

WEST DEVON BOROUGH COUNCIL

BUDGET PRESSURES

	BASE 2023/24 £	Yr 1 2024/25 £	Yr 2 2025/26 £	Yr 3 2026/27 £
Waste collection, recycling and cleansing contract inflation (estimate) - assume 7.5% 2023/24 onwards (23/24 also includes some extra inflation provision from 22/23)	345,000	245,000	245,000	245,000
Waste collection, recycling and cleansing contract - Council 19 July 2022	400,000	0	0	0
Waste collection, recycling and cleansing - additional properties	50,000	100,000	100,000	100,000
Triennial Pension revaluation (increase in Pension Employer primary rate contributions)	50,000	0	0	75,000
Inflation on goods and services	150,000	150,000	150,000	150,000
Salaries - provision for pay award at 4% (£216,000) for 2024/25 (total pay of £5.4m), reducing to 3% in 25/26 and 26/27	0	216,000	170,000	170,000
Salaries - 22/23 award of £1,925 per Scale point has been modelled (an extra £210,000 on top of the 2% provided for)	360,000			
Pay award 2023-24 - Initial figures of £1,925 per Scale Point or a 3.88% increase for Scale Point 44 upwards. (£147,000 is the amount over the current budget provision). This will need to be built into the Base Budget in 2024-25.		147,000		
Increase in salaries - increments and pay and grading	175,000	75,000	75,000	75,000
IT inflationary cost pressures - increases in prices	0	90,000	0	0
Extra insurance costs		30,000		
Reduction in car parking income	150,000	0	0	0
Increase in external audit fees	60,000	0	0	0
Housing Delivery Team - Hub Committee 7th June 2022	29,800	0	0	0
Head of Revenues and Benefits - Hub Committee 12th April 2022	30,000	0	0	0
The Planning Improvement Plan, Hub Committee 7 June 2022, noted that the cost of the restructure, £33K per annum, will be funded for the first three years from the additional planning income held in the planning earmarked reserve.	33,000	0	0	0
A Plan for West Devon - Council 28.9.21 - £122,000 cost pressure for 22/23 and £168,000 for 2023/24	46,000	0	0	0
Reduction in Housing Benefit administration subsidy	10,000	10,000	0	0
National Insurance and National Living Wage (NLW increases)	40,000	40,000	40,000	40,000
TOTAL IDENTIFIED BUDGET PRESSURES	1,928,800	1,103,000	780,000	855,000

WEST DEVON BOROUGH COUNCIL

Contribution to Earmarked Reserves
(This line shows the annual contributions into the Reserve)

	BASE 2023/24 £	Yr 1 2024/25 £	Yr 2 2025/26 £	Yr 3 2026/27 £
Contribution to IT Development Reserve (£50K per annum)	50,000	50,000	50,000	50,000
Contribution to Planning Reserve (£25K per annum)	25,000	25,000	25,000	25,000
Contribution to Elections Reserve (20K per annum)	20,000	20,000	20,000	20,000
Contribution to a Joint Local Plan Earmarked Reserve - to commence the JLP review	0	50,000	50,000	50,000
Contribution from the Planning Reserve for the cost of the restructure within the planning service - Hub Committee 7 June 2022 - to be funded for the first three years from the additional planning income held in the planning earmarked reserve	(33,000)	(33,000)	(33,000)	0
Contribution from Business Rates Retention Reserve to smooth the volatility in business rates income from the baseline reset	(150,000)	(150,000)	(150,000)	(150,000)
Contribution from Strategic Change Earmarked Reserve	(32,567)	0	0	0
Contribution to Vehicles Replacement Reserve (£50K per annum) - An increase to £350,000 per annum per year has been built in as a cost pressure.	50,000	350,000	350,000	350,000
Contribution to Joint Local Plan Earmarked Reserve (staffing costs)	25,000	25,000	25,000	25,000
Total Contribution to/ (from) Earmarked Reserves	(45,567)	337,000	337,000	370,000

SAVINGS AND INCOME GENERATION IDENTIFIED

	BASE 2023/24 £	Yr 1 2024/25 £	Yr 2 2025/26 £	Yr 3 2026/27 £
Income from Investment properties (£350,000 is in the Base Budget for 2023/24) - periodic upwards rental reviews on investment properties	50,000	0	0	0
Management fee income from external contracts such as leisure - Council 15 February 2022	45,500	0	0	200,000
IT FIT Project - software savings	10,000	0	0	0
Establishment savings (salary savings) gained from IT and digital communications	50,000	0	0	0
Extra recycling income - this income has already been achieved in 2021-22 (Base budget of £515,000 in 2023-24)	190,000	0	0	0
Extra trade waste income (Base budget of £45,000 in 2023-24)	30,000	0	0	0
Extra treasury management income to reflect increases in the Bank Base rate (Base Budget of £400,000 in 2023-24)	375,000	300,000	0	0
Extra garden waste income (Base budget of £305,000 in 2023-24)	60,000	25,000	0	0
Savings on staff and Member travel and expenses	30,000	0	0	0
Housing Benefit overpayments	40,000	0	0	0
Additional Employments estates income (Base budget of £427,000 in 2023-24)	50,000	0	0	0
Funding from Homelessness prevention government grant (this funds housing posts - funding to be reflected within the base budget)	180,000	0	0	0
Discretion to charge up to an extra 100% extra council tax on Second Homes (timescale is that legislation is likely to be introduced for 25-26). There was a separate report on the Council agenda of 21 February 2023 regarding this.		0	157,000	0
TOTAL SAVINGS AND INCOME GENERATION	1,110,500	325,000	157,000	200,000