements across children's	-	1.200	1.200	1.200
Children & Young People	Progressing the edge of care service review	-	0.506	1.200	1.200
Children & Young People	Implementation of the Hertfordshire family safeguarding model	-	-	0.587	1.175
Children & Young People	Accelerating work on children's fostering capacity invest to save	-	0.121	0.604	0.604
Children & Young People	Post 16 SEND transport	-	0.045	0.090	0.090
Children & Young People	Reduction in Children's budgetary provision for early retirement costs, in accordance with demographic changes	0.100	0.100	0.100	0.200
Children & Young People	Outcome of CYP restructure	0.217	0.217	0.217	0.217
One Commissioning Organisation	Invest to save - Housing complex care	0.281	0.281	0.281	0.281



One Commissioning Organisation	Invest to save - Shared lives	0.011	0.011	0.011	0.011
One Commissioning Organisation	Invest to save - Assistive technology	0.342	0.342	0.342	0.342
One Commissioning Organisation	Review of working age adults' costs against a robust national toolkit.	1.000	1.700	1.700	1.700
One Commissioning Organisation	Development of wider learning disabilities strategy for age 14-25 cohort	0.120	0.300	0.480	0.700
One Commissioning Organisation	Residents transitioning to alternative packages	0.375	0.750	0.750	0.750
One Commissioning Organisation	Staying Well Service	0.375	0.375	0.375	0.375
One Commissioning Organisation	Enforce S22 of Care Act	0.300	0.636	0.636	0.636
One Commissioning Organisation	Review utilisation of Disabled Facilities Grant	0.250	0.250	0.250	0.250
One Commissioning Organisation	Remove non allocated ASC budget	0.100	0.100	0.100	0.100
One Commissioning Organisation	Remove ASC demographic growth	1.000	1.000	1.000	1.000
One Commissioning Organisation	Better Care Fund 2022/23 inflation	0.631	0.631	0.631	0.631
One Commissioning Organisation	Better Care Fund 2023/24 inflation	0.742	0.742	0.742	0.742
One Commissioning Organisation	Reduction in contract value for homeless prevention service for people with complex needs	0.074	0.074	0.074	0.074
Public Health	Reduce public health staffing	0.159	0.192	0.192	0.192
Operations	Wellness Service business case	0.577	0.577	0.577	0.577
Operations	Capitalisation of staff salaries in Operational Services - Engineers	0.189	0.189	0.189	0.189
Operations	Equipment Store changes in Ops and OCO	0.070	0.070	0.070	0.070
Operations	Continuation of LED street lighting implementation	0.300	0.300	0.300	0.300

Operations	Growth in vehicle maintenance provision to additional customers	0.100	0.100	0.100	0.100
Operations	Operational services process re-engineering	0.100	0.100	0.100	0.100
Business Growth and Infrastructure	Capitalisation of BGI spend on Regeneration	0.200	0.200	0.200	0.200
Business Growth and Infrastructure	Capitalisation of salaries through capital receipts	0.050	0.200	0.200	0.200
Business Growth and Infrastructure	Commercial Asset Management	0.250	0.250	0.250	0.250
Business Growth and Infrastructure	Millgate Coupon	0.250	0.250	0.250	0.250
Housing	Homeless Prevention Grant	0.464	0.464	0.464	0.464
Housing	Additional savings from Health and Housing	-	0.225	0.569	0.569
Housing	Efficiency savings and removal of duplication in the provision of housing services	0.500	1.000	1.500	1.500
Corporate Core Finance	Removal of 50% of apprentice posts from the finance structure	0.150	0.150	0.150	0.150
Corporate Core Finance	Remove finance innovation and project team	-	0.157	0.313	0.313
Corporate Core	Service reviews within the Corporate Core	0.591	0.691	1.079	1.079
Corporate Core	Commercialisation strategy for Bury Art Museum	-	0.250	0.250	0.250
Non-Service Specific	Technical review by finance of all revenue costs of capital, and other technical accounting entries	1.118	1.118	1.118	1.118
Non-Service Specific	Reduction in proposed waste levy uplift	0.172	0.172	0.172	0.172
Non-Service Specific	Reduction in proposed transport levy uplift	0.348	0.348	0.348	0.348
<b>TOTAL OF SAVINGS Proposals for 2023/24</b>		<b>14.608</b>	<b>19.976</b>	<b>23.353</b>	<b>24.261</b>

## Appendix 5 – Departmental Cash Limits

Directorate Cash Limits 2023/24 (reconciliation of 2022/23 Budget and starting point for 2023/24)								
	Children and Young People	One Commissioning Organisation	Corporate Core	Business Growth & Infrastructure	Operations	Non Service Specific	HGF	Total
	£m	£m	£m	£m	£m	£m	£m	£m
<b>2022/23 Approved Budget</b>	<b>41.306</b>	<b>79.561</b>	<b>15.790</b>	<b>2.936</b>	<b>16.064</b>	<b>20.538</b>	<b>1.288</b>	<b>177.483</b>
Internal re-allocations including IAS 19/CAR / TOV	5.083	1.066	1.329	0.347	2.986	(10.811)	0.000	(0.000)
<b>2022/23 Original Budget after internal adjustments</b>	<b>46.390</b>	<b>80.627</b>	<b>17.119</b>	<b>3.283</b>	<b>19.050</b>	<b>9.727</b>	<b>1.288</b>	<b>177.483</b>
2022/23 in year internal re-allocations	(0.479)	0.154	2.921	(0.014)	0.796	(3.378)	0.000	0.000
<b>2022/23 Revised Budget</b>	<b>45.910</b>	<b>80.781</b>	<b>20.040</b>	<b>3.269</b>	<b>19.846</b>	<b>6.349</b>	<b>1.288</b>	<b>177.483</b>
Directorate Cash Limits 2023/24								
	Children and Young People	One Commissioning Organisation	Corporate Core	Business Growth & Infrastructure	Operations	Non Service Specific	HGF	Total
	£m	£m	£m	£m	£m	£m	£m	£m
Add back 2022/23 Feb 22 Labour amendment	0.000	0.000	(0.331)	0.250	(0.315)	0.396	0.000	0.000
<b>Previously Agreed Costs (Feb 22)</b>								
Pay Inflation	0.020	0.113	0.058	0.011	0.050	1.690	0.000	1.942
National Insurance increase / Health & Social Care Levy 1.25% removal	0.002	0.002	0.003	0.001	0.003	0.000	0.000	0.011
Contractual Inflation	1.437	4.584	0.151	0.000	0.052	0.271	0.000	6.495
Demand	0.000	1.398	(0.245)	0.000	0.000	0.000	0.000	1.153

Reprofiled Savings	0.000	0.000	0.000	0.000	0.000	(1.900)	0.000	(1.900)
Income losses	0.000	0.000	0.000	0.000	(0.538)	0.000	0.000	(0.538)
<b>Previously Agreed Savings (Feb 22)</b>								
Innovative Commissioning	0.000	(0.200)	0.000	0.000	0.000	0.000	0.000	(0.200)
Personalisation and Transformation	0.000	(1.000)	0.000	0.000	0.000	0.000	0.000	(1.000)
Improved Housing Options	0.000	(0.050)	0.000	0.000	0.000	0.000	0.000	(0.050)
Effective and Efficient Commissioning	0.000	(0.100)	0.000	0.000	0.000	0.000	0.000	(0.100)
Review of Care Packages	0.000	(0.611)	0.000	0.000	0.000	0.000	0.000	(0.611)
Assumed growth in the Council Tax base as a result of the investment in regeneration and housing	0.000	0.000	0.000	0.000	0.000	(0.500)	0.000	(0.500)
<b>Reverse use of reserves from Feb 22</b>	0.000	0.000	0.000	0.000	0.000	8.159	0.000	8.159
<b>Previously Agreed budget changes:-</b>	<b>1.460</b>	<b>4.136</b>	<b>(0.034)</b>	<b>0.012</b>	<b>(0.433)</b>	<b>7.720</b>	<b>0.000</b>	<b>12.860</b>
<b>Additional Budget Requirement:-</b>								
Pay Inflation	0.442	0.644	0.867	0.187	0.860	3.857	0.000	6.857
National Insurance increase / Health & Social Care Levy 1.25% removal	(0.112)	(0.112)	(0.128)	(0.030)	(0.153)	(0.005)	0.000	(0.540)
Contractual Inflation	0.000	3.504	0.296	0.000	0.000	3.249	0.000	7.049
Demand	4.327	1.069	0.000	0.000	0.120	0.000	0.000	5.516
Reprofiled Savings	0.000	0.000	0.000	0.000	0.000	1.000	0.000	1.000
Budget Re-alignment	0.000	0.288	0.000	0.000	0.000	0.000	0.000	0.288
Income losses	0.000	0.000	0.000	0.000	0.300	0.000	0.000	0.300

<b>Additional Budget Requirement:-</b>	<b>4.657</b>	<b>5.393</b>	<b>1.035</b>	<b>0.157</b>	<b>1.127</b>	<b>8.101</b>	<b>0.000</b>	<b>20.470</b>
<b>Total Additional Budget Requirement:-</b>	<b>6.117</b>	<b>9.529</b>	<b>1.001</b>	<b>0.169</b>	<b>0.694</b>	<b>15.821</b>	<b>0.000</b>	<b>33.330</b>
<b>Directorate Cash Limits 2023/24</b>								
	<b>Children &amp; Young People</b>	<b>One Commissioning Organisation</b>	<b>Corporate Core</b>	<b>Business Growth &amp; Infrastructure</b>	<b>Operations</b>	<b>Non-Service Specific</b>	<b>HGF</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Savings Proposals for Departments	(0.707)	(6.377)	(0.741)	(1.714)	(0.719)	0.000	0.000	(10.258)
Technical review by finance of all revenue costs of capital, including depreciation, interest etc and other technical accounting entries	0.000	0.000	0.000	0.000	0.000	(1.118)	0.000	(1.118)
Vacancy Factor	(0.113)	(0.070)	(0.106)	(0.018)	(0.106)	(0.001)	0.000	(0.414)
Technical review of individual non-allocated budget lines identified by finance in conjunction with budget holders	(0.023)	0.000	(0.331)	(0.022)	(0.007)	(0.305)	0.000	(0.688)
Reduced Employers Pension contribution	(0.063)	(0.061)	(0.076)	(0.017)	(0.083)	0.000	0.000	(0.300)
Review of fees & charges	0.000	0.000	(0.309)	(0.080)	(0.611)	0.000	0.000	(1.000)
Changes to staff terms and Conditions	0.000	0.000	0.000	0.000	0.000	(0.310)	0.000	(0.310)
Reduction in proposed waste and transport levy uplift	0.000	0.000	0.000	0.000	0.000	(0.520)	0.000	(0.520)
<b>Savings Proposals</b>	<b>(0.906)</b>	<b>(6.508)</b>	<b>(1.563)</b>	<b>(1.851)</b>	<b>(1.526)</b>	<b>(2.255)</b>	<b>0.000</b>	<b>(14.608)</b>
Planned Use of Reserves for 2023/24 in February 23 report	0.000	0.000	0.000	0.000	0.000	(4.802)	0.000	(4.802)
Waste Reserves return from GMCA	0.000	0.000	0.000	0.000	0.000	(1.129)	0.000	(1.129)

[illegible]

## Appendix 6 – Equality Impact Assessment

### EQUALITY ANALYSIS

This Equality Analysis considers the effect of Bury Council activity on different groups protected from discrimination under the Equality Act 2010 as well as those additional groups reflected in Bury Council's Equality Strategy 2020-2024. This is to consider if there are any unintended consequences for some groups from key changes made by a public body and their contractor partners organisations and to consider if the activity will be fully effective for all protected groups. It involves using equality information and the results of engagement with protected groups and others, to manage risk and to understand the actual or potential effect of activity, including any adverse impacts on those affected by the change under consideration.

SECTION 1 – RESPONSIBILITY AND ACCOUNTABILITY	
1.1 Name of policy/ project/ decision	The Council's Budget 2023/24 and the Medium-Term Financial Strategy 2024/25 - 2025/26
1.2 Lead for policy/ project/ decision	Sam McVaigh
1.3 Committee/Board signing off policy/ project/ decision	Full Council
1.4 Author of Equality Analysis	Name: Sam McVaigh Role: Director of People & Inclusion Contact details: <a href="mailto:s.mcvaigh@bury.gov.uk">s.mcvaigh@bury.gov.uk</a>
1.5 Date EA completed	19/01/23
1.6 Quality Assurance	Name: Adiba Charlesworth Role: Equality Diversity and Inclusion Manager Contact details: <a href="mailto:a.charlesworth@bury.gov.uk">a.charlesworth@bury.gov.uk</a>
1.7 Date QA completed	23/01/23
1.8 Departmental recording	Reference: <i>Corporate001: 23/24budget</i> Date: 23/01/23
1.9 Next review date	30/03/23

### SECTION 2 – AIMS AND OUTCOMES OF POLICY / PROJECT

**2.1 Detail of policy/ decision being sought**

The Medium-Term Financial Strategy (MTFS) is the Council's multi-year financial plan and control framework to align resources to the spending priorities set out in the corporate plan and Borough vision: LET'S Do It! - As part of this the Council is seeking to set a budget for the 2023/24 financial year in an unprecedented period of economic uncertainty. In order to set a balanced budget, savings proposals totaling £24.261m and additional Council Tax and Business Rates income of £7.134m have been brought forward for consideration.

The LET'S Do It! Strategy for 2030 provides the strategic framework for the Council's use of resources through the vision to:

- Build on the strengths that already exist in our communities, breaking down barriers for people and between agencies and services to give people the ability to be independent.
- Deliver in partnership, locally whenever possible and through a digitally inclusive approach
- Drive economic growth to improve outcomes for local people; reduce the demand on public services and increase income to the Council.

From a budget planning perspective, the application of the LET'S Do It! strategy is an opportunity to:

- Empower local people and organisations to seek self-help and community-based support rather than immediately engaging with statutory services. - Over the last two years the Council has made available over £750,000 in funding to establish and support the development of local community groups. The scale of community potential is now evident through the anti-poverty response, for example, with over 80 organisations active in providing cost of living support and the emergence of the Bury Community Support Network
- Tackle health inequalities through a comprehensive local Wellness offer.
- Take a stronger focus on prevention and harnessing community capacity, which has been at the heart of the adult social care transformation, through which £20m of savings have been achieved since 2019/20
- Drive innovation such as through the internal transformation strategy which is now enabling digital-first, more efficient processes, user self service
- Deliver inclusive growth through regeneration in order to reduce deprivation and therefore demand on expensive reactive Council and other public services. Growth also creates the potential for increased income from council tax and business rates receipts, through delivery of a pipeline of brownfield-first housing and new locations for business.

As far as possible budget savings options have been developed which are consistent with the LET'S principles.

However, given the sheer scale of savings required this is not universally the case and, in some instances, proposals simply relate to reduced controllable spend through a reduction in non-statutory service provision.

However, in the delivery of all budget proposals the Council will be cognisant of its statutory obligations in relation to inclusion, as per the Equality Act 2010 and Public Sector Equality Duty, and its local commitment as set out in the LET'S Do It! Strategy and Bury Council Inclusion Strategy and Equality Objectives 2020-24.

This overarching EIA sets out the Council's approach to considering and addressing any potential equality implications of the budget and defines where more detailed proposal-specific EIAs will be undertaken.



<b>2.2</b> What are the intended outcomes of this?	<p>The outcomes intended are to ensure that, through the Council's Budget for 2023/24 and Medium Term Financial Strategy 2024/25 - 2025/26 the Authority:</p> <p>1) Pays due regard to the need to eliminate discrimination and advance equality of opportunity between all</p> <p>2) Insofar as is possible, supports delivery of its stated Equality Objectives, Inclusion Strategy and the overarching commitment to inclusive growth as set out within the LET'S Do It! Strategy</p>
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### SECTION 3 – ESTABLISHING RELEVANCE TO EQUALITY & HUMAN RIGHTS

Please outline the relevance of the activity/ policy to the Public Sector Equality Duty

General Public Sector Equality Duties	Relevance (Yes/No)	Rationale behind relevance decision
<b>3.1</b> To eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by Equality Act 2010	Yes	We are seeking to create budget proposals which do not discriminate against people protected by the Equality Act 2010 and Bury Council Inclusion Strategy 2020-2024. Where potential disproportionate impacts exist we are seeking to mitigate these
<b>3.2</b> To advance equality of opportunity between people who share a protected characteristic and those who do not.	Yes	We are seeking to create budget proposals which do not detract from the Council's overarching commitment to advance equality of opportunity for people protected by the Equality Act 2010 and Bury Council Inclusion Strategy 2020-2024. Where this is the case we are seeking to mitigate these
<b>3.3</b> To foster good relations between people who share a protected characteristic and those who do not	Yes	We are seeking to create a budget proposal that does not hinder the relationships people who share protected characteristics and those who do not. Where this is the case we are seeking to mitigate this
<b>3.4</b> Please outline the considerations taken, including any mitigations, to ensure activity is not detrimental to the Human Rights of any individual affected by the decision being sought.		
Consideration will be given to the FREDA principles of Human Rights as part of individual EIAs. Initial analysis does not identify any major areas for concern, subject to the implementation of individual proposals in a way which accords with the relevant specific statutory duties and obligations.		

### SECTION 4 – EQUALITIES DATA

Protected characteristic	Outcome sought	Base data	Data gaps (to include in Section 8 log)
<b>4.1</b> Age	To avoid negative		EIAs in relation to individual
<b>4.2</b> Disability			

<b>4.3 Gender</b>	differential impact in relation to any of the below 13 protected characteristics as a result of the delivery of the Council's 2023/24 budget	<p>The <a href="#">2021 Census</a> provides the most up-to-date baseline position in terms of equality data in relation to the borough across the characteristics of:</p> <ul style="list-style-type: none"> <li>• Age</li> <li>• Disability</li> <li>• Sex</li> <li>• Race (The 2021 census measures "Ethnicity")</li> <li>• Religion and Belief</li> <li>• Sexual Orientation</li> <li>• Marriage and Civil Partnership (The 2021 census measures "Legal partnership status")</li> <li>• Gender Reassignment (The 2021 census measures "gender identity")</li> <li>• Armed Forces Personnel</li> <li>• Unpaid carers</li> <li>• Socio-economically vulnerable (The 2021 census measures "Households by deprivation dimensions")</li> </ul> <p>To supplement this, the Council's own data provides information on Looked After Children and Care Leavers. We currently have 370 Looked After Children in our system and support 148 Care Leavers. – Demographic data in relation to this cohort is available to support individual EIAs as required.</p> <p>Key census headlines in terms of inclusion include:</p> <ul style="list-style-type: none"> <li>• Bury's population increased by around 8,800 between the last two censuses (about 5%), to just under 195,000 in 2021.</li> <li>• The number of people aged 50 to 64 years rose by just under 3,600 (an increase of 10.3%).</li> <li>• In the latest census, around 166,500 Bury residents said they were born in England. This represented 86% compared to 89% in 2011.</li> <li>• Pakistan was the next most represented for just under 6,000 Bury residents (3% compared to 2% in 2011).</li> </ul>	budget proposals will examine specific data as required.
<b>4.4 Pregnancy or Maternity</b>			
<b>4.5 Race</b>			
<b>4.6 Religion and belief</b>			
<b>4.7 Sexual Orientation</b>			
<b>4.8 Marriage or Civil Partnership</b>			
<b>4.9 Gender Reassignment</b>			
<b>4.10 Carers</b>			
<b>4.11 Looked After Children and Care Leavers</b>			
<b>4.12 Armed Forces personnel including veterans</b>			
<b>4.13 Socio-economically vulnerable</b>			

		<ul style="list-style-type: none"> <li>• In 2021, 11% of Bury residents identified their ethnic group within the "Asian, Asian British or Asian Welsh" category, up from 7% in 2011, higher than the rate for the NW (8%) and England (10%).</li> <li>• The percentage of people who identified their ethnic group within the "Other" category increased from 1% in 2011 to 2% in 2021.</li> <li>• 94% of people in Bury speak English as their main language (compared to 82% in Manchester).</li> <li>• 5% of households in the borough have multiple main languages spoken at home.</li> <li>• Based on responses 3% of the boroughs populations are armed forces veterans, circa 5,000 people (highest areas had over 10%).</li> <li>• 91% of people in Bury described themselves as straight or heterosexual, compared to 89% nationally.</li> <li>• 4,362 people in Bury identified as a sexual orientation other than heterosexual, 3% of respondents.</li> <li>• In 2021, 29% of Bury residents reported having "No religion", up from 19% in 2011, while 10% described themselves as Muslim (up from 6.% the decade before). Jewish numbers stayed the same at 6% of the borough's population overall.</li> <li>• 52.5% of households in Bury fall under the "Household Deprivation" category in the census.</li> </ul>	
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## SECTION 5 – STAKEHOLDERS AND ENGAGEMENT

	Internal Stakeholders	External Stakeholders
<b>5.1</b> Identify stakeholders	Staff, Members and Trade Unions	Bury residents and key partners
<b>5.2</b> Engagement undertaken	A period of 90 days consultation on the overarching budget strategy has been undertaken, closing on 22 <sup>nd</sup> January, including direct engagement in individual service areas affected.	A questionnaire was developed and hosted on-line on 'One Community', the council's engagement and consultation portal (hard copies were available on request) Consultation commenced on 20 <sup>th</sup> October 2022 and closed eight weeks later on 15 <sup>th</sup> December 2022. The consultation was publicised via the press and social media.

		124 responses were received via One Community. A much larger response than a similar budget consultation undertaken in 2020 which only received 18 responses. Specific consultation was undertaken around a number of individual proposals, including those related to Bury Art Museum.
<b>5.3 Outcomes of engagement</b>	Limited direct feedback has been received through the internal consultation channels. – A number of staff contributed directly to the public consultation.	The full details of the consultation are included in the main budget report. Demographic information collected by the consultation shows a range of different characteristics were represented across the respondents. However, that the profile of respondents was not fully representative of the profile of the borough. We will endeavor to strengthen the diversity of respondents in future consultation activities.
<b>5.4 Outstanding actions following engagement</b> (include in Section 8 log)	Where individual changes require specific consultation, this will be progressed in line with the Council's HR Policies	Where individual changes require specific consultation, this will be progressed.

## SECTION 6 – CONCLUSION OF IMPACT

Please outline whether the activity/ policy has a positive or negative effect on any groups of people with protected inclusion characteristics

Protected Characteristic	Positive/ Neutral Negative/	Impact (include reference to data/ engagement)
<b>6.1 Age</b>	<p>A total of 38 individual proposals form the Council's Budget 2023/24 and the Medium-Term Financial Strategy 2024/25 - 2025/26. A number of these (16) do not change Council policy or practice and are not relevant in terms of equality analysis. However, for the remaining 22 there are potential equality considerations which must be assessed on an individual basis through proposal-specific Equality Impact Assessments. - Appendix A sets out a schedule of these proposals including lead officers, a broad timeline for action and an indicative high-level summary of potential impacts.</p> <p>Given the complexity and scale of the budget changes required it is challenging to provide an overall analysis of potential impact. As outlined above, inclusion is a central theme of the Council's LET'S Do It! strategy and, in providing a budget which, to a significant extent, aligns with this vision. Officers have sought to mitigate the impact on protected groups in the borough.</p> <p>A number of budget proposals have potentially positive implications in relation to inclusion, for example:</p> <ul style="list-style-type: none"> <li>Implementation of the Hertfordshire family safeguarding model should provide an improved model of support to both Children and Adults with a number of protected characteristics, including disability and socio-economic disadvantage</li> </ul>	
<b>6.2 Disability</b>		
<b>6.3 Gender</b>		
<b>6.4 Pregnancy or Maternity</b>		
<b>6.5 Race</b>		
<b>6.6 Religion and belief</b>		
<b>6.7 Sexual Orientation</b>		

6.8 Marriage or Civil Partnership	<ul style="list-style-type: none"> <li>Investment in Assistive Technology should also see positive implications through providing a better range of support options to enable independence for disabled residents.</li> <li>The development of a wellness service business case, providing a service which is more tailored to the wellbeing needs of Bury's diverse communities.</li> </ul>
6.9 Gender Reassignment	
6.10 Carers	
6.11 Looked After Children and Care Leavers	
6.12 Armed Forces personnel including veterans	
6.13 Socio-economically vulnerable	<p>There are also a range of proposals which relate to changes in the delivery model for care packages to Adults and Children. These changes should not represent a reduction in service level and it will be important that proper consideration is given to the equality aspects of these changes to mitigate any differential implications insofar as is possible in the way they are implemented. This will include changes such as:</p> <ul style="list-style-type: none"> <li>The review of working age adults' costs against a robust national toolkit.</li> <li>Residents transitioning to alternative packages of care in the OCO</li> <li>Children's External placements / Step down of very high-cost placements across children's</li> </ul>
6.14 Overall impact - What will the likely overall effect of your activity be on equality, including consideration on intersectionality?	<p>Initial high-level analysis suggests 5 proposals where there are potential disproportionate negative impacts on protected groups which need particular thought:</p> <ul style="list-style-type: none"> <li>Enforce S22 of Care Act, only provide assistance with medication when part of a care package - Changes need to be managed to address potential differential impact in relation to disability and age</li> <li>Better utilization of the Housing Revenue Account - Changes to the sheltered housing service need to be managed to address potential differential impact in relation to disability and age</li> <li>Continuation of LED street Lighting implementation – Officers will need to ensure approach to continued implementation takes account of any impact on disabled residents</li> <li>Post 16 SEND transport – There is a potential differential impact in relation to disability which needs consideration</li> <li>Review of fees and charges. – There is a potential differential impact in relation to socio-economic disadvantage which needs consideration</li> </ul> <p>Whilst there is the <i>potential</i> for disproportionate negative impacts on protected groups in the above areas, the proposal specific EIAs will need to explore these in more detail and, wherever possible, seek to mitigate this in accordance with the Council's obligations under the Public Sector Equality Duty.</p> <p>Overall the scale of budget reductions required across the Council represents a significant risk of negative impact on protected groups which will need to be closely managed and monitored throughout the implementation process.</p>

## SECTION 7 – ACTION LOG

Action Identified	Lead	Due Date	Comments and Sign off (when complete)
<b>7.1 Actions to address gaps identified in section 4</b>			
Through the state of the borough report we will continue to monitor outcomes of those in the borough, including in relation to Protected Characteristics.	Helen Smith	April 2023	
<b>7.2 Actions to address gaps identified in section 5</b>			
Individual consultations will be conducted as and when required linked to specific budget EIAs. Consultations will be share widely to ensure meaningful engagement,	Individual leads/ EDI Manager to oversee	April 2024	
<b>7.3 Mitigations to address negative impacts identified in section 6</b>			
Managed in individual EIAs. Delivery of which will be overseen by the EDI manager and reported on to the Council's Executive Team and Cabinet Member for HR and Corporate Affairs	Individual leads / EDI Manager to oversee	April 2024	
<b>7.4 Opportunities to further inclusion (equality, diversity and human rights) including to advance opportunities and engagements across protected characteristics</b>			
Managed in individual EIAs. Delivery of which will be overseen by the EDI manager and reported on to the Council's Executive Team and Cabinet Member for HR and Corporate Affairs	Individual leads / EDI Manager to oversee	April 2024	

## SECTION 8 - REVIEW

Review Milestone	Lead	Due Date	Comments (and sign off when complete)
Delivery of all 22-proposal specific EIAs	EDI Manager	April 2023	
Quarterly review of progress to Executive Team and Cabined Member for HR & Corporate Affairs	EDI Manager	July 2023 October 2023 January 2024 April 2024	

Please make sure that every section of the Equality Analysis has been fully completed. The author of the EA should then seek Quality Assurance sign off and departmental recording.

## SECTION 9 – QUALITY ASSURANCE

Consideration	Yes/ No	Rationale and details of further actions required
Have all section been completed fully?	Y	

Has the duty to eliminate unlawful discrimination, harassment, victimization and other conducted prohibited by the PSED and Equalities Act been considered and acted upon?	Y	
Has the duty to advance equality of opportunity between people who share a protected characteristic and those who do not been considered and acted upon	Y	
Has the duty to foster good relations between people who share a protected characteristic and those who do not, been consider and acted upon	Y	
Has the action log fully detailed any required activity to address gaps in data, insight and/or engagement in relation to inclusion impact?	Y	
Have clear and robust reviewing arrangements been set out?	Y	
Are there any further comments to be made in relation to this EA	N	

## APPENDIX – Budget EIA Schedule

Ref No.	Scheme	Description	High-Level Impact Summary	EIA Deadline
2	Invest to save - Housing complex care	Ongoing programme to reduce the cost of supporting people in supported living by offering them different types of accommodation.	Change in service provision with a focus on disability. – EIA to provide assurance that new offer, though different, does not pose a differential and negative impact.	April 2023
3	Invest to save - Shared lives	Growing a service that does, in effect, "adult fostering".	Change in service provision with a focus on disability. – EIA to provide assurance that new offer, though different, does not pose a differential and negative impact.	April 2023
4	Invest to save - Assistive technology (TEC)	A new service offer which will enable people to access technologies (e.g. monitoring devices and aids) in order to reduce reliance on traditional care and support.	Change in service provision with a focus on disability. – EIA to provide assurance that new offer, though different, does not pose a differential and negative impact. Potential for a positive impact here.	April 2023
5	Review of working age adults' costs against a robust national toolkit.	Review of care packages for a defined cohort of Adult Social Care customers.	Change in service provision with a focus on disability and age. – EIA to provide assurance that new offer, though different, does not pose a differential and negative impact.	April 2023
6	Development of wider learning disabilities transition service for age 14-25 cohort	Change the way we support older children/younger adults, improve the transition experience between services	Change in service provision with a focus on disability and age. – EIA to provide assurance that new offer, though different, does not pose a differential and negative impact.	April 2023



7	Enforce S22 of Care Act, only provide assistance with medication when part of a care package	The council has no legal duty to provide care and support assistance solely for medication and therefore we will be reviewing packages of care and where care is provided for this purpose solely, it will no longer be provided by the Council.	Change in service provision with a focus on disability. – Potential for negative impact here which will need to be considered in detail through the proposal-specific EIA	April 2023 Requires public consultation
8	Wellness Service business case	Leisure centres cost (NHS and Sport England) suggest reconfiguration of leisure centres to smaller and separately set up community wellness initiatives. Our Wellness team is in operations and is commissioned by Public Health. The plan is to grow and reshape the Wellness team.	Potential impact on all protected characteristics. - Potential for a positive impact here.	EIA to be developed iteratively as part of development beginning in April 2023
9	Review with BGI of all Peppercorn/Free lease arrangements including utilities provided	Review on whether increasing rent on council owned properties is possible.	Potential impact on VCSE groups supporting people with protected characteristics which will need consideration through the EIA	April 2023
11	Better utilization of the Housing Revenue Account	As part of this proposal, withdrawal of the Support at Home Wardens Service may have equality implications.	Change in service provision with a focus on disability and the socio-economically vulnerable. – Potential for negative impact here which will need to be considered in detail through the proposal-specific EIA	April 2023
12	Additional savings from Health and Housing beyond the £431k already built into the MTFS	Increase in specialist housing for working aged adults -	Impact on socio-economically vulnerable people, people with disabilities and older people. - Potential for a positive impact here.	April 2023 – Shared EIA with proposal 2.
13	Continuation of LED street Lighting implementation	Energy and financial savings by continuing the transition to LED Street Lighting.	Potential impact on people with disabilities – Potential for negative impact here which will need to be considered in detail through the proposal-specific EIA	April 2023
14	Post 16 SEND transport	Cutting payments for transport for young SEND people over 16	Impact on young people and people with disabilities and, potentially, on socio-economically vulnerable people – Potential for negative impact here which will	April 2024



			need to be considered in detail through the proposal-specific EIA	
15	Children's External placements / Step down of very high-cost placements across children's (24 high cost placements non DSG funded)	Reduce the volume of children supported in residential care.	Change in service provision for young people - EIA to provide assurance that new offer, though different, does not pose a differential and negative impact	April 2024
16	Children's short breaks & personal budgets	Change In service model and policy in this area.	Change in service provision for young people - EIA to provide assurance that new offer, though different, does not pose a differential and negative impact	April 2023
17	Progressing the edge of care service review	Avoid Children going into care - working with children different. It'll be putting extra support in	Change in service provision for young people - EIA to provide assurance that new offer, though different, does not pose a differential and negative impact	April 2024
18	Implementation of the Hertfordshire family safeguarding model	Aim; Fewer families ultimately require social care intervention - change in how we deliver the service.	Change in service provision for young people - EIA to provide assurance that new offer, though different, does not pose a differential and negative impact - Potential for a positive impact here.	EIA to be delivered as part of development. Due April 2024
19	Accelerating work on children's fostering capacity invest to save	Increase in Bury based foster carer provision.	Change in service provision for young people - EIA to provide assurance that new offer, though different, does not pose a differential and negative impact - Potential for a positive impact here.	April 2024
20	Review of fees & charges	Council-wide review of all commercial fees and charges.	Potential impact on socio-economically vulnerable people – Potential for negative impact here which will need to be considered in detail through the proposal-specific EIA	April 2023
21	Changes to staff terms and Conditions	Combination of restructure of chief officers (100k), voluntary purchase of additional annual leave (£300k) and other reductions to staffing costs	Impact on staff – EIA will need to ensure changes are delivered in an equitable way across the different demographics within the workforce.	April 2023
22	Options appraisal of Bury Art Museum	Restructure and commercialisation.	Change in service model – potential socioeconomic impact.	April 2023

## Appendix 7

### Formal Council Tax Resolution

#### The Council is asked to resolve as follows:

It is noted that the Council calculated the Council Tax Based for the whole Council area as 56,951 (Item T in the formula Section 31B of the Local Government Finance Act 1992, as amended (the 'Act')).

#### It is recommended:

- That the Council approve the Council Tax requirement for the Council's own purposes (excluding precepts) for 2023/24 as £103.680m;
- That the Council agrees the calculation of the aggregate amounts for the year 2023/24 in accordance with sections 31 to 36 of the Act:

<b>2023/24 Revenue Budget</b>	
	<b>£m</b>
2022/23 Budget	177.483
Previously Agreed changes	12.860
Additional Spending Needs	20.470
Less Savings Options	-14.608
Less Planned Use of Reserves	-5.931
<b>2021/2 Spending Requirement</b>	<b>190.274</b>
<b>Funded By:</b>	
Government Grants	22.783
Business Rates*	63.811
Council Tax	103.680
<b>TOTAL</b>	<b>190.274</b>

*\*breakdown of Business Rates income is provided below*

- In relation to Council Tax, Council is asked to:
  - Raise the Bury element of the Council tax by 4.99% of which 2.99% relates to the general precept and 2.00% relates to the adult social care levy.
  - Approve the council tax requirement for the council's own purposes (excluding precepts) as £103.680m
  - That the following amounts be calculated by the council for the year 2023/24 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
    - a) £465,410,800 being the aggregate of the amounts which the council estimates for the items set out in Section 31A(2) of the Act; (This is the gross expenditure budget)
    - b) £361,730,800 being the aggregate of the amounts which the council estimates for the items set out in Section 31A 3 of the Act (The external income budgets including business rates and government grants)
    - c) £103,680,000 being the amount by which the aggregate at a) above exceeds the aggregate at b) above, calculated by the council in accordance with Section 31A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Ac). (Net Council Tax Requirement for the budget)
    - d) £1,828.31 being the amount at c) above, (above item R) divided by Item T

calculated by the Council, in accordance with section 31B of the Act, as the relevant basic amount of its Council Tax for the year, and:

### Bury Council

2023/24 Council Tax By Band – Bury Council Element							
A	B	C	D	E	F	G	H
£1,218.87	£1,422.02	£1,625.16	£1,828.31	£2,234.60	£2,640.89	£3,047.18	£3,656.61

- Being the amounts given by multiplying the amount set out at d) above by the number which, in the proportion set out in Section 5 (1) of the Act is applicable for dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.
- Note that the Police and Crime Commissioner component of the Greater Manchester Mayoral budget and the Mayoral general budget have issued precepts to the council in accordance with section 40 of the Local Government Finance Act That the following precepts be calculated for 2023/24 in accordance with Sections 31 to 36 of the Act;

Police and Crime Commissioner

2023/24 Council Tax By Band – Bury Council Element							
A	B	C	D	E	F	G	H
£162.20	£189.23	£216.26	£243.30	£297.36	£351.43	£405.50	£486.60

### General Mayoral - Fire and Rescue Service

2023/24 Council Tax By Band – Bury Council Element							
A	B	C	D	E	F	G	H
£71.96	£83.96	£95.95	£107.95	£131.93	£155.92	£179.91	£215.90

- That the council, in accordance with sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2023/24 for each part of its area and for each of the categories of dwellings.

### Aggregate of Council Tax Requirements

2023/24 Council Tax By Band – Aggregate for all precepting authorities							
A	B	C	D	E	F	G	H
£1,453.03	£1,695.21	£1,937.37	£2,179.56	£2,663.89	£3,148.24	£3,632.59	£4,359.11

- To determine whether the council's relevant basic amount of council tax for 2023/24 is excessive in accordance with the principles approved under the Localism Act 2011.

	2022/23	2023/24	%
Council Tax Base	55,611	56,951	4.99%
Council Tax Requirement (£)	96,851,995	104,122,968	
Relevant Amount of Council Tax (£)	1,741.41	1,828.31	

The total increase of **4.99%** is not excessive as it is within the 4.99% referendum limit.

The Authority is therefore not subject to a referendum

### ***Other funding***

Included within the budget are a number of government grants that are received for specific purposes. Any variations to the level of funding will be matched by an equivalent adjustment in the budget for the respective service.

Business rates funding totaling £63.811m to support the council's overall budget is itemised below. In the event the business rates funding is above or below this level, the variation will be managed by an adjustment to specific reserves.

	2023/24
	£m
Business Rates: Local Share	(41.745)
Business Rates: Top Up	(5.695)
Business Rates: Section 31 Grants	(17.255)
Business Rates: GMCA no detriment contribution	0.884
<b>Total</b>	<b>(63.811)</b>