

Appendix A – Revenue and Capital Proposals

This appendix sets out by Lead Member Portfolio the following information:

Budget Pressures – This table sets out details by Lead Member Portfolio of the budget pressures that have been identified and evidenced for 2023/24 and therefore additional budget will be made available

Budget Growth – Unlike budget pressures that are set out in Appendix A that must be funded to enable a balanced budget to be set, budget growth is additional service above what is currently provided. The current proposed areas of growth for 2023/24 are set out below.

Budget Reductions – The table below sets out by Lead Member portfolio all of the proposed budget reductions for 2023/24. This report launches them for consultation and the feedback will be taken into account when Leadership Team recommend the final budget to Council on 1 March 2023

EQIA – A preliminary EQIA has been completed for all savings proposals. When the impact has been assessed as negative a full EQIA will be carried out.

A Adult Social Care and Public Health

B Communities

C Economy, Employment, and Innovation

D Planning, Place and Environment

E Finance and Customer Delivery

F Children and Family Services

G Community Safety, Culture and Leisure

H Housing and Social Investment

I The Leader

J Cross Cutting/ Council Wide

H - Cllr Kim Taylor Smith - Housing and Social Investment

Budget Reductions

Current Budget £'000	Proposed Reduction/ Increased Income £'000	Description	EQIA
Housing and Social Investment			
622	175	<u>Facilities Management Capitalisation of Posts</u> - In 2021 responsibility for Facilities Management transferred to Property and Social Investment. Following the transfer of responsibilities, a review was undertaken to ascertain whether some of the posts transferred could be charged against the Council's Capital Programme. The review identified a number of posts meeting the required criteria.	Neutral
102	40	<u>Reductions in Adaptations Budget</u> - most expenditure on property adaptation works is met from the Council's Capital Programme, reflecting the nature of works undertaken. However, there is a revenue budget for non-capitalisable costs. This revenue budget has been underspent in recent years as the OT's costs are being capitalised.	Neutral
65	65	<u>Reduction of Business Support Capacity</u> - reduction in 1.5 FTE Business Support officers. One post has been used to employ a graduate which will not be continued. The other is half of the Director's Business Support person.	Neutral
5,400	200	<u>Reduction in staff in Housing Needs</u> - There are currently approximately 2150 households in temporary accommodation, with an average annual net expenditure of approximately £10m. In 2021/22 there were 1241 homelessness applications, with 340 social lets during the year. In addition, the service completed 213 private rented sector moves during the course of the financial year. Savings are proposed which include the reduction of staff through 4 officer posts which equate to £200,000. In addition, Housing Needs are generating income through the delivery of an external service provision and some savings will be offered through this income which will generate £19,000.	Neutral
690	680	<u>Income from Letting of Properties</u> Grenfell Housing - Following the Grenfell tragedy, the Council acquired a number of properties from Grainger (a property developer). Most of these are being let on social rent tenancies. However, a number are being let on assured tenancies. No revenue budgets have been set for the income arising from these lettings and therefore an income budget is now being created	Neutral

		<p>Pembroke Road - Following completion of the refurbishment of Pembroke Road, Housing Management will occupy the newly created office space. The current office space occupied by Housing Management is on a private sector tenancy arrangement which will end once the move to Pembroke Road takes place.</p>	
100	100	<p><u>Commercial Rent</u> - Each lease renewal or new lease for commercial premises (if not within 1954 Act) will be reviewed to maximise income generation. As leases are renewed, or new leases issued we will take the opportunity to maximise income taking into account the potential impact on the tenant which will include being flexible around the rent free periods offered to tenants at the commencement of new leases.</p> <p>A review on the operational estate is underway to identify spaces where we could generate additional revenue income or a capital receipt through disposal without negatively impacting on service delivery or community use.</p> <p>It is unlikely that we will know the full potential level of additional income expected until after the start of financial year 2023/24. Further, the need to provide rent free periods will result in rent levels in 2023/24 being significantly lower than we would anticipate in subsequent years. It is therefore difficult to predict what level of income we can assume will be achieved in 2023/24. At this stage we are assuming £100,000 which is considered prudent.</p> <p>Any capital receipts generated will be used to fund capital expenditure which in turn will reduce the Council's need to borrow.</p>	Neutral