



**Telford & Wrekin**  
**C O U N C I L**

**Addenbrooke House Ironmasters Way Telford TF3 4NT**

**CABINET**

**Date Thursday, 6 January 2022 Time 10.00 am**  
**Venue Telford Room, Third Floor, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT**

**Enquiries Regarding this Agenda**

Democratic Services	Jayne Clarke / Kieran Robinson	01952 383205 / 382061
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**Cabinet Members:**

Councillor R A Overton	Deputy Leader and Cabinet Member for Housing, Enforcement and Transport
Councillor A J Burford	Cabinet Member for Adult Social Care and Health, Integration and Transformation
Councillor E M Callear	Cabinet Member for Visitor Economy, Employment and Skills
Councillor L D Carter	Cabinet Member for Neighbourhood Services, Regeneration and the High Street
Councillor R C Evans	Cabinet Member for Finance, Governance and Customer Services
Councillor C Healy	Cabinet Member for Climate Change, Green Spaces, Natural and Historic Environment and Cultural Services
Councillor K Middleton	Cabinet Member for Leisure, Public Health and Well-Being, Equalities and Partnerships
Councillor S A W Reynolds	Cabinet Member for Children, Young People, and Families
Councillor P Watling	Cabinet Member for Stronger and Safer Communities
Councillor S Davies	Leader

**Invitees:**

Councillor W L Tomlinson	Liberal Democrats
Councillor N A Dugmore	Conservative

**AGENDA**

Key 6. **Medium Term Financial Strategy 2022/23 - 2025/26**

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## **FILMING, RECORDING & PHOTOGRAPHY**

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**TELFORD & WREKIN COUNCIL**

**CABINET – 6 JANUARY 2022**

**MEDIUM TERM FINANCIAL STRATGEY 2022/23 – 2025/26**

**REPORT OF THE CHIEF EXECUTIVE AND THE CHIEF FINANCIAL OFFICER**

**LEAD MEMBERS Cllr S. DAVIES and Cllr. R. EVANS**

## **PART A) – SUMMARY REPORT**

### **1. SUMMARY OF MAIN PROPOSALS**

- 1.1 The Council received a provisional one-year funding settlement from Government on 16 December 2021. Considerable uncertainty therefore remains over the medium term financial outlook for the Council. However, as a large complex organisation delivering many essential services to our community we need to plan over a medium term period and therefore this report sets out a Medium Term Financial strategy (MTFS) covering the period 2022/23 to 2025/26. Due to the provisional one-year settlement from Government, projections beyond next year are indicative and will be revised as further information becomes available.
- 1.2 The Government has applied severe financial constraints to local authorities during a prolonged period of austerity which has resulted in some councils in other parts of the country having to issue “section 114 notices” and take extreme measures to restore financial stability. At the same time as we have been subject to cuts in our funding from Government, the Council has seen increased demand for key services, particularly Adult Social Care and Children’s Safeguarding which has necessitated very active budget management and financial control by Cabinet Members and officers across the Council. The Council has demonstrated a consistently strong track record of sound financial management delivering a financial outturn within budget and unqualified audit opinions for over 15 years despite having to deliver £133.7m ongoing annual budget savings by the end of 2021/22 - without the need to implement any emergency spending control measures.
- 1.3 Due to this track record, the Council remains in a sound financial position. For the fourth consecutive year, the Council also has the lowest level of council tax for the services that we provide across the whole of the Midlands region (see Appendices 1 and 2 for council tax

comparisons). The average Council Tax at Band D in the Midlands region is more than 13% higher than in Telford & Wrekin. The Council continues to face increasing demands for many services including Adult Social Care. However, we are acutely aware of the pressures facing households in the Borough arising from both the pandemic and from increasing national taxes and rising food and energy costs. In both the Comprehensive Spending Review announced on 27 October and in the local government finance settlement announced on 16 December, the Government assumed that all councils responsible for delivering social care services will implement a 2% general council tax increase plus a 1% Adult Social Care precept next year. However, despite these Government assumptions, **Telford & Wrekin Council are committing to freeze our level of general council tax for both 2022/23 and for 2023/24. The Council will apply the Governments' assumed 1% Adult Social Care precept next year.** This will raise £0.767m towards the £4.9m net additional investment required in Adult Social Care next year. For the average (Band B) property, this will cost £0.21 per week. After this increase, the Council still expects to have one of the lowest levels of council tax in the Midlands region and one of the lowest amongst all unitary authorities in England for the services that it provides. The increase in the total bill for each household will be affected by the decisions of the Police & Crime Commissioner, The Fire Authority and individual town and parish councils.

- 1.4 Due to our sustained effective financial management we are also able to make a number of significant investments to further Protect, Care and Invest in the Borough. These include:-
- Net investment of £0.66m in to Children's Safeguarding next year and £4.9m in to Adult Social Care next year rising to £6.7m by 2023/24. The Council's net budget for Children's Safeguarding next year will be over £37m and for Adult Social Care the net budget will be almost £53.3m giving a total commitment to these two key areas of over £90m equivalent to over 65% of the total net revenue budget.
  - £10m for affordable housing initiatives,
  - Over £20m additional investment in NuPlace bringing the total investment up to £130.9m
  - Creation of a £20m capital investment fund that will enable one-off investments in a range of corporate priorities. Further details will be set out in a report to be considered at Cabinet in February 2022.
  - £37m additional investment in the Telford Growth Fund to protect existing jobs in the Borough and to attract new jobs through inward investment.
  - A range of other capital investments including road maintenance and maintenance and refurbishment of our operational properties.
- 1.5 However, of course, we cannot continue to deliver everything that we do currently in exactly the same ways as we have done previously and

need to continue to make savings where we can. Since 2009/10 the Council has delivered savings totalling £133.7m which has included deleting over 1,600 jobs, this report contains details of our approach to identifying savings opportunities and to consultation and engagement on these proposals so that we minimise their impacts as far as possible. The report also puts forward new proposals that will deliver ongoing savings, including from additional income, of £143.7m by 2023/24. Despite the significant budget savings that we have had to make, the Council is still a large organisation delivering many services to local people and it is essential that we use our remaining revenue and capital resources as effectively as possible to deliver the greatest possible benefit for local people.

- 1.6 The Council has consistently said that it will continue to protect the most vulnerable in our society and prioritise the protection of services to vulnerable adults and children in our community. The Council is committed to ensuring that we always meet the assessed needs of vulnerable people as we make changes to services we will always place priority on these essential services and will not let financial pressures mean that we fail to meet the assessed statutory needs of the most vulnerable.
- 1.7 A consultation period on the proposals included in this report will run from 7 January 2022 through to 6 February 2022. The Business & Finance Scrutiny Committee will scrutinise the Administration's budget proposals and any alternative budget proposals put forward by any Opposition group(s). Cabinet will agree final recommendations to full Council at their meeting to be held on 17 February and final decisions on the budget and council tax for 2022/23 will be taken at full Council on 3 March 2022.

## **2. RECOMMENDATIONS.**

- 2.1 Members are asked to approve:-
  - 2.1.1 The proposed Medium Term Financial Strategy set out in this report for consultation between 7 January 2022 and 6 February 2022.
- 2.2 Members are asked to note:-
  - 2.2.1 The high level of uncertainty relating to the medium term financial outlook for the Council due to:-
    - the Government's one year provisional local government finance settlement not extending beyond the end of March 2023 and,
    - the significant potential changes to the local government finance system which may be introduced from April 2023.

This high level of uncertainty requires the Council to retain flexibility by limiting new ongoing investments to our highest priorities and retention of as much one-off resource as possible whilst identifying additional budget savings to ensure a balanced budget for next year.

### 3. SUMMARY IMPACT ASSESSMENT.

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-Operative Council priority objectives?	
	Yes	The Medium Term Financial Strategy is integral to ensuring that available resources are used as effectively as possible in delivering all corporate priority outcomes.
	Will the proposals impact on specific groups of people?	
	Yes	The proposals contained in this report will impact on specific groups of people. An initial Impact analysis, on the savings proposals, highlights limited equality impacts, further work will be undertaken to identify and mitigate adverse impacts as far as possible. We screen all savings proposals for potential equality impacts relative to the General Equality Duty and will carry out further impact analysis where appropriate, prior to any decisions being taken. Details of this screening and impact analysis process will be included in reports to Cabinet as appropriate.
<b>TARGET COMPLETION/DELIVERY DATE</b>	Public consultation will take place between 7 January 2022 and 6 February 2022. The proposals contained in the report will also be subject to Member scrutiny during this period. Final proposals will be considered by Cabinet on 17 February 2022 who will make recommendations to Full Council on 3 March 2022. The final agreed recommendations will be implemented during 2022/23 and future years.	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	This report sets out the Medium Term Financial Strategy for the Council for the period commencing 2022/23.

<b>LEGAL ISSUES</b>	Yes	This report develops the proposals for the Council's budget and policy framework which will be consulted upon in accordance with the Policy Framework & Budget Procedure Rules contained in the Constitution. In accordance with the relevant provisions of the Local Government Finance Act 1992, the Local Government Housing Act 1989, the Local Government Act 2003 and the Localism Act 2011, the Council has to set a balanced budget for 2022/23 before the 11 March 2022 and has to have regard to the advice provided by the s.151 officer (Chief Finance Officer) on the robustness of the budget and the adequacy of reserves supporting the budget before doing so.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	This report sets out the strategy framework which includes consideration of corporate risks – particularly in relation to the availability of balances.
<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough-wide impact.

## **PART B) – ADDITIONAL INFORMATION**

### **4. NATIONAL CONTEXT.**

- 4.1 When the coalition Government was formed in May 2010 they committed to eliminating the national budget deficit which required very significant cuts in public spending and a period of severe financial constraint for the Council commenced. Local authorities were particularly affected by funding cuts during this period because the Government protected many areas of public spending – but not local government.
- 4.2 At the same time, Adult Social Care and Children's Safeguarding services, in particular, but also other local government services have faced significant additional pressures e.g. from the increase in the number of older people needing access to social care services and specialist care.

4.3 In recent years, as the Government cut funding for local authorities they assumed that councils would increase council tax by the maximum permitted up to the referendum limit, including the introduction of the Adult Social Care precept. This has seen a direct transfer of the responsibility for funding local government services from grants provided by central government to council taxpayers regardless of the ability of local taxpayers to fund these increases. As a Council with a low level of Council Tax (see appendices 1 and 2) and the majority of properties in Bands A and B a 1% Council Tax increase raises significantly less than in an area which has a high level of Council Tax and has a large proportion of properties in higher Council Tax bands.

#### 4.4 **AUTUMN BUDGET AND COMPREHENSIVE SPENDING REVIEW 2021.**

4.4.1 For the last two years, the government has only held single-year Spending Reviews, with 2019 being a single year due to the political turbulence around Brexit, and 2020 being a single year due to the COVID-19 pandemic. Prior to 2019, there had been three multi-year Comprehensive Spending Reviews (CSRs) since 2010, with each impacting on local government's strategic financing.

4.4.2 CSR 2010 established the initial path of reductions to local government grant funding and introduced the Council Tax Freeze Grant and New Homes Bonus. CSR 2013 continued on this trajectory and introduced the Better Care Fund. CSR 2015 saw the scrapping of the Council Tax Freeze grant, and the introduction of referendum limits for Council Tax and the introduction of the Adult Social Care Precept.

4.4.3 On 7 September 2021, the Chancellor of the Exchequer, Rishi Sunak MP, wrote to Secretaries of State to confirm the government's intention to complete a multi-year CSR (CSR 2021) – the first multi-year spending review since 2015. CSR2021 would set revenue and capital budgets for 2022/23 to 2024/25. In this letter, the Chancellor also confirmed the intention to introduce a new 1.25% Health and Social Care levy to both employee and employer national insurance contributions to support the NHS and introduce a cap on care costs for people self-funding care costs.

4.4.4 On 27 October 2021, the Chancellor announced the Government's Autumn Budget and CSR2021. As previously indicated, this outlined the Government's revenue and capital spending plans for the three years 2022/23 – 2024/25 by setting budgets for each central government department.

4.4.5 CSR2021 was delivered within the constraints of a new set of fiscal rules and in the context of considerably improved economic forecasts from the Office for Budget Responsibility (OBR). The MJ commented

that “*The chancellor...revealed a new set of fiscal rules. He vowed to make borrowing only for investment purposes, not revenue expenditure ‘in normal times’, while underlying public sector net debt must continue to fall.*” As reported in Public Finance, The Office for Budget Responsibility stated that “*public spending will increase from 39.8% of GDP before the pandemic to 41.6% of GDP in 2026-27, the largest sustained share of GDP since the late 1970s*” and that “*national debt will peak below 100% of GDP at 98.2% this year, before falling to 88% of GDP in 2026-27*”.

4.4.6 Overall spending will increase in real terms up to 2024/25, with departmental spending increasing in real terms by 3.8% a year on average over the Parliament – a cash increase of £150 billion a year by 2024/25 (£90 billion in real terms) which will require increased taxes to be paid. The Association of Public service Excellence reported that, “*The budget overall is set to deliver a net tax rise of £16.7bn by 2026-2027, taking it to a predicted 36.2% of GDP by the same year. This has been widely compared to the early 1950s with record levels of tax-take.*”

4.4.7 The Government announced a very wide range of priorities in CSR2021, to which much of the additional funding has been allocated, these include:-

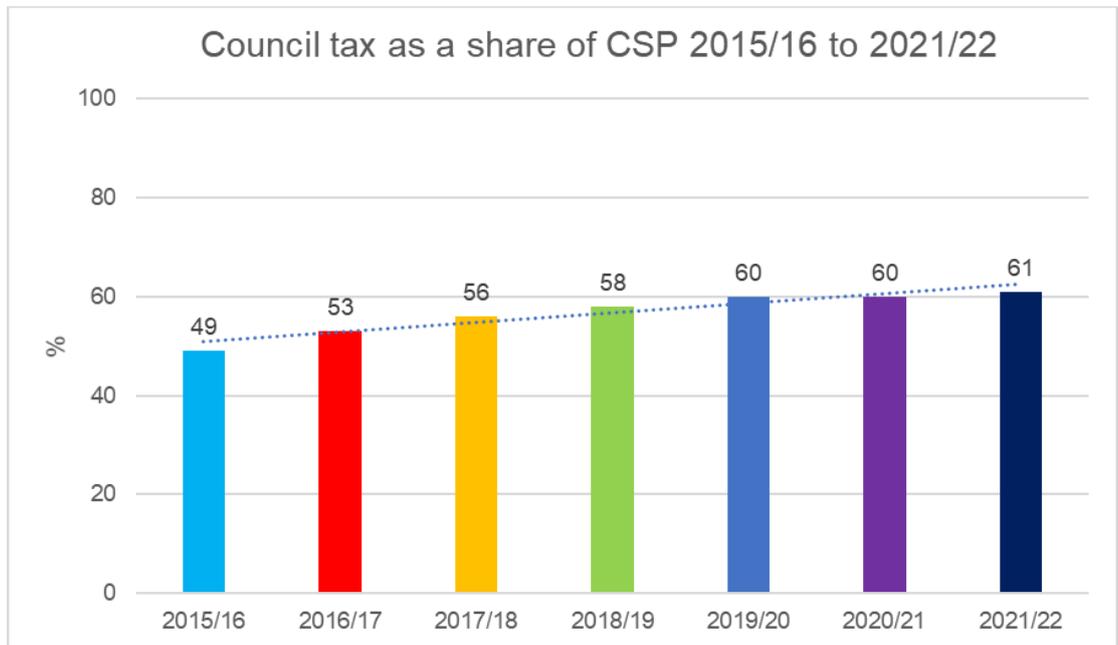
- Local government – an average real-terms increase of 3% a year in core spending power. However, this includes assumed income from council tax and the Adult Social Care precept. The spending review assumes that councils apply the full 2% general council tax increase allowable before a referendum is held plus an additional 1% ASC precept for eligible councils for each of the three years covered by CSR2021 and also made an assumption of continued growth in the tax base to reflect new properties being constructed. The Department for Levelling Up, Housing and Communities (DLUHC) will set out full details of the council tax referendum principles and proposed approach to allocating grant funding through the Local Government Finance Settlement. The increase in funding is front-loaded. Councils will receive an increase in 2022/23, and this will remain for the Spending Review period, but will not increase significantly thereafter. The Core Spending Power increases in future years will come from council tax and the ASC reform funding which will merely aim to compensate councils for the additional costs that they will incur as a result of the cap on care costs for self-funders. By 2024-25 core spending power is expected to rise to £58.9 billion
- Public Health Grant - the Spending Review indicates that the Public Health Grant will be maintained in real terms, so it should be expected that councils will receive inflationary increases over the Spending Review period.

- Business Rates - The latest fundamental review of the business rates system has now been completed. The Chancellor's speech highlighted that the Government does not intend to abolish business rates, though the review states that the government will launch a consultation on an Online Sales Tax. A number of announcements were made, most notably a further freeze of the business rates multiplier (following a freeze for 2021/22 keeping the multipliers at 49.9p and 51.2p) and an extension of the Retail, Hospitality and Leisure relief (this time at 50%, lower than the 66% previously applicable, with a cash cap of £110,000 – up from the £105,000 cap applicable in 2021/22). The Government anticipates that the relief will cost £1.7bn nationally in 2022/23. The Government has announced that, after the next revaluation in 2023, revaluations will take place every three years instead of five years. The delay to 2023 of the next revaluation means that there is currently a gap in the Transitional Relief and Supporting Small Business schemes, and so these have been extended for 2022/23. A consultation on the Transitional Relief scheme for the 2023 revaluation will be carried out in 2022. A new relief will be introduced from 2023, which will allow businesses to benefit from 100% relief on any uplift in value for 12 months from when they make improvements to a hereditament. There will be a consultation on this prior to implementation, and then it will be reviewed after five years. A relief will also be introduced for plant and machinery used in onsite renewable energy generation and storage.
- All of these measures (additional reliefs, multiplier freeze, and revaluations) have historically been implemented with a view to ensuring a neutral impact on local government finance, with grants provided (or top up/tariff adjustments, in the case of revaluation) to cover the costs involved. There is no reason to believe that this would change for these announcements.
- Health and social care – with the Spending Review confirming previous commitments on a new Health and Social Care Levy.
- Education – An additional £4.7bn by 2024/25 for the core schools' budget in England, over and above the Spending Review 2019 settlement for schools equivalent to a cash increase of £1,500 per pupil compared with 2019/20 amounts. In addition, £2.6bn over the Spending Review period for new school places for children with special educational needs and disabilities (SEND) in England.
- Housing – Confirming previous announcements on the Affordable Homes Programme (£7.5bn over the spending review period) and remediation to the highest risk buildings with unsafe cladding; and also provides £639m in funding by 2024/25, a cash increase of 85% compared to 2019/20, as part of the Government's commitment to end rough sleeping.

- 4.4.8 Local Government Funding Reform: - In his CSR, the Chancellor did not make any announcements about the future of the fair funding review (also known as the Review of Relative Needs and Resources), the move to further business rates retention, the business rates reset which were originally expected to be implemented in 2019/20, but which have been delayed a number of times, or new homes bonus reform. There was also no comment on whether local government could expect a three-year local government finance settlement which would have been possible given the three year period covered by the CSR.
- 4.4.9 The MJ commented that “*There was no hint at the future for business rates reform, leaving local government without a plan for its long-term finances.*” The MJ reported that the Chairman of the Local Government Association, Cllr James Jamieson, said: *'It is disappointing that the chancellor has not provided additional funding to address existing pressures on adult social care services and not increased public health funding. We remain concerned that the money allocated to social care from the Health and Care Levy will be insufficient to fund reforms. The potential rise in local government core spending power over the next three years will also be dependent on councils increasing council tax by 3% per annum.'*

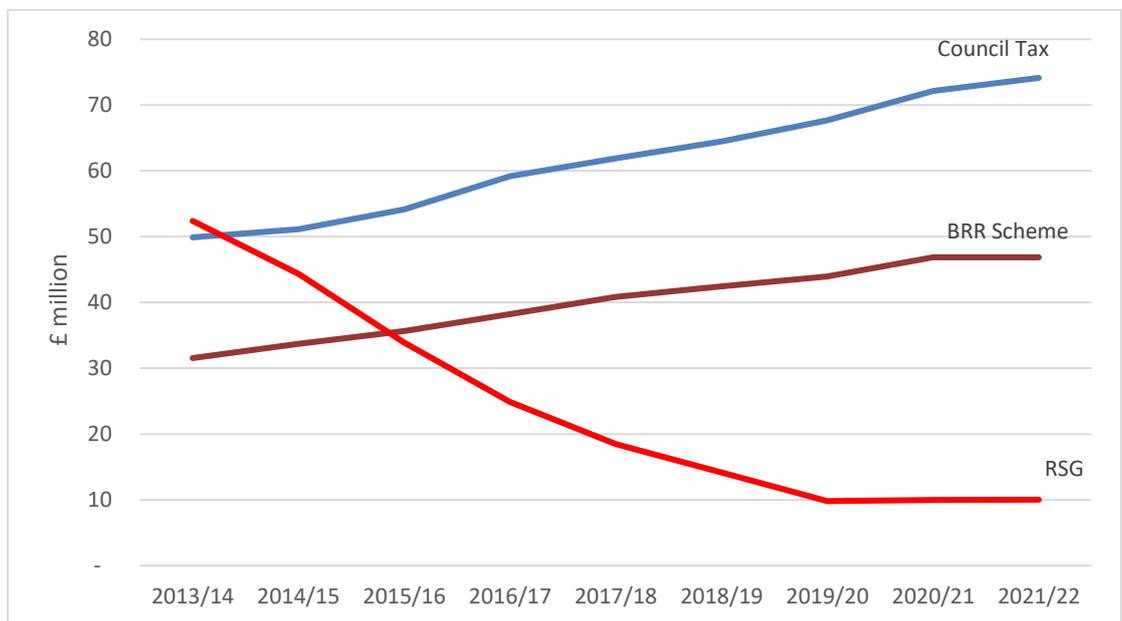
## 5. LOCAL CONTEXT

- 5.1 The Government’s comparatively low priority for local government compared to other parts of the public sector in recent years has seen funding provided from the government reduce significantly with a deliberate shift in national Government policy to increase the proportion of local government services funded from council tax and other locally derived income sources.
- 5.2 In their briefing paper: “Local Government Funding Reform Decisions and Options” LgFutures highlight that the “*council tax share of Core Spending Power (CSP) rose from 49% nationally in 2015/16 to a projected 61% in 2021/22*” as shown in the chart that they have produced and which is copied below.



5.3 Locally, the impact of this policy shift is demonstrated in the graph below.

#### Funding of Telford & Wrekin Council Net Budget since 2013/14



5.4 The amount of Revenue Support Grant (RSG) has fallen from over £50m in 2013/14 to just over £10m in 2021/22. During this period demand for many services has been increasing and inflationary pressures have also increased costs. As can be seen from the graph, the amounts raised from business rates and council tax have been increasing, which is in line with national trends.

- 5.5 In 2013/14 39% of the net budget was funded from RSG and 37% was funded from council tax. In 2021/22 only 8% was funded from RSG and 56% funded from council tax. However, throughout this period the council has maintained one of the lowest levels of council tax for the services that this Council provides in both the West and East Midlands, indeed it has been the lowest in the region for the last 4 years.
- 5.6 As well as a withdrawal of central government funding over many years, the introduction of the existing local government finance system in 2013/14 saw a significant transfer of risk to local authorities. This included the introduction of local “Council Tax Support” rather than centrally funded “Council Tax Benefits” and local retention of business rates.
- 5.7 As a large complex organisation delivering a huge variety of essential services and also one that continues to face significant financial pressures and many uncertainties, it is highly desirable that the Council should have a financial strategy that covers the medium term. However, it is clearly very difficult to produce meaningful future projections of resource availability in the absence of medium term funding settlements for local authorities from the Government particularly given the added dimension of continuing uncertainty over potential changes to the local government finance system that have been deferred on many occasions but remain likely to be implemented at some point. Despite this uncertainty, we have to make the best projections that we can and ensure that we seek to identify approaches to reduce reliance on government funding, ensure that an appropriate level of reserves and contingencies is maintained by the Council and that the Council maintains its long track record of sound financial management.
- 5.8 Despite severe financial challenges, the Council has a long track record of highly effective financial management and has again received an unqualified External Audit opinion for its latest set of accounts. Despite having made £133.7m of budget savings by the end of this year, the Council has managed to come within budget, without needing to implement unplanned emergency spending controls and has received unqualified external audit opinions for more than 15 years. Further details of savings made to date are included in Appendix 3.
- 5.9 The Council has sought to offset part of the loss of Government grant by generating income by adopting a more commercial approach to many existing services. We have sought to ensure that this approach spreads fixed costs, maximises use of any spare capacity and where possible brings environmental, social or economic benefits to our residents. We were the second council nationally to open a commercial solar farm and are currently investing in NuPlace, a wholly owned company, which offers high quality homes, mainly at market rents. Primarily NuPlace was established to increase the supply of private rented accommodation in the area, to regenerate brown field

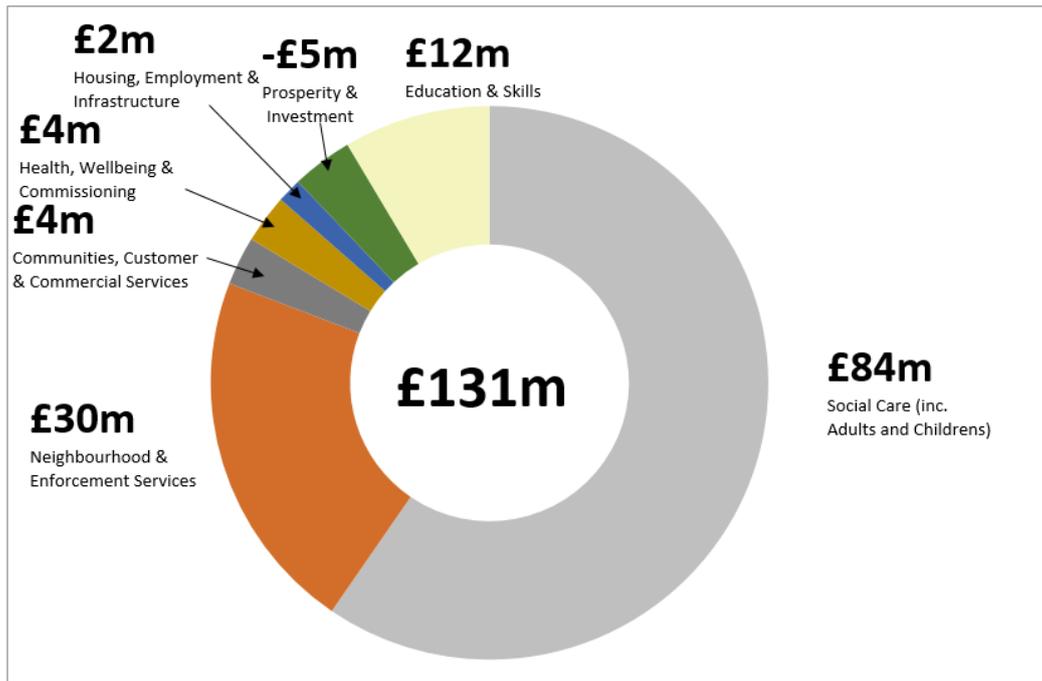
sites that the Council had been unable to sell and to drive-up standards in the wider private rented sector by offering a high quality alternative to private tenants. However, both of these schemes also generate a surplus after paying all associated costs. The profit is used to help reduce the amount of cuts that we would otherwise have to make to the front line services that the Council provides to our community.

- 5.10 The Council is also committed to investing in Telford's future. Ensuring that the Borough is an attractive place to live, work, learn and visit is essential if we are to attract new businesses that will create jobs and bring prosperity to the area and the people that live here. The Council also benefits from retaining a share of any additional business rates (between "reset periods") which also helps to minimise the cuts that we have to make to front-line services.
- 5.11 As part of our "Business Winning, Business Supporting" Approach, the Council is proposing to make additional investments in our Property Investment Portfolio which unlike some councils is invested solely within the Borough in new property holdings bringing new jobs to the Borough from inward investors but also retaining existing jobs in companies looking to expand and which may otherwise move out of the borough. Any net return after covering all associated costs is used to support front line services as will additional retained income from business rates between reset periods.
- 5.12 On 4<sup>th</sup> March 2021 the Council approved a one year service and financial planning strategy for the current financial year. A one year strategy was agreed because the Government only provided a 1 year funding settlement, because of the added uncertainties caused by the pandemic and because the Government had again deferred their planned major changes to the local government finance system. The Council remains committed to key themes from this earlier strategy and will continue:-
- To work with partner organisations, including Town & Parish Councils and voluntary sector and community groups to seek to identify ways to mitigate the impact of some of the cuts to services that we can no longer afford to provide. These discussions have been very successful and the Council is committed to extending this approach further through Partnership Deals with some transitional funding potentially available where appropriate.
  - Despite last year assuming that 2021/22 would be the last year that the Council would be able to transfer grant to the remaining, most severely affected, Town & Parish Councils in respect of Local Council Tax Support, the Council is proposing to repeat the payments in 2022/23 and in order to enable these town and parish councils to plan on a medium term basis, we are proposing to now give certainty over the amounts to be allocated in the

following two years which will see the remaining grant evenly phased out with the final payments made in 2024/25.

5.13 The budget set for the current year and which forms the basis for the budget for future years is summarised in the pie chart below:-

**SUMMARY OF TELFORD AND WREKIN COUNCIL NET EXPENDITURE (£131m)**



5.14 The chart shows that in 2021/22, £84m, or almost two thirds of our net budget, is spent on social care for adults and children. The LGA has said that “we warned that children’s and social care services could fail to support everyone they need to. This is despite funding for both services making up nearly two-thirds of councils’ total spending due to rising demand. Our new analysis showed that social care authorities are spending more than 60 per cent of their outgoings on these vital services... We also highlighted the spiralling demand on children’s social services and future cost pressures in children’s social care, which are set to increase by an estimated £600 million a year until 2024/25, with many councils finding themselves in the unsustainable position of consistently having to overspend their children’s services budgets”. Financial Management reports to Cabinet during the year have consistently highlighted that at Telford & Wrekin both adults and children’s social care services are facing pressure despite the significant additional ongoing investments made in recent years, additional ongoing investment in both services is therefore required to ensure a robust MTFS in future years.

6.0 **A COUNCIL WORKING TO PROTECT, CARE & INVEST TO CREATE A BETTER BOROUGH**

- 6.1 Despite our severe financial constraints, Telford and Wrekin is a progressive Council with ambitions to improve the Borough and the lives of residents. We are tackling the enduring impact of the Government's sustained austerity programme and the pandemic head on.
- 6.2 The Council has an ambitious four-year investment programme to protect, care and invest to create a better borough and between 2020 and 2024 we will be investing more than £50m to keep neighbourhoods safe, clean and well connected.
- 6.3 In September 2021, the Leader of the Council wrote to every household in the Borough highlighting £16m of investments in projects that will make the borough cleaner, greener, safer and more enjoyable as part of our commitment to Protect, Care and Invest in the Borough which is on top of the £50m referred to above. This package includes:-





- 6.4 Our Council Plan agreed by Cabinet in October 2020 sets out how as a Co-operative Council, the organisation wants to take forward the Borough over the medium term. It is a Plan which is centred on tackling the inequalities that exist in our communities. We will build a strong, clean economy and will ensure that all communities benefit from this - that the very real differences between our communities are “levelled-up” and that all of our communities are resilient, healthy and prospering. Core to all of this will be the action we take to protect our environment and playing our part in tackling the climate emergency.
- 6.5 Despite the severe financial challenges we face, our mission is clear. We will support businesses to recover from the Covid-19 pandemic, to attract new jobs and investment and promote clean growth in the borough, whilst seeking to protect, as far as we are able to, priority front-line services and are working co-operatively with our residents and partners to deliver these.
- 6.6 From our on-going engagement with local people over many years, we are clear that they and their families have some fundamental priorities which we as a Council will work with them to achieve. We know that the people of Telford & Wrekin want to live:
- **In a safe community** – we work in partnership with West Mercia Police to ensure that Telford & Wrekin remains a low crime area. Our work to support and safeguard children from sexual exploitation has been recognised by Ofsted as amongst the best in the country. We have worked to get Telford designated as a White Ribbon Town where domestic violence is not tolerated. Our Public Protection team deliver our enforcement agenda to ensure that local services and facilities are safe, that nuisances are tackled and houses in multiple occupation are better managed. We have made a commitment as a Council to always look after the most vulnerable in our community.
  - **In a clean environment** – we work in partnership with Idverde and Veolia and also with our Town and Parish Councils to ensure that our streets, parks and public spaces are clean and tidy and that we have first class waste collection and recycling services.

- **In a place with good roads and pavements** – each year we invest in a major programme to repair and maintain our roads and pavements. We have also secured significant amounts of Government funding to improve many roads, roundabouts and junctions so that congestion caused by more cars using our roads in the future will be reduced or avoided. The existing investment plan is summarised below:-



- Through our 'Pride in Your Community' initiative we have also made lots of little improvements in communities and on estates that can make a big difference to everyday life.
- **Where there are first class schools and education facilities** – we work in partnership to support our primary, secondary and special schools and performance is amongst the best in the West Midlands. We will continue to invest in maintaining and extending school buildings.
- **Where there are excellent and accessible hospital and GP services** – we are working with many GP practices and Health Services in our neighbourhoods to provide more joined-up health and care services that better meet people's needs there is support in the community to help people to stay healthy. We are also doing all we can to seek to retain full Accident & Emergency services at the Princess Royal Hospital as well as the Women's and Children's Centre.
- **Where they have a job and there is a thriving economy** – through our Enterprise Telford approach, we are attracting more new businesses to come to our Borough every year bringing new jobs. We have also supported many existing businesses to succeed and expand. Through our 'Pride in your High Street' initiative, we have sought to give local businesses the key skills to both survive and thrive in our town centres. We work to protect local jobs, we have lobbied Government to retain key activity in our town. We also work, through

our Job Box and Apprenticeship schemes, to ensure local people, and particularly young people, have the skills they need to get a job.

- 6.7 As a Co-operative Council, we are committed to listening to and involving residents in developing our plans to protect, care and invest to create a better Borough. Over the last two years, we have increased our engagement with residents, carrying out a wide range of consultations, including a Residents' Survey that all residents of Telford & Wrekin were invited to take part in. In total, we received 5,473 responses, exceeding our original target of 5,000 responses, with responses from every ward across the Borough.
- 6.8 The survey also provided an opportunity to encourage people to have their say on an ongoing basis through a new Community Panel. Residents were asked if they were interested in finding out more about the Panel, with 30% (1,640) expressing an interest.
- 6.9 While many other councils have focussed on making cuts while neglecting growth and stopped major development projects, we continue to prudently invest to create jobs and safeguard the future prosperity of the Borough and its residents.
- 6.10 Underpinning our relationship with the community are our Co-operative values. These values are at the heart of all that we say and do as an organisation:-
- **Openness and Honesty** - being open and honest in the way we work and make decisions and communicate in a clear, simple and timely way;
  - **Ownership** - being accountable for our own actions and empower others with the skills to help themselves;
  - **Fairness and Respect** - responding to people's needs in a fair and consistent way;
  - **Involvement** - working together with our communities, involving people in decisions that affect their lives and be prepared to listen and take on new ideas.

## 7. **BASE BUDGET FOR 2022/23**

- 7.1 The base budget for 2022/23 totals £142.8m and is summarised in Appendix 8. The budget will be restated after final decisions have been taken on the savings and investment proposals contained in this report.
- 7.2 Following receipt of another one year provisional funding settlement from Government, there are many areas of significant uncertainty facing the Council and our overall financial position beyond March 2023 including the ongoing effects arising from the pandemic and the

impacts that may arise from potential changes to the local government finance system.

- 7.3 It is with this uncertainty over the medium term financial outlook facing the Council in mind that the balance between the key components of the overall MTFS need to be considered i.e.:-
- New ongoing revenue and one-off capital investments (which also impact on the revenue budget both in the year of spend but also in some cases for many decades ahead),
  - The balance between further savings and the level of council tax increase,
  - The use of one-off resources versus retention of a sufficient level of one off resources to provide future flexibility.
- 7.4 Given the high degree of uncertainty, it is difficult to make accurate forward projections. However, it is essential that we now use the best available information to estimate the potential level of budget shortfall in future years so that we can start to plan ahead now through this MTFS framework which is based on the Council's multi-year budget model which includes many variables and will be regularly reviewed and updated as further information becomes available. Using current available information and assumptions, the position is summarised in the table below. However, it must be noted that the actual position may be very different to that set out below.

<b>Base Budget Movements from 2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
	£'000	£'000	£'000	£'000
<b>2021/22 Base Budget</b>	<b>131,014</b>	<b>131,014</b>	<b>131,014</b>	<b>131,014</b>
Allowance for inflation on major contracts (using contract specific indices) and for pay inflation (1.75% for 2021/22 which is yet to be finalised; 1.75% in 2022/23 followed by 1.25% in the following three years)	3,755	6,061	8,356	10,665
Revenue contingency	2,423	2,423	2,423	2,423
Services Grant (new – assumed ongoing)	(2,671)	(2,671)	(2,671)	(2,671)
Adults & Childrens Social Care additional grant (assumed ongoing)	(2,133)	(2,133)	(2,133)	(2,133)
Impact of Capital Programme	1,910	2,911	3,407	3,304
Allowance for Single Status	-	-	1,270	1,270
Cost of Health & Social Care Levy	725	725	725	725

New Homes Bonus	(228)	(228)	(228)	(228)
<b>Investments:</b>				
Adult Social Care - new (gross) investment	6,480	8,480	8,480	8,480
Children's Safeguarding - new (gross) investment	1,200	1,200	1,200	1,200
Other changes net of savings previously approved	294	(120)	38	(42)
<b>Updated Base Budget</b>	<b>142,769</b>	<b>147,662</b>	<b>151,881</b>	<b>154,007</b>
Projected Funding	136,346	137,174	138,907	140,440
<b>Base Budget Gap before Council Tax increase</b>	<b>6,423</b>	<b>10,488</b>	<b>12,974</b>	<b>13,567</b>
Less:				
Savings	5,656	8,340	8,340	8,340
Council Tax Increase	0	0	0	0
Adult Social Care Precept of 1%	767	767	767	767
<b>Shortfall to be covered from further ongoing savings, any council tax increases and use of one offs</b>	<b>0</b>	<b>1,381</b>	<b>3,867</b>	<b>4,460</b>

**Notes:-**

- Considerable uncertainty remains on more than £15m of grants other than RSG which have been assumed but not announced at the time of drafting this report. The overall position will be firmed-up in the February report to Cabinet by which time the Council should have final allocations for all outstanding grants and will be able to reflect any additional budget pressures and opportunities that arise over coming weeks.
- The actual amount of business rates available for the budget strategy will be confirmed when the NNDR 1 form is completed and submitted in January 2022.
- No assumption has been made for any Council Tax increases in any of the years covered by the MTFs. It is assumed that the Council will implement the Government's 1% ASC Precept which was assumed in the Government's CSR projections for 2022/23 but no further increase in later years has been assumed.
- **The projections for years after 2022/23 are only intended as a broad indication at this stage for planning purposes and the estimates will be further updated as additional information becomes available.**
- **It should be noted that over £10m of Government grant allocations for 2021/22 are of a one-off nature including ASC grants, the "services" grant and New Homes Bonus. The**

**projections above assume that this, or alternative Government funding of an equivalent amount, will be received in future years.**

- No use of balances is proposed in 2022/23 and therefore no call on the Budget Strategy Reserve is anticipated. This is projected to have a balance of over £20m to support budgets in future years after having set aside funding in specific reserves and provisions for specific purposes such as bad debts provisions, implementation of a new job evaluation scheme etc.

7.5 After having delivered £126.4m of annual savings already, which will increase to £133.7m by the end of this year, it is clear that further cuts will be more challenging. Clearly the Council will seek to minimise impacts on our community by working with Town and Parish Councils, local community groups, service users, the voluntary sector, volunteers and other partner organisations. Based on the position summarised above, total savings since the period of austerity began are projected to total more than £148m by the end of 2025/26 (assuming no further council tax increases and based on the medium term projections currently available – although these will inevitably change as further information becomes available) made up as follows:-

	£m
Savings made to end of 2021/22	133.692
Savings previously approved/updated for 2022/23	1.479
Savings now put forward for implementation in 2022/23 and 2023/24 (gross of leakage from general fund)	8.467
Projected further savings required from 2023/24 to the end of the 4 year MTFS period in 2025/26	4.460
<b>Total Projected savings by end of 2025/26</b>	<b>148.098</b>

## **8. OUR 2022/23 SERVICE & FINANCIAL PLANNING STRATEGY**

### **8.1 Our Approach to Developing Savings Proposals Budget Engagement**

8.1 Due to the significant uncertainty over the future of the national local government finance system, the prolonged period of financial constraint for un-protected areas of public spending and the consequent scale of ongoing annual savings that had been delivered by the Council a new approach to the development of future savings proposals was agreed from 2017 onwards. Future savings are likely to be more challenging as the “easier savings” have already been taken. More time is therefore needed to consult with stakeholders about options and ways to minimise impacts. Therefore savings are developed as soon as opportunities arise and capacity allows, rather than co-ordinating consultation through an annual process as historically was the case when resources were not so tight, and the

need to implement change not so urgent. This means that we are able to engage with our communities and partners in a more meaningful way to develop more creative solutions to some of our challenges within the Borough. This also means that our budget engagement process takes place throughout the year, rather than for a 4 week period.

- 8.2 We will commence targeted discussions with our Town and Parish Councils, trades unions, business community and local voluntary and community sector partners and the Business & Finance Scrutiny Committee during January 2022. This is part of an ongoing dialogue that will continue throughout the year as our budget proposals are developed.

## **9. CAPITAL RECEIPTS AND DEBT CHARGES**

- 9.1 The Council's programme of property rationalisation has not only reduced running costs as we have disposed of buildings and other surplus assets but is also generating significant capital receipts enabling us to fund some investment from internal resources rather than from increased borrowing. Due to a temporary Government relaxation in regulations, the Council is also able to use new capital receipts to fund transformation and severance costs. Debt clearly has to be repaid and adds to pressure on the revenue budget so the generation of capital receipts from the sale of surplus assets helps protect essential front line services. This reduces the amount of cuts that would otherwise have to be made.
- 9.2 The Council, unlike the Government, is not able to borrow to fund revenue services as the Council has to set a balanced revenue budget each year with any shortfall being funded by the use of balances or from further cuts to spending or increased income.
- 9.3 Debt repayments represent a long-term fixed charge against the revenue budget which reduces the amount of funding available for the provision of front line services. This spreads the cost of the acquisition of these assets over the useful life of the asset. However some capital investment that is incurred to achieve Council objectives such as Nuplace which is offering tenants in the private rented housing sector the option of a high quality home operated by a long-term responsive landlord can not only deliver Council priorities but fund assets which will increase in value over the longer term and generate a revenue return greater than the cost of the associated debt charges. This surplus is used to reduce the cuts to essential front line services that would otherwise be required. The Council carefully assesses each potential new investment through a proper process to ensure that it does not expose the Council to an unacceptable level of risk either on an individual basis or when considering the entire debt portfolio of the Council with our approach set out in the capital and investment

strategies, the treasury management strategy and prudential indicators reports that are considered by full Council each year.

- 9.4 In Telford & Wrekin debt repayments in 2021/22 accounted for 8.2% of the net revenue budget (including payment to Shropshire Council in respect of pre-unitary authority debt). This compares to:-
- Birmingham 29.0%
  - Unitary Authority average 10.4%
  - Telford & Wrekin 8.2%
- 9.5 A graph showing the percentage of the net revenue budget allocated to debt repayments in 2021/22 for unitary authorities is included in Appendix 6 (data was not available for 3 authorities from the CIPFA data source).
- 9.6 Our programme of asset sales totals £29.5m over the medium term. The planned profile of these receipts is shown below:

	£m
2021/22	14.743
2022/23	2.800
2023/24	5.500
2024/25	0.500
Later years	6.000
<b>Total</b>	<b>29.543</b>

- 9.7 Generation of these receipts is a key assumption within the MTFS. The Council has a detailed schedule of asset disposals to address this, which is regularly monitored by both officers and members of the Audit Committee and all the revenue consequences of temporary financing pending these scheduled disposals are built in to the Council's base budget projections contained in this report. This dependency will continue to be subject to close monitoring. If any delay is experienced in generating expected receipts, mitigation factors could include a combination of re-phasing some capital spending schemes, identification of other assets for disposal or additional borrowing on a temporary or long term basis although this would increase revenue costs and necessitate further cuts to other services or the use of additional one-off revenue resources such as the in-year contingency or Budget Strategy Reserve.

## 10. SECTION 106 AGREEMENTS

- 10.1 Planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), commonly known as s106 agreements, are a mechanism which make a development proposal acceptable in planning terms, that would not otherwise be acceptable. They are focused on site specific mitigation of the impact of development. S.106 agreements are often referred to as 'developer

contributions'. The common uses of planning obligations are to; secure affordable housing, to secure financial contributions to provide infrastructure (for example relating to necessary highways works to provide access to the development) and to help fund new educational facilities for the children of families that move in to newly built houses. Careful negotiations are undertaken with developers in reaching the s.106 agreement, which are legally binding and clearly state what the funding can be used for.

- 10.2 Legally a S.106 can only be requested when it is:
  1. necessary to make the development acceptable in planning terms
  2. directly related to the development; and
  3. fairly and reasonably related in scale and kind to the development.
- 10.3 Negotiations have to ensure that developments remain viable and the National Planning Policy Framework (NPPF) states where obligations are being sought or revised, local planning authorities should take account of changes in market conditions over time and, wherever appropriate, be sufficiently flexible to prevent planned development being stalled.
- 10.4 The Council's Children and Young People Scrutiny Committee undertook a scrutiny review of Primary School Places during 2014 which considered s.106 agreements relating to education and it was agreed that details of these agreements would be included in the MTFs report in future years. Details are therefore included in Appendix 7 for the period 1st April 2021 to 31st October 2021 showing income and expenditure on each scheme relating to Education.

## **11. MEDIUM-TERM FINANCIAL OUTLOOK**

### **11.1 Areas of Uncertainty – Reform of the Local Government Financial System**

- 11.1.1 Significant changes were made to the local government finance system from 2013/14 including the localisation of a share of business rates, the replacement of the national Council Tax benefit scheme with local Council Tax Support schemes and the transfer of responsibility for Public Health services from the NHS to councils with the introduction of a ring-fenced Public Health Grant funded by the Department of Health and Social Care. This current local government finance system represented a significant transfer of risk from the Government to councils but also brought opportunities and incentives to encourage growth in local communities in line with the Government's national drive to increase the availability of housing and jobs. This Council is well placed to benefit from the current financial system with an attractive environment, good motorway connections and ready to go development sites. We have grasped the challenge to become a "Business Supporting, Business Winning" Council.

11.1.2 The funding outlook beyond next year is very uncertain. Radical changes were also proposed by the Government to the local government finance system which were all due to come in to effect in April 2020. However, these changes were delayed by the Secretary of State for Communities and Local Government with a revised target implementation date of April 2021. Progress stalled due to the pandemic and the proposed changes were deferred again. Following receipt of the provisional local government finance settlement it now appears that the Government does remain committed to some reform but is also aware of the need for stability and transitional protections in any new system that is introduced. Whilst it is clear that the earliest that any major changes will now be implemented is April 2023, there is currently no commitment to exactly what changes will be implemented or when this might happen. Very little information is available to indicate how any new system may operate and the impacts that the changes will have for individual local authorities.

11.1.3 Despite a medium term CSR being announced on 27 October 2021, the Government have again only provided a one year provisional local government finance settlement. Combined with the uncertainty around what changes may be made to the local government finance system, it is very unlikely that the Council will have any real clarity on its funding for 2023/24 and later years until we receive our settlement in December 2022, less than 4 months before the start of the financial year which has now been the case for a number of years and makes medium term financial planning exceptionally difficult. It is therefore essential that the Council maintains financial flexibility so that it is able to set a legal, balanced budget should the actual position be significantly different from the tentative projections included in this report for future years. Available uncommitted one-off resources should therefore be held in reserve. The changes that will be implemented will potentially have very significant implications for the Council and could include:-

- A new formula used to assess relative needs which will impact on the distribution of available resources between councils.
- Potential changes to the business rates system and the significant number and value of appeals against rateable values yet to be considered by the Government's Valuation Office agency. Successful appeals impact on the Council's budget by reducing the income from business rates and potentially making repayments if appeals are backdated.
- "Reset of the local government finance system" which would see the benefits of all growth in business rates and council tax income since 2013/14 rebased across the country. This could see 100% of the growth that we have seen lost immediately or a lower percentage given up which could be phased over a number of

years. Whilst we would lose the benefit from growth in our area we would benefit from a share of the growth achieved in other parts of the country.

- Changes to the New Homes Bonus (NHB) scheme were expected to be announced as part of the settlement on 16 December. However, the Government have again deferred the introduction of a new system and have rolled forward the approach used in 2021/22. However, a new system is expected to be introduced at some point in the future which could impact significantly on the Council as New Homes Bonus is a significant funding stream for the Council.

11.1.4 The Council will continue to take opportunities to respond through all available consultation processes linked to the introduction of these changes to lobby for a fair funding settlement for Telford & Wrekin residents. The Council will also send a response to the provisional settlement. All consultation responses will be agreed by the Cabinet Member for Finance, Governance & Customer Services.

#### 11.2 **Other areas of uncertainty:-**

- It should be noted that over £10m of Government grant allocations for 2021/22 are of a one-off nature including ASC grants, the “services” grant and New Homes Bonus grant. The projections above assume that this, or alternative Government funding of an equivalent amount, will be received in future years.
- The continuing impact of the pandemic on the Council and our residents, businesses and voluntary and community sectors will be difficult to forecast if new variants of concern arise. At the time of preparing this report no announcements of the continuation of Government support for the continuing impacts on the Council of the pandemic had been made including reductions in income from many services.
- The rate of inflation has increased recently, particularly with regard to energy costs placing pressure on Council as well as household budgets. If the Bank of England continue to react to this pressure by further interest rate increases, the Council may face higher costs (although we prudently budget at long-term rates rather than short-term rates). Higher interest rates and the high level of the Government’s national budget deficit could impact on the economy making recession more likely with consequent impacts on the construction of new homes and business premises in the Borough. This could impact on the generation of assumed capital receipt values and on Council budgets for local Council Tax support (if unemployment increases or household incomes fall) and the budgets for homelessness, housing benefit etc.

- The trend of schools to move to Academy status and the consequent risk of loss of existing and potential income for a wide range of services to academy chains.
- The levels of demand for key front line services – particularly children’s safeguarding and Adult Social Care services and whether the Government will make new additional and sustainable funding available for these services.
- The levels of pay awards from 2022/23, at the time of preparing this report the Trades Unions are balloting their local government members on potential industrial action relating to the pay award applicable from April 2021.
- The pension fund is subject to triennial re-valuations with the next valuation to be based on the position for assets and liabilities as at 31 March 2022. Any change to the employer’s contribution rate will be effective from April 2023 and will need to reflect the impact of the McCloud age discrimination case. The performance of the investments held by the Pension Fund and the assumptions used by the actuaries to assess the potential liabilities of the fund could have a significant impact on the Council’s revenue budget.
- Projections of what the council’s budget gap might be in 2023/24 and later years are therefore extremely difficult to make and have a very high degree of uncertainty. Projections are based on the Council’s budget model which will be regularly refined and updated as and when additional information becomes available. It is however certain that the actual position will be different from the projections for 2023/24 and later years included in this report. The actual position may be better or worse.

### **11.3 Local Government Finance Settlement**

11.3.1 The last multi-year settlement that the Council received was announced in December 2015. This included indicative figures for a four-year period to 2019/20. The absence of any certainty over potential funding levels beyond next year is a major cause for concern, 2022/23 will be the fourth consecutive year that it will not be possible to undertake meaningful medium term financial planning.

11.3.2 When the three-year CSR was announced on 27 October, it was still hoped that we would receive a three-year funding settlement. On 16 December 2021, the Secretary of State for the Department for Levelling Up, Housing and Communities, the Rt. Hon. Michael Gove MP, announced, in Parliament, the provisional local government finance settlement for 2022/23 only. The Government’s settlement assumes that councils will increase their council tax by the maximum permitted (3% in the case of Telford & Wrekin Council) when

calculating “core spending power”. The government show “core spending power” increasing by £10.95m, an increase of 7.7% between 2021/22 and 2022/23 (higher than the average for England of 6.9%. However, within these figures, the amount that the Government assumes that the Council will collect from council tax increases by £3.68m largely from increasing council tax by the full 3%.

11.3.3 The assumptions made by the Government on the level of council tax increase that councils will apply take no regard of the ability of local taxpayers to pay the increased cost at a time that many household budgets are particularly squeezed by rising energy, food and other costs as well as increased levels of national taxation from April 2022. Despite the settlement being better than we have seen in recent years, the Council will still need to continue to make budget savings because the Council has a legal duty to set a “balanced budget” and we are experiencing very significant financial pressure on key services, most notably Adult Social Care, waste collection, energy costs and general inflationary pressures. Whilst it is a provisional settlement with final proposals due to be announced in late January or early February, there is thought to be little prospect of any significant improvement in the final settlement.

11.3.4 Whilst the CSR set the strategic financial overview for the Government as a whole during the three years starting 2022/23, the provisional local government finance settlement sets out the specific proposals affecting local government but only for 2022/23 with details for each council being provided for one year. Key points included:-

- Council Tax Increases – As previously announced at CSR 2021, the council tax referendum limit will be 2% for local authorities with social care authorities also allowed a 1% Adult Social Care precept.
- Town and Parish Councils will continue to not be subject to referendum limits on council tax increases.
- A new “Services Grant” has been introduced for 2022/23, with the Council receiving a £2.671m allocation. This new grant has been allocated using a methodology that will be applied for one year only although the funding will remain in future years, it will be distributed differently and the Government has confirmed there will be no transitional arrangements for changes to this aspect of Core Spending Power in future years.
- Revenue Support Grant – has been increased by 3.1%, (equal to £0.309m for the Council) in line with the September 2021 CPI.
- New Homes Bonus - The 2022/23 allocations have been reduced at a national level by £68m from 2021/22. There have been no changes to the scheme for 2022/23, with a single year’s new allocation made alongside the outstanding legacy payment for 2019/20. There is no planned legacy payment for 2022/23 (as in 2020/21 and 2021/22).

Locally we have seen New Homes Bonus increase by £0.228m due to higher levels of housing development which has also benefitted the council tax base. It is likely that a further consultation on potential changes to the system will be undertaken during 2022 and that a revised scheme will be in place from 2023/24.

- The allocation for the Social Care Grant in respect of both Children's and Adult Social care has increased by £2.133m and the "Improved Better Care Funding" allocation has increased by £0.23m.
- A new "Market Sustainability and Fair Cost of Care Fund", has been introduced. This is to help fund Adult Social Care Reform, our allocation is £0.523m
- A further year of the "lower tier services grant" has been provided despite this having been launched as a one-off measure last year. The Council's allocation has increased by £0.011m compared to 2021/22.
- No papers were published relating to the Fair Funding Review or the Business Rates Reset. The only announcement regarding funding reform was as follows: *"Government is committed to ensuring that funding allocations for councils are based on an up-to-date assessment of their needs and resources. The data used to assess this has not been updated in a number of years, dating from 2013/14 to a large degree, and even as far back as 2000. Over the coming months, we will work closely with the sector and other stakeholders to update this and to look at the challenges and opportunities facing the sector before consulting on any potential changes"*. It would therefore appear that the Government intend to make further announcements in the New Year, before then consulting on any potential changes. The LGA said: *"The Government should now provide clarity on which local government funding reforms will happen and when. It needs to push ahead with the Fair Funding Review, including looking both at the data and the formulas used to distribute funding. We look forward to resuming our work with Government on the Review to ensure overall local government funding is sufficient when any funding distribution changes are introduced and that no council sees its funding reduce as a result"*.
- A consultation period on the provisional settlement runs until 13 January 2022.
- The final figures are expected to be confirmed in late January or early February 2022.
- Public Health Grant – It is likely that this will continue to be paid through a ring-fenced grant in 2022/23. However, the settlement includes no information about the national total, or individual council allocations, of the public health grant for 2022/23 or, indeed, for a number of other grants.

- Disappointingly, no announcements of the continuation of Government support for the continuing impacts on the Council of the pandemic were made as part of the settlement including reductions in income from many services.

11.3.5 At the time of preparing this report, details of funding totalling over £15m expected for next year have still not been released by the Government and a significant degree of uncertainty over our actual position therefore remains. It is also possible that as this is a provisional settlement, the final figures may be better or worse than currently indicated. Clearly other factors will also change within our own budget as the Council delivers hundreds of services which operate in a dynamic environment so an updated position will be presented to Cabinet on 17 February 2022.

11.3.6 In response to the settlement, the LGA said *“The Government forecasts are based on the assumption that every local authority will raise their council tax by the maximum permitted without a referendum. This leaves councils facing the tough choice about whether to increase council tax bills to bring in desperately needed funding at a time when they are acutely aware of the significant burden that could place on some households. The LGA has long highlighted that council tax rises – particularly the adult social care precept – have never been the solution to the long-term pressures faced by councils, particularly in social care which is desperately in need of reform. Increasing council tax raises different amounts of money in different parts of the country, unrelated to need. Steadily growing demand has seen councils with responsibility for children’s and adult’s social care devoting nearly two-thirds of their total spending to these services. While the additional funding these services is good, it will not go far enough in addressing the very real existing pressures these vital services face”*.

11.3.7 The deadline for responses to the provisional settlement is 13 January 2022. The Chief Financial Officer will agree a response to the provisional settlement with the Cabinet Member for Finance, Governance & Customer Services.

## **12. 2020/21 PROJECTED OUTTURN POSITION**

12.1 As the Financial Monitoring report also on this agenda shows, excellent financial control continues to be exercised and good progress is being made in delivering the overall budget for 2021/22. However, there are some areas of significant pressure and clearly, the actual outturn will be different, either better or worse, than currently projected as we are only part way through the year. It is, therefore, essential that all Cabinet Members and budget holders continue to exercise tight financial control and to deliver all planned savings. It is currently expected that the Council will have some one-off funding available

within the revenue budget contingency for 2021/22 at year end (currently estimated to be in the region of £2.89m). No assumptions on the use, or availability, of this funding have been made at this stage because the position will change before the end of the year. The use of any in-year underspend will be considered as part of the out-turn report to Cabinet and may include transfers to the Council's Invest to Save/Capacity fund to support pressures in future years. The position will continue to be closely monitored particularly for key services such as adult social care and children's safeguarding but also seasonal factors such as winter road gritting and any potential costs arising from flooding.

### **13. SAVINGS PROPOSALS 2022/23 and 2023/24**

- 13.1 By the end of the current financial year, the Council will have delivered ongoing budget savings of £133.7m since 2009/10. Despite the proposed 1% Adult Social Care precept increase which will generate around £0.767m it is necessary for the Council to find further budget savings in order to deliver a balanced budget without using an unsustainable level of one-off balances.
- 13.2 Appendix 10 therefore includes a schedule of additional savings that if after consultation with service users and other stakeholders were all delivered would generate a total saving of £5.7m in 2022/23 rising to £8.5m (before leakage from general fund) in 2023/24. Clearly after already having delivered £133.7m of savings, these savings now put forward will include some proposals that are more challenging. As explained elsewhere in this report, extensive consultation with service users and partners will be undertaken in order to identify ways to mitigate the impacts of the proposals or to identify alternative options.
- 13.3 Whilst additional investment totalling over £6.7m net of savings in to Adult Social Care by 2023/24 is put forward in this report and £0.66m net of savings in to the Children's Safeguarding budget for next year, it is not possible, even in these services to continue providing the same services in the same ways. In order to ensure that the Council can continue to always meet the assessed needs of vulnerable adults and children in our community, it is necessary for new approaches to be taken to deliver better outcomes for our clients and to ensure that we operate as efficiently as possible. Cost improvement plans are therefore in place for both Adult Social Care and Children's Safeguarding. Details of these Cost Improvement strategies are included as Appendices 11 and 12.

### **14. INVESTMENTS**

- 14.1 Due to the tight financial position faced by the Council the scope for new ongoing revenue investments is limited. However, the Council has

always said that it will meet the assessed needs of vulnerable adults and children and in order to do this next year, significant additional investment will be made available to Adult Social Care totalling £6.7m after allowing for planned savings by 2023/24. In total the net budget for Adult Social Care and Children's Safeguarding will exceed £90m next year.

- 14.2 Unfortunately, the scope for further ongoing revenue investments next year is limited, as additional investments in other priorities would require further budget savings to be identified. However, a number of pressure areas have been addressed during development of the base budget as explained in Appendix 9. These ensure that the proposed budget is robust and sustainable.
- 14.3 The Council is however proposing a significant capital programme which totals over £318m and is summarised in Appendix 4. This is a very significant set of investment proposals and demonstrates the Council's commitment to **Protect, Care and Invest to Create a Better Borough**. The proposed package of capital investments will bring significant benefits to the Borough.
- 14.5 The Council's existing funding allocation for Nuplace gives tenants in the private rental sector the opportunity to rent high quality, well maintained homes from a long-term responsive landlord and by increasing competition in this sector of the housing market standards will be driven up. The initiative has already seen:-
- 420 homes delivered, across nine sites with a further 58 under construction or refurbishment, bringing the total number of houses delivered, or in delivery to 478. Of these properties, 80 are for affordable rent or built to an adaptable standard, with the remainder being rented on the open market.
  - Nuplace's growing portfolio now provides a range of homes for over 1,000 people across the Borough with houses available within North and South Telford and Newport.
  - The diversification of Nuplace by the establishment of Telford & Wrekin Homes, involving the acquisition, refurbishment and rental of properties at locations across the Borough. This will continue to raise standards in the private rented sector.
  - In response to the Council's commitment to become carbon neutral across Council operations by 2030, solar panels and electric car charging points are being installed to 46 homes off Southwater Way to reduce energy bills for tenants.
  - The programme has resulted in over 28.6 acres of brownfield land being regenerated, addressing sites that might otherwise blight communities.
  - The portfolio is performing well with a cumulative void rate of 1.87% since the first site was opened.

- Since 2015/16 - cumulative net incremental income of £6.1m has been generated for the Council which has benefitted front line services such as social care services.
- In addition, Council Tax and New Homes Bonus payments are estimated to have generated an additional £3.0m cumulatively to the end of March 2022.
- The Nuplace investment portfolio has experienced strong capital growth. Cumulative growth in the portfolio is 27% to the end of March 2021 and net equity within NuPlace's accounts totals £30.9m.
- In addition to delivering much needed housing, the programme has delivered considerable added value in terms of local employment, apprenticeships, supply chain development and the delivery of a range of community projects.
- Since 2015/16, Nuplace has delivered a cumulative profit before tax of £2.37m.

This MTFS now proposes that the Council makes additional funding of £19.7m available to further develop NuPlace and Telford & Wrekin Homes. In total, the Council's investment in NuPlace and Telford & Wrekin Homes will grow to £130.9m, currently approved funding and this additional investment has the potential to deliver an additional 402 homes which is anticipated to bring the total portfolio to 880 units.

14.6 The Council's existing £59.65m Growth Fund, which has now operated for 5 years:-

- Enables the Council to provide land, build and lease bespoke properties and offer a full turnkey solutions, and continues to drive a high number of investment enquiries drawing in new investors.
- The Fund has supported a range of commercial opportunities including new industrial units at T54, supporting the growth and expansion of current business such as Filtermist and providing grow on space for new businesses at Hortonwood West. Investment has also supported the delivery of Ni.Park (Newport), a new employment park for the Borough.
- Cumulatively, the £52.7m investment to date through the Growth Fund is estimated to deliver an ongoing gross return of 7.5%, 4.9% after borrowing costs but more importantly this project is attracting and retaining jobs for residents of the Borough.
- The funding committed to date in to a range of investments is anticipated to help deliver approximately 1000 new jobs and safeguard more than 250 jobs.
- The investment is also delivering growth in business rates income (between resets). The additional business rates of over £500,000 pa is being invested directly into delivering front line services across all the Borough's communities.

This MTFS now proposes that the Council makes additional funding of £37.6m available to further support Growth Fund initiatives.

14.7 The proposed Capital Programme will also see:-

- Creation of a £20m capital investment fund that will enable one-off investments in a range of corporate priorities. Further details will be set out in a report to be considered at Cabinet in February 2022.
- £10m in an affordable housing programme
- £8.6m in a range of housing initiatives, including affordable warmth, empty properties, rough sleeper and temporary accommodation
- £2.1m funding to progress development of “stalled sites”
- £3m investment into playing pitches
- £1m for initial works related to a new swimming pool
- Over £35m for transport and Highways schemes
- £24.3m for education capital projects including investment in school expansion projects to increase pupil places
- £3.5m in to our Stronger Communities Project, a package focused on bringing back key brownfield sites into use, as well as providing a stimulus to the delivery of Station Quarter the next phase of the transformation of Telford Town Centre
- £23.1m in the Towns Fund project
- £6.1m for Pride in Your High Street schemes
- £4.5m for Environmental Improvements/ Enhancements
- £4.0m for Climate change initiatives to support work to reduce the Council’s carbon footprint and partnering with government and others on other climate change projects.

## **15. COUNCIL TAX**

- 15.1 Council Tax in Telford & Wrekin has historically been low compared to other councils. Indeed, it has been the lowest across both the West and East Midlands for the last 4 years for the services that this Council provides. Appendix 1 is a graph comparing Council Tax levels across the Midlands region and demonstrates that Council Tax in this area is the lowest in the Midlands region at Band D (£1,421.02). The average Council Tax at Band D in the Midlands region is more than 13% higher than in Telford & Wrekin.
- 15.2 Appendix 2 compares our Council Tax to the other unitary authorities in England and shows that we have the fifth lowest Council Tax at Band D out of 59 unitary authorities being £185.61 less pa than the average for unitary authorities of £1,606.63 which is also 13% higher than our level at Band D.
- 15.3 If Telford & Wrekin Council had levied a Council Tax at the average level of Midlands authorities (£1,610.86 at Band D which is £189.84 higher than in Telford & Wrekin) in the current year, we would have generated an additional £9.943m this year.
- 15.4 A further factor that has reduced resources in this area is “grant damping” whereby grant that the Government has calculated should be paid to this Council is withheld and used to support spending by councils that would

otherwise receive less grant e.g. as a result of reducing population numbers. In the calculations used to establish the current local government finance system which came in to effect from 1st April 2013, £1.6m pa of this loss was perpetuated in the new baseline funding settlement for the Council and will be withheld from us – equivalent to a cumulative loss of over £16m by 2022/23.

- 15.5 As well as a comparatively low level of Council Tax, this area also has comparatively low property values with the majority of our properties being in Council Tax Bands A or B. 61.2% of total chargeable dwellings in Telford & Wrekin are in these two bands, compared to the average across all unitary authorities of just 49.0%. Whilst this is relatively good news for local residents in terms of their Council Tax bill and although we appreciate that Council Tax bills are a significant cost for local households, it means that we do not have the same scope to generate income from Council Tax as many other parts of the country where levels of Council Tax are much higher and average property values are also higher so a 1% increase raises considerably more per property than it does in Telford & Wrekin.
- 15.6 Despite the significant withdrawal of Government grant from the Council over the last 10 years, the Council has worked hard to keep Council Tax in Telford & Wrekin as low as possible recognising the financial pressures that our residents face despite the Government's deliberate and sustained policy of shifting the cost of funding local government services away from grants from central government and on to council taxpayers. The LGA have said "*council tax represented 45 per cent of council core spending in 2010/11, but by 2020/21 it had risen to 60 per cent. Council tax rises - particularly the adult social care precept - have never been the answer to the long-term pressures faced by councils. Councils will still have to find savings to already stretched budgets in order to plug funding gaps and meet their legal duty to set a balanced budget*".
- 15.7 In both the CSR and the local government finance settlement the Government have assumed that councils will increase their level of council tax by the maximum permitted without incurring the costs of a referendum. In this council's case this Government assumption is that we will increase our council tax by a total of 3% including the ASC precept. However, the Council is very aware of the pressure that many households are facing arising from the pandemic and from escalating energy, food and other costs placing considerable pressure on household finances. Therefore, despite the Government's assumptions over council tax increases, **Telford & Wrekin Council are committing to freeze our level of general council tax for both 2022/23 and for 2023/24. The Council will apply the Governments' assumed 1% Adult Social Care precept next year.** This will raise £0.767m towards the £4.9m net additional investment required in Adult Social Care next year. The 1% ASC precept would represent the average increase across the whole borough in the Telford & Wrekin part of the council tax

bill and may vary slightly for individual households dependent which part of the borough they are located within and would amount to £0.21 per week for the average (Band B) property in the Borough. The increase in the total bill for each household will also be affected by the decisions of the Police & Crime Commissioner, The Fire Authority and individual town and parish councils.

## **16. BASE BUDGET, BALANCES AND CONTINGENCIES**

### **16.1 Base Budget**

16.1.1 A summary of the Base Budget position is included at Appendix 8 which shows a net base budget of £142.8m for 2022/23 after reflecting the investments set out in this report but before deducting the savings proposals. Assuming a council tax ASC precept increase of 1% for next year and that all the savings put forward are agreed leaves no residual funding gap and therefore no use of balances is required. Appendix 9 includes an analysis of the main changes in moving from the 2021/22 budget to the 2022/23 base budget.

### **16.2 Balances**

16.2.1 Appendix 5 summarises the overall reserves and balances position of the Council after taking account of the various earmarked reserves and the risks faced by the Council. This currently shows over £20m available which could be taken in to account as part of medium term budget strategy considerations, excluding the current projection for unused 2021/22 corporate contingency of £2.89m shown in the Financial Management report also on this agenda which, on current projections, will also be available to support the MTFS in future years.

16.2.2 The Government offered Councils the ability to fund the one-off costs of service reform projects from new capital receipts generated during a three year period commencing from 1st April 2016, which was subsequently extended to a six year period (up to and including 2021/22) as part of the provisional settlement on 19<sup>th</sup> December 2017. Taking advantage of this opportunity offered by the Government will result in higher levels of debt than would have otherwise have been the case and therefore higher debt charges as all capital receipts would otherwise be used to fund planned capital projects. However, whilst the debt charges are ongoing they will be more than offset by the ongoing savings generated from the invest to save measures. In order to take advantage of this flexibility Full Council would need to approve an updated "Efficiency Strategy" which will be included in the Service & Financial planning report to be considered at Cabinet in February. This flexibility which was due to come to an end in March 2022 has now been extended again. In addition to this flexibility, the Council also holds some specific funds to support service transformation. Currently the uncommitted balance in the Severance fund is £1.1m. A further £0.5m is held as an uncommitted balance within the Invest to Save/Capacity Fund.

16.2.3 The total “usable” one-offs of over £20m are detailed in Appendix 5 and will be used to support the delivery of the MTFS as set out in this report. Given the exceptionally high level of uncertainty over the Council’s medium term financial position as previously highlighted in this report, it is important to retain as much flexibility as possible by limiting the use of available one-offs until the medium term position becomes clearer. The level of usable one-offs gives a good level of comfort that the proposals contained in this report are financially robust given the projected levels of spending in Children’s Safeguarding and Adult Social Care in 2022/23 have been fully allowed for in the proposed budget. The council also has £8.92m of general fund funding set aside for the one-off costs of implementing single status which may not all be required and which certainly won’t be required in 2022/23 and a £10m revenue reserve for Investment in Council Priorities. Having adequate uncommitted one-off resources is particularly important as the significant benefits obtained in recent years from treasury management activities cannot be assumed to be available in future years, given potential changes to the guidance relating to Minimum Revenue Provision calculations and expectations that interest rates will increase.

### **16.3 Risk Management and Financial Resilience**

16.3.1 Local Government has faced unprecedented financial challenges since 2010 and the Council has faced significant grant cuts at a time when demand for many services, such as safeguarding vulnerable children and adults, have been increasing. We are also in a period of considerable financial uncertainty due to another 1 year funding settlement (despite the three year CSR) and with expectations that some aspects of the much delayed reforms of the Local Government finance system will be implemented over the medium term but no information currently available to model what impact these might have on the Council. As an organisation that provides a vast range of essential services to the community and spends over £500m per annum financial resilience and risk management are very important considerations when agreeing our MTFS.

16.3.2 The key elements underpinning the Council’s Financial Resilience are:

- **Setting a robust budget strategy which is deliverable and sustainable**
  - ✓ The Council has a long proven track record of strong financial management, with no overspends over the past 10 years and has consistently received an unqualified audit opinion from its external auditors
  - ✓ The Council has successfully delivered £133.7m of budget savings since 2009/10

- ✓ Although very challenging, many savings have been phased over a number of years to allow adequate time for full consideration, consultation and implementation and in order to identify alternatives that mitigate impacts on our community.
  - ✓ An Invest to Save/Capacity Fund is in place to provide additional resources for priority areas and to assist with the delivery of savings; bids are subject to a rigorous business case development and approval process.
  - ✓ The Council has a comprehensive employee restructuring programme which is used consistently and supported by clear, costed rationales to support reductions in ongoing costs whilst maintaining the delivery of essential services and minimising compulsory redundancies as far as possible – only 10.5% of the posts that have been deleted to date have been as a result of compulsory redundancy.
  - ✓ Where required, additional investment has been included in the budget including, £4.9m additional net investment in Adult Social Care has been allowed for in 2022/23 rising to £6.7m by 2023/24.
  - ✓ Provisions are included in the accounts where required, to safeguard against potential costs, for example for bad debts and Appeals against NDR valuations.
- **Strong and Effective Financial Management**
    - ✓ A robust risk based financial monitoring regime is in place to identify any adverse variances early so that corrective financial management action can take place. Additional in year savings targets have been delivered when necessary to meet service pressures when necessary.
    - ✓ A strong and proactive financial management approach is adopted by budget holders supported by their nominated finance officer.
    - ✓ The Council retains a good level of reserves and balances for the medium term strategy.
    - ✓ The projected financial outturn for 2021/22 currently shows that £2.89m of the revenue budget contingency should be available at year end.
    - ✓ Cost Improvement plans are in place to focus on Children’s Safeguarding & Family Support and Adult Social Care, areas of high demand and high cost. These are monitored on a regular basis by Senior Managers and Members.
    - ✓ All reports considered by SMT and Cabinet are required to include financial and legal comments prepared by suitably qualified officers to ensure that financial and legal implications are clearly understood before decisions are taken.
    - ✓ Decisive corporate action is taken on a timely basis to manage the Council’s overall resources in order to address

pressures as they, inevitably, arise during the year given the complex disparate range of services provided by the Council.

- **Strong & Effective Capital & Treasury Management**
  - ✓ There is an effective Treasury Management Strategy which aims to maximise returns for the Council while minimising risks with a solid long track record of exceeding targets set and always complying with Treasury management parameters.
  - ✓ Long term interest rates are allowed for in the budget projections despite still holding around £16m of total debt in short term loans (at the time of writing this report) the majority running at rates below 1%. This enables the Council to lock in to longer term fixed rate loans when advised to do so by our external Treasury Advisors without impacting on the medium term financial projections included in this report.
  - ✓ Treasury management decisions are managed at a strategic level in order to deliver best value rather than individual loans being taken out for spending on each separate capital project which often span several years.
  - ✓ Funding capital assets (i.e. assets that have a long life) from borrowing ensures that the cost of the asset is charged to the revenue account over the useful life of the asset. Clearly if all assets were paid for directly from revenue, current taxpayers would be paying for assets that will still be available to taxpayers many years in the future.
  - ✓ All capital investment proposals are subject to a rigorous business case development process to manage and mitigate risks as far as possible and are funded in accordance with the Council's approved Treasury Management Strategy after taking advice from professional external advisors.
  - ✓ Capital Programme resources are available, in accordance with the Prudential Code of Borrowing and capacity may exist to capitalise expenditure planned to be funded from revenue and in extreme circumstances the Minister may authorise an application for a capitalisation direction.
  - ✓ A Capital Programme Board meets regularly to drive delivery of the capital programme and manage overall available resources. This is chaired by the Chief Executive and membership includes all Executive Directors, the C.F.O. and all Directors with significant capital projects.
  
- **Reserves & Balances**
  - ✓ The Council has General Fund and Special Fund balances as a safeguard against unforeseen costs. A rigorous review of reserves and balances has been undertaken and

identified that over £20m is available to support the medium term strategy after allowing for the proposed use next year.

- ✓ One-off resources will be retained as far as possible to provide financial flexibility due to the high degree of uncertainty over the future financial outlook.
- ✓ In extreme emergency circumstances, general balances and some other funds that have been set-aside for specific purposes could be used and then replaced as part of a future strategy.
- ✓ The Council holds £8.92m set aside for one-off costs associated with the equal pay settlement. This is a significant sum which will be reviewed as modelling work on the likely cost of the eventual settlement is firmed-up.
- ✓ Contingencies have been built into the revenue budget: A general contingency of £3.95m in 2022/23 is held within the corporate core with a further £2.794m for inflation also held centrally;

- **Strategic Risk Management**

- ✓ The Council has a strategic risk register which is used to identify the substantive issues which may impact negatively on the delivery of the Council's priorities and may also have a financial impact. This is regularly reviewed by Senior Management Team to manage risks and mitigate potential exposures both as part of everyday business and as part of decision making processes.

### **Reducing Dependency on Government Funding**

- ✓ Despite financial challenges, the Council has a clear goal to attract new jobs and investment and promote growth in the borough and is committed to an investment programme which will safeguard the prosperity of the borough – growth will result in additional Council Tax, new homes bonus and business rates pending proposed changes to the local government finance system and periodic resets of the system thereafter.
- ✓ The Council has adopted innovative ways to improve quality of life for residents including Nuplace, its wholly owned housing company which provides tenants in the private rental sector the option of renting a high quality home from a long-term and responsive landlord. The solar farm, The Telford Land Deal (a unique joint arrangement with the Marches LEP and Homes England) and the Telford Growth Fund all bring significant benefits to residents and a net financial benefit after covering all associated costs is also generated which is used to help support the provision of front line services.

- **Insurance Arrangements**
  - ✓ Appropriate insurance arrangements are in place to safeguard the council's assets and protect against liabilities.
  
- **Experienced Finance Team**
  - ✓ The Council employs an in-house finance team who work closely with service managers developing good working relationships and understanding of the issues and pressures facing services.
  - ✓ The Council's finance team includes a good mix of qualified accountants, accounting technicians and other staff with extensive experience built up in the Council, in other public sector organisations and the private sector.
  - ✓ The Council makes sufficient resources available to the Section 151 Officer to enable comprehensive financial management controls to be maintained.
  - ✓ The Council employs an experienced S.151 Officer who is a member of the Council's Senior Management Team reporting directly to the Chief Executive.
  - ✓ The Council has an experienced Cabinet Member for Council Finance,
  - ✓ Regular Financial Management reports are produced for and considered by the Senior Management Team and for Cabinet and appropriate action is taken to manage pressures as they arise.
  - ✓ Specialist external knowledge is commissioned for specific projects where appropriate.

16.3.3 These factors, together with the Council's long track record of effective financial management over what has been an exceptionally challenging period of austerity, which was unprecedented both in scale and duration, closely followed by a pandemic provide a level of assurance that the Council is both financially competent and in a sound financial position despite the further challenges that the Council will inevitably continue to face.

16.3.4 MRP Consultation - DLUHC launched a consultation on proposed changes to capital finance regulations in respect of Minimum Revenue Provision (MRP) calculations. The consultation closes on 8th February 2022 and the main changes, if approved without amendment, are proposed to take effect from the 2023/24 financial year. The proposals for change relate to the exclusion of a proportion of debt from the MRP calculation, particularly relating to investment assets, capital loans and some operational assets. The current rationale for this approach is that the asset will retain its value and therefore can be sold, with the capital receipt being used to reduce the capital financing requirement (CFR) instead of MRP. Some authorities make no MRP on these assets, while

others make a significantly reduced charge by only calculating MRP. DLUHC does not believe this is a sufficiently prudent approach and proposes to remove the current discretion. Clearly this is a consultation at this stage and is not proposed to come into effect until April 2023. Discussions with our auditors have confirmed that no changes are required for either the current financial year or for 2022/23 but that if the consultation results in clarification that MRP should be allowed in all cases that the Council would clearly be expected to prepare the budget for 2023/24 and later years on this basis. The Council, along with many others, will respond to the consultation by the deadline to highlight unintended consequences that may arise if the proposed change is implemented.

#### **16.4 Inflation Assumptions and Contingencies**

16.4.1 The pay award for 2021/22 has not been settled at the time of preparing this report. The Council's budget model for future years includes an allowance of 2.75% for scale point one and 1.75% for all other scale points which is in line with the employers' final offer for 2021/22. An allowance of 1.75% has been built in for 2022/23 and 1.25% pa for the period 2023/24 to 2025/26. After many years of considerable pay restraint which have seen the pay of council employees cut in real terms by 25% compared to RPI (and considerably more for the most senior roles) there is a risk that the Council may not be able to retain or attract suitably skilled staff to deliver services in what is now a very challenging environment, therefore in some areas additional "market factor" allowances are applied to aid recruitment and retention.

16.4.2 In accordance with practice in recent years, no allowance has been built in for general inflation, although provision for contractually committed inflation increases and Adult Social Care costs has been made.

#### **16.5 Single Status**

16.5.1 The Council is continuing its work to enable the implementation of a new job evaluation scheme to meet the requirements of the Single Status legislation. A considerable amount of work has been undertaken, including developing a comprehensive local Job Evaluation scheme. Work is progressing with the trades unions to ensure that the local job evaluation scheme has been applied in a fair and consistent way. Phases one and two of this work have been completed and work on Phase three which covers Council based employees is currently underway. This is an important process which takes time to complete accurately.

16.5.2 An allowance for the additional ongoing costs arising from single status has been built in to the budget for 2024/25 of £1.27m onwards. This is after allowing for existing commitments against the funding previously earmarked e.g. to meet the costs of moving away from fixed point grades and some additional payments for social workers to reflect

market rates. It is also in the context of introducing a local job evaluation scheme that is expected to have a lower on-going cost than previously assumed. In addition to the ongoing budgetary provision £8.92m one-off funding was set aside several years ago to meet any one-off costs associated with implementing the Single Status agreement. As work progresses on the project it will be possible to assess how appropriate this level of one-off resource is.

## **17. REFORM OF FUNDING FOR ADULT SOCIAL CARE**

17.1 In September 2021 the Government published their policy paper “Build Back Better: Our Plan for Health and Social Care” laying out a commitment to creating a sustainable adult social care system. The Government have said that their planned transformation to adult social care is intended to “offer choice, control and independence to care users, provide an outstanding quality of care and be fair and accessible to all who need it, when they need it”.

17.2 The Government also made a commitment to ensuring Local Authorities were given access to sustainable funding for core budgets at the Spending Review although they stated an expectation that demographic and unit cost pressures will be met through Council Tax, the Adult Social Care precept and long-term “efficiencies”. They highlighted an investment of £5.4 billion in adult social care over the next three years to deliver the funding and system reform commitments set out in their Policy paper. This funding made available from the new National Insurance Levy.

17.3 To begin this planned transformation they said they would:-

- Introduce a cap on personal care costs - this is to be implemented from October 2023 at a value of £86,000 and is intended to ensure people will no longer face unpredictable or unlimited care costs. Once the cap is reached, local authorities will pay for all eligible personal care costs. In November 2021 DHSC guidance confirmed that only the amount contributed by the person themselves counted towards the cap and not the total cost of the care
- Provide financial assistance to those without substantial assets – a new means test is to be introduced at the same time so anyone with assets of between £20,000 and £100,000 will be eligible for some means-tested support. In comparison, the current higher limit is £23,250. People would still be expected to pay a contribution from their income and this may continue even when their assets fall below £20,000. The planned changes will also allow self-funders to ask their Local Authority to arrange their care for them.
- Deliver wider support for the social care system, particularly social care staff; there was a commitment of £500m investment over 3 years in new measures to support the workforce.
- Improve the integration of health and social care systems. They plan to co-produce a comprehensive national plan for supporting and

enabling integration between health and social care which is intended to support existing plans on integration to go faster, changing the relationship between the individual and their local health and care system, and between local systems and national government

- 17.4 The CSR confirmed the £5.4bn already announced. Of this £3.6bn to be provided to local government to cover the costs of implementing the charging reforms, including the cap, the increased capital limit, moving towards paying a fair rate of care and the associated implementation costs. The allocation of this funding over the CSR period is intended to reflect when the impact of these changes will fall; as a result, more funding is available in later years, with £0.2bn in 2022/23 rising to £2bn by 2024/25. (As part of the provisional funding settlement for next year, Telford & Wrekin Council's allocation from the "Market Sustainability and Fair Cost of Care Fund" was set at £0.522m.) The remaining £1.7bn will go towards wider improvements to the social care system, including the £0.5bn investment to improve skills, qualifications and wellbeing of staff in the care workforce. More detail on the use of the remainder of the £1.7bn is expected before 2022/23.

## **18. EDUCATION FUNDING – DEDICATED SCHOOLS GRANT**

- 18.1 Dedicated Schools Grant (DSG) in 2022/23 will be allocated using four blocks:
- 18.2 **Schools Block** - £142.5m, funding for all mainstream primary and secondary schools via a local funding formula, although the Government is planning to move to a nationally determined funding formula in future. The amount in the block for Telford & Wrekin has increased by around £7m compared to 2021/22, due to an increase in per pupil funding of just under 3% and an increase in pupil numbers, particularly in the secondary sector. The government has also allocated an additional supplementary grant of £4.1m for 2022/23 to provide support for the costs of the Health and Social Care levy and wider costs, making a funding total of £146.6m.
- 18.3 **High Needs Block** - £30.6m, funding for Special Educational Needs (SEN) placements and support, special schools, pupil referral units and other alternative provision. The value of this block has increased by around £2.5m compared to 2021/22, broadly reflecting the national average increase. The increase in this block in recent years reflects severe budget pressures in this area. The Government has also allocated an additional supplementary grant of £1.1m in 2022/23 to provide support for the costs of the Health and Social Care levy and wider costs, making a funding total for the area of £31.7m.
- 18.4 High needs will remain an area of significant financial pressure in Telford & Wrekin, as well as many other Local Authorities, due to the upwards trend in the number and complexity of children and young

people with high needs. The lack of flexibility in the deployment of DSG funding means that the Authority is dependent on DfE allocations of high needs funding being sufficient to meet demand. Services are working to make local provision both educationally and financially sustainable, in particular by supporting mainstream schools to be as inclusive as possible.

- 18.5 **Early Years Block** - £12.7m – funding for free entitlement provision for 2, 3 and 4 year olds. Since September 2017 publicly funded provision has been extended from 15 hours per week (in term-time) to 30 hours per week for children of working parents. Funding is allocated to settings, both schools and private, voluntary and independent (PVI) providers based on a local funding formula. Telford & Wrekin’s funding has increased by just under 4% for 2022/23. Cost pressures impacting upon settings include the year on year increases in the national minimum wage. As early years allocations are based upon numbers of children in two January censuses, January 2022 and January 2023 for financial year 2022/23, the allocations are provisional until final adjustments are made after the financial year end (Summer 2023 for financial year 2022/23).
- 18.6 **Central School Services Block** – £1.1m - funding for Local Authority central services, which in the main are statutory. The Education Services Grant (ESG) ceased at the end of August 2017 and the Government created this new DSG block specifically for central services. However, the amount allocated is far lower than the previous ESG and Local Authorities need to secure Schools Forum approval for central services costs, despite the services being statutory responsibilities of the local authority.
- 18.7 In 2022/23, for the first time, we will also be asking maintained schools in Telford & Wrekin to de-delegate funding for the local authority’s statutory school improvement functions. To date, these have been funded by the DfE’s “School Improvement Monitoring and Brokering Grant”. This is proposed to be removed by the DfE, half in 2022/23 and the remaining half in 2023/24. No alternative funding is being provided, although local authorities’ statutory functions remain unchanged. Nationally, the value of the grant is £50m, whilst for Telford & Wrekin it was worth £0.182m in 2021/22.
- 18.8 Pupil premium rates have been increased by around 3% with the 2022/23 rates per eligible pupil being as follows:
- Primary pupils eligible for free school meals at any time over the last six years (FSM6): £1,385
  - Secondary FSM6 pupils: £985
  - Looked-after children: £2,410
  - Children who have ceased to be looked-after: £2,410

- Service children: £320

## **19. EQUALITY IMPACT ASSESSMENT**

- 19.1 Equality Impact Assessment is a tool that is used to ensure our decision making takes into consideration the protected characteristics with regard to the General Equality Duty (GED). In short we must demonstrate that we pay due regard to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity and to foster good relations. We need to assess and analyse the practical impact on those whose needs are affected by changes to the way that we deliver our services or to our spending. We have adopted a proportionate approach that takes into account the relevance of a proposal with regard to equality. This is a measured response recognising that our resources are best aimed at dealing with those proposals that could have the most significant impact. In order to accomplish this we have followed a process designed to screen proposals and ensure that they are fully explored.
- 19.2 Our process involves carrying out an initial scoping exercise to determine which budget saving proposals may require action or further investigation with regard to equality impact. For proposals where implications are identified and are at a sufficiently developed state a proportionate impact assessment is undertaken. Where a proposal is still at an early stage of development, an equality impact assessment will be undertaken during its development. This is an ongoing process that will continue throughout the year. As we engage with our community and partners to identify where we may need to deliver services differently we will ensure that we continue the process of screening these proposals to identify if there are any equality implications.

## **20. COMMUNITY ENGAGEMENT AND COMMUNICATION**

- 20.1 As outlined earlier in the report, we will continue to work closely with a range of community groups and Town and Parish Councils to develop alternative ways of delivering services. By engaging with residents and other partners it can be possible to find alternative ways of delivering those services that support our community. We will continue to engage with a range of partners and service users (experts by experience) who could assist in developing alternative service solutions in those areas that have potential to impact upon our residents.
- 20.2 Our 2022/23 approach to consultation and engagement on our budget will include communication in relation to where the Council intends to spend its budget and highlight areas for new investments. We will ensure that we engage with the community and our partners where

there is an opportunity for us to work together to improve outcomes for our residents, or where there is potential for an impact on the community. We will continue to identify those who wish to work with us on developing alternative service solutions.

- 20.3 As in previous years, communicating and engaging with the community on our future plans is an important part of the budget process and the ways in which we will do this are outlined below. However, the aim is to build more in-depth engagement during 2022/23 and later years involving residents and partners in developing solutions, therefore an important part of our communication plan is to identify those who are willing and able to be part of this process.
- 20.4 The ways in which we will seek views on our proposed strategy are as follows;
- Discussions at a number of specific forums during January,
  - Communications campaign including media and social media, updated budget page on the council website, and direct email communication
  - Gathering comments and feedback via a wide range of channels including email, social media, in writing to freepost address and telephone

**Comments can be sent to us at the following E mail address:-**  
[yourviewsmatter@telford.gov.uk](mailto:yourviewsmatter@telford.gov.uk)

- 20.5 Throughout this process we will also be gathering contacts of those who wish to be involved in more in depth engagement in relation to our budget process.

## **21. NEXT STEPS & TIMETABLE**

- 21.1 A consultation period will run from 7 January 2022 through to 6 February 2022 to enable the Council's Cabinet to give careful consideration to the views expressed before preparing their final report and recommendations to Full Council.
- 21.2 The Business & Finance Scrutiny Committee will scrutinise the Administration's budget proposals and should also have the opportunity to scrutinise any alternative budget proposals put forward by any Opposition group(s) prior to Cabinet on 17 February 2022. The Committee is scheduled to meet to scrutinise these proposals on 10, 17 and 20 January 2022. The Chair of the Business & Finance Scrutiny Committee will have the opportunity to present the recommendations of the Committee at the Cabinet meeting on 17 February if required. The Cabinet will determine their final recommendations for consideration by Full Council at this meeting.

21.3 Full Council will consider the recommendations from Cabinet and Scrutiny/Opposition Groups on 3 March 2022 when final decisions will be made and the budget and Council Tax for 2022/23 will be determined.

## **22. PREVIOUS MINUTES**

- Full Council 4 March 2021 - Service and financial Planning report 2021/22 – 2023/24

## **23. BACKGROUND PAPERS**

- LGFutures “Spending Review and Autumn Budget Briefing Note” dated 27 October 2021
- The MJ Bulletin Budget Special – 27 October 2021
- LGFutures briefing paper: Local Government Funding Reform Decisions and Options” December 2021.
- Local Government Association 2021 Autumn Budget and Spending Review: On the Day Briefing - 27 October 2021
- LGA Website and Provisional Local Government Finance Settlement 2022/23: On the Day Briefing – 16 December 2022
- LGFutures Provisional Finance Settlement Briefing Note 2022/23 – 16 December 2021
- Local Government Association “Provisional Local Government Finance Settlement 2022/23 On the Day Briefing” - 16 December 2021
- APSE Briefing 21:47 - Autumn Budget and Spending Review Statement 2021
- Public Finance Magazine - Budget and Spending Review 2021: Sunak the taxman cometh 27 October 2021
- BBC News Website
- Revenue Support Grant Settlement Announcement – DLUHC Website
- LGA Chief Executive’s daily briefing – 26 November 2021
- Service & Financial Planning Report to Council – 4 March 2021

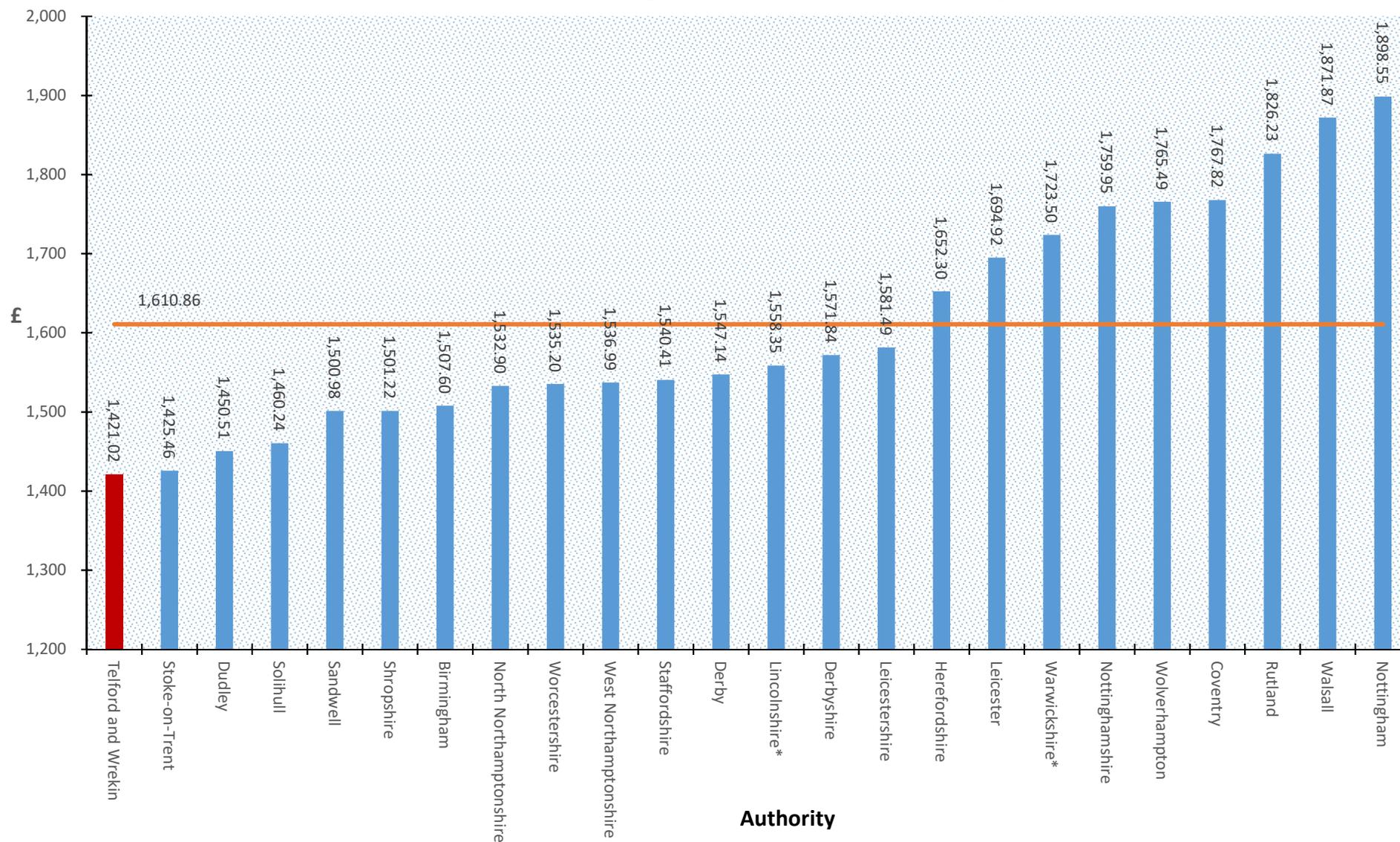
**Report prepared by: Ken Clarke, Director: Finance & H.R. (C.F.O.) - Tel: (01952) 383100**

## **INDEX OF APPENDICES.**

### Appendix

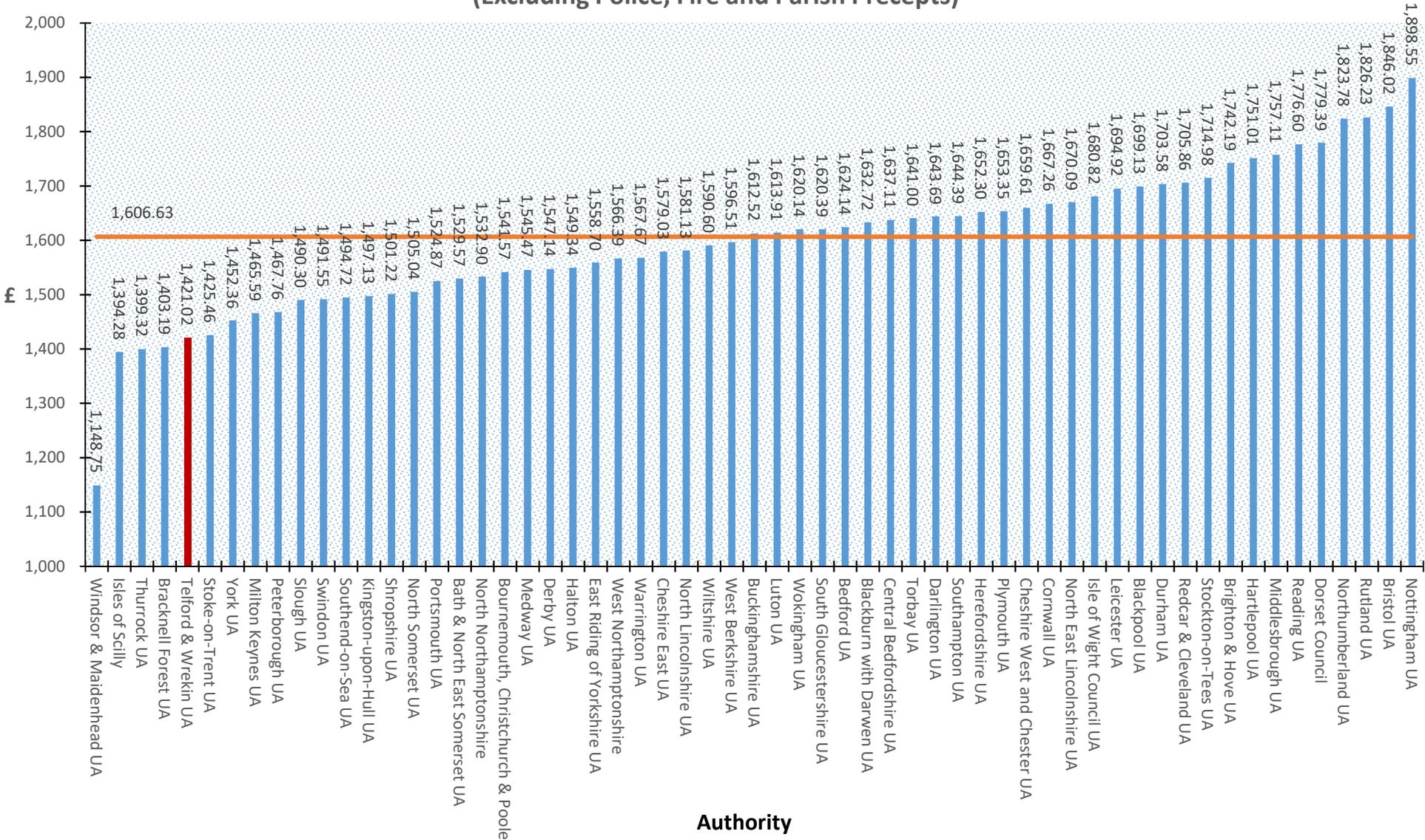
- 1 2021/22 Council Tax Comparison (at Band D) – Midlands Councils
- 2 2021/22 Council Tax Comparison (at Band D) – Unitary Councils
- 3 Savings Delivered to Date
- 4 Capital Investment Programme
- 5 Reserves and Balances
- 6 Financing costs to net revenue stream 2021/22
- 7 Details of education related Section 106 Agreements
- 8 Base Budget 2022/23
- 9 Analysis of Base Budget Movements
- 10 Savings List 2022/23 – 2023/24
- 11 Children’s Safeguarding & Early Help Cost Improvement Plan
- 12 Adult Social Care Continuous Improvement Plan

### Midlands Authorities 2021/22 Band D Council Tax for equivalent unity services (Excluding Police, Fire\* and Parish Precepts)



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### Unitary Authorities 2021/22 Band D Council Tax (Excluding Police, Fire and Parish Precepts)



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## APPENDIX 3 - SAVINGS ALREADY DELIVERED

1. The Council has faced truly unprecedented cuts to its grants from central Government which have now forced us to make ongoing annual savings of £133.692m. The need for savings has increased each year due to Government grant cuts, inflation, increasing demand for social care services and other services and other pressures. Ongoing savings delivered by year are detailed below:-

	£m
2009/10	4.156
2010/11	6.725
2011/12	11.659
2012/13	19.069
2013/14	11.306
2014/15	17.204
2015/16	10.237 (Includes in-year cut to Public Health grant)
2016/17	15.743
2017/18	13.815
2018/19	7.568
2019/20	6.066
2020/21	2.860
2021/22	7.284
<b>Full</b>	<b>133.692</b>

2. **This is equal to over £1,650 pa less that the Council has available to fund services for every household in Telford and Wrekin.** In delivering these savings, we have applied the principle of ‘as far as possible minimising the impact on priority front-line services’. This principle remains at the core of our current strategy although it is now inevitable that we have to increasingly put some savings proposals forward that will have significant consequences on front line services. Savings delivered to date include:-
3. **Council Jobs –**
  - Deleted 1,660 posts since April 2010, saving over £40m pa following major redesign and restructuring of the organisation to meet the challenges facing the Council. This has seen 625 vacancies deleted and 1035 redundancies. Through effective redeployment only 175 of these have been compulsory redundancies.
  - Redeployed 3,512 people (including some people who have been redeployed more than once as many teams have faced several restructuring processes) within the organisation as a result of restructuring with many employees now having been redeployed more than once.

- Since 2009 staff pay has been cut by over 20% in real terms (comparing average pay awards which have been greater at lower pay levels to reflect increases in the Government's minimum wage and inflation as measured by the Retail Prices Index).

#### **4. Senior managers**

- Reduced the size of the senior management team by 50% from 28 posts, to 14 after the restructure announced in December 2019.
- Cut the number of middle managers by almost 50%.

#### **5. Back office costs**

- Cut back-office costs by over 50% since 2009, saving £13m a year.
- This scale of reduction is significantly greater than what most authorities have achieved through outsourcing or sharing services and has been achieved much more quickly as protracted negotiations with other councils or third party providers have been avoided. Retaining full control of these services also allows maximum flexibility to drive further changes in future.

#### **6. Buying better value services**

- Delivered £14.4m procurement savings over the past 13 years by renegotiating and re-tendering contracts for the provision of services.
- Secured savings of £30m over the lifetime of the waste collection and disposal contract.
- The Grounds & Cleansing contract is delivering savings of £695,000 pa and a better standard of service.

#### **7. Additional Income**

- As part of our business winning approach, we expect to generate an extra £7.5m income by 2020, through growth in business rates and council tax since the introduction of the new local government finance system in April 2013.
- We will receive around £3.5m in 2021/22 from the New Homes Bonus paid by the Government to reward councils for increasing housing supply which is in line with figures issued as part of the provisional local government finance settlement.
- Increased income from more commercial approaches across our services over recent years, including increasing income from schools outside of Telford & Wrekin.
- As outlined earlier in this report, a strand of our approach to dealing with the Government's cuts to our Revenue Support Grant has been to increase income including through schemes that deliver wider benefits to the Borough such as regeneration of brown field sites, attracting new and retaining existing

jobs. This additional income, after covering associated marginal costs makes a contribution to our fixed costs and has reduced the cuts to front line services that we would otherwise have to make.

- Income streams include the overall positive impact to the Council from our investment in high quality homes for private and affordable rent through our wholly owned company, NuPlace, which is projected to exceed £1.8m in 2021/22 after covering all additional costs. NuPlace Ltd profit before tax was £0.620m in 2020/21 and will be lower in 2021/22 as anticipated. It is also anticipated that the Council will receive a dividend from Nuplace in 2021/22.
- The profit from the solar farm which will exceed £0.25m and the net additional income from the Property Investment Portfolio which is being boosted by benefits being delivered from the Telford Growth Fund is projected to exceed £8.0m in 2021/22.
- Our success in delivering high quality support and advisory services to schools – whether they be maintained schools or Academies and whether located within the Borough – or increasingly, outside the Borough is also making a contribution.

#### **8. Council buildings**

- Disposed of 27 properties including the former Civic Offices building.
- Reduced the office space we use by a third, saving the Council £2m. p.a.
- Four operational properties are currently being used.
- With staff adapting to home working as a result of Covid 19, a new hybrid mix of office and home working has been implemented. This could create further opportunities for efficiencies within the operational property estate.

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**Capital Programme - 2021/22 to 2025/26**

<b>Policy Area</b>	<b>Total £'000</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>	<b>2025/26 £000</b>	<b>Later Years £'000</b>
Adult Social Care	1,868	118	1,750	0	0	0	0
Communities, Customer & Commercial Services	12,598	4,507	6,091	2,000	0	0	0
Corporate Items	28,222	2,000	14,222	12,000	0	0	0
Education & Corporate Parenting	24,296	11,045	13,251	0	0	0	0
Finance & Human Resources	285	95	95	95	0	0	0
Health, Wellbeing & Commissioning	66	66	0	0	0	0	0
Housing, Employment & Infrastructure	27,170	12,170	10,000	5,000	0	0	0
Neighbourhood & Enforcement Services	40,729	17,855	13,574	9,300	0	0	0
Policy & Governance	246	122	62	62	0	0	0
Prosperity & Investment	182,791	25,331	80,533	59,823	17,104	0	0
<b>Total Expenditure</b>	<b>318,271</b>	<b>73,309</b>	<b>139,578</b>	<b>88,280</b>	<b>17,104</b>	<b>0</b>	<b>0</b>
<b>Resources</b>							
Borrowing Approval	0	0	0	0	0	0	0
Government Grant	61,419	26,964	25,787	8,668	0	0	0
Prudential	210,553	25,931	100,286	73,732	16,604	0	(6,000)
Capital Receipts	29,543	14,743	2,800	5,500	500	0	6,000
Revenue	2,634	667	1,867	100	0	0	0
External	14,122	5,004	8,838	280	0	0	0
Revenue Reserves	0	0	0	0	0	0	0
<b>Total Resources</b>	<b>318,271</b>	<b>73,309</b>	<b>139,578</b>	<b>88,280</b>	<b>17,104</b>	<b>-</b>	<b>-</b>

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**Capital Programme - 2021/22 to 2025/26**  
**Scheme Summary showing major schemes separately**

Executive Director	Scheme	Expenditure						later years
		Total £'000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25	2025/26	
Adult Social Care	Integrated Community Schemes	51	51	0	0	0	0	0
	Adults Supported Accommodation	1,750	0	1,750	0	0	0	0
	Social Care Capital Grant	67	67	0	0	0	0	0
		<b>1,868</b>	<b>118</b>	<b>1,750</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Communities, Customer & Commercial Services	Customer Services Systems Development	400	400	0	0	0	0	0
	ICT Investment Programme	7,092	3,051	2,041	2,000	0	0	0
	Legacy Fund	373	273	100	0	0	0	0
	Climate Change	3,994	494	3,500	0	0	0	0
	Other Schemes	739	289	450	0	0	0	0
		<b>12,598</b>	<b>4,507</b>	<b>6,091</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
Corporate Items	Efficiency Schemes Capitalisation	8,222	2,000	4,222	2,000	0	0	0
	Capital Investment Fund	20,000	0	10,000	10,000	0	0	0
	Managing the funding of the Capital Programme	0	0	0	0	0	0	0
		<b>28,222</b>	<b>2,000</b>	<b>14,222</b>	<b>12,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
Education & Corporate Parenting	All Other school schemes	24,296	11,045	13,251	0	0	0	0
		<b>24,296</b>	<b>11,045</b>	<b>13,251</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Finance & Human Resources	Finance & Human Resources other schemes	285	95	95	95	0	0	0
		<b>285</b>	<b>95</b>	<b>95</b>	<b>95</b>	<b>0</b>	<b>0</b>	<b>0</b>
Health, Wellbeing & Commissioning	Housing & Technology support for People with Learning Disabilities	66	66	0	0	0	0	0
		<b>66</b>	<b>66</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Housing, Employment & Infrastructure	Housing Related Schemes	10,905	10,905	0	0	0	0	0
	Affordable Housing Programme	10,000	0	5,000	5,000	0	0	0
	Pride In Your High Street	6,142	1,142	5,000	0	0	0	0
	Superfast Broadband Programme	123	123	0	0	0	0	0
		<b>27,170</b>	<b>12,170</b>	<b>10,000</b>	<b>5,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
Neighbourhood & Enforcement Services	Environmental Improvements/ Enhancements	4,468	468	2,000	2,000	0	0	0
	Ironbridge Gorge Stability	199	199	0	0	0	0	0
	Newport Innovation & Enterprise Package	294	294	0	0	0	0	0
	Transport & Highways Schemes	35,768	16,894	11,574	7,300	0	0	0
		<b>40,729</b>	<b>17,855</b>	<b>13,574</b>	<b>9,300</b>	<b>0</b>	<b>0</b>	<b>0</b>
Policy & Governance	Legal Fees	246	122	62	62	0	0	0
		<b>246</b>	<b>122</b>	<b>62</b>	<b>62</b>	<b>0</b>	<b>0</b>	<b>0</b>
Prosperity & Investment	Asset Management Plan - General Works & Surveys	2,261	861	700	700	0	0	0
	Environmental	1,374	1,374	0	0	0	0	0
	HCA Land Deal	2,558	1,423	855	280	0	0	0
	HCA Liability Sites	3,837	100	3,737	0	0	0	0
	Housing Company - Housing	74,604	6,200	18,300	33,000	17,104	0	0
	Land Deal Board Schemes	111	0	111	0	0	0	0
	Property Investment Programme	59,599	5,455	38,519	15,625	0	0	0
	Prosperity & Investment other schemes	6,967	1,517	4,750	700	0	0	0
	Rights of Way	344	144	100	100	0	0	0
	Stronger Communities	3,467	3,467	0	0	0	0	0
	Get Building Fund	2,323	2,323	0	0	0	0	0
	Towns Fund	23,133	1,144	12,571	9,418	0	0	0
	Stalled Sites	2,141	1,251	890	0	0	0	0
	Town Centre Compound	72	72	0	0	0	0	0
		<b>182,791</b>	<b>25,331</b>	<b>80,533</b>	<b>59,823</b>	<b>17,104</b>	<b>0</b>	<b>0</b>
		<b>318,271</b>	<b>73,309</b>	<b>139,578</b>	<b>88,280</b>	<b>17,104</b>	<b>0</b>	<b>0</b>

Gov'n't Grant £'000	Prudential £'000	Funding				Revenue £'000	External £'000
		Capital Receipts £'000	Borrowing Approval £'000				
0	51	0	0	0	0	0	
0	1,750	0	0	0	0	0	
9	58	0	0	0	0	0	
9	1,859	0	0	0	0	0	
0	400	0	0	0	0	0	
0	7,071	0	0	21	0	0	
0	260	0	0	113	0	0	
0	3,994	0	0	0	0	0	
6	487	0	0	246	0	0	
6	12,212	0	0	380	0	0	
0	0	8,222	0	0	0	0	
0	20,000	0	0	0	0	0	
0	(9,565)	9,565	0	0	0	0	
0	10,435	17,787	0	0	0	0	
22,916	0	1,340	0	0	0	40	
22,916	0	1,340	0	0	0	40	
0	285	0	0	0	0	0	
0	285	0	0	0	0	0	
66	0	0	0	0	0	0	
66	0	0	0	0	0	0	
3,224	4,665	2,251	0	0	0	765	
0	10,000	0	0	0	0	0	
0	4,885	0	0	1,257	0	0	
0	0	94	0	29	0	0	
3,224	19,550	2,345	0	1,286	0	765	
16	4,452	0	0	0	0	0	
48	151	0	0	0	0	0	
0	0	0	0	0	0	294	
10,035	23,750	0	0	34	1,949	0	
10,099	28,353	0	0	34	2,243	0	
0	246	0	0	0	0	0	
0	246	0	0	0	0	0	
34	2,227	0	0	0	0	0	
1,374	0	0	0	0	0	0	
0	0	0	0	0	0	2,558	
0	0	0	0	0	0	3,837	
0	74,604	0	0	0	0	0	
0	0	0	0	0	0	111	
0	54,851	658	0	630	3,460	0	
0	1,694	5,273	0	0	0	0	
40	0	0	0	304	0	0	
686	2,104	500	0	0	177	0	
1,190	202	0	0	0	931	0	
21,775	608	750	0	0	0	0	
0	1,251	890	0	0	0	0	
0	72	0	0	0	0	0	
25,099	137,613	8,071	0	934	11,074	0	
61,419	210,553	29,543	0	2,634	14,122	0	

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**Usable Balances at 1 April 2026**

		Balance at 01-Apr-26 £m
<b>Total Reserves and Balances</b>		72.71
<b>Less Commitments/Earmarked Funds:</b>		
School Funds	Balances held on behalf of schools; therefore not available to the Council	- 8.86
Funds held for other sectors/partnership working	Includes funds for the Local Safeguarding Partnership and PVI Early Years sector	- 0.03
Grant funding	Grant funding received and fully committed in the budget strategy	- 0.35
Insurance Reserves	Required to cover policy excesses and other costs such as claims prior to 1998 (unitary)	- 1.18
Hadley PFI Sinking Fund	Based on funding model; fully committed equalisation fund	- 1.37
Other Corporate Items	For Example ITS/Capacity Fund, severance fund	- 5.78
Single Status	Provision for equal pay settlement	- 8.92
Other Provisions	For example Bad Debt Provision and Pride Funding Reserve	- 2.77
Investment Fund	Investment in Council Priorities Fund	- 13.93
Specific Earmarked Service Balances	Residual balances held by services following a rigorous review of balances undertaken	- 3.05
<b>Residual General Working Balances</b>		<b>26.47</b>
<b>Made up of:</b>		
One Off Funds	Identified to support the Medium Term Budget Strategy	21.65
One Off Funds	General/Special Fund Balances	4.82
		<b>26.47</b>
<b>Required to meet the 2022/23 budget gap</b>		0.00
Residual Balance		26.47
<b>Made up of:</b>		<b>26.47</b>
One Off Funds	Identified to support the Medium Term Budget Strategy	21.65
One Off Funds	General/Special Fund Balances	4.82
		<b>26.47</b>

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SCHEDULE OF PROVISIONS, RESERVES AND BALANCES

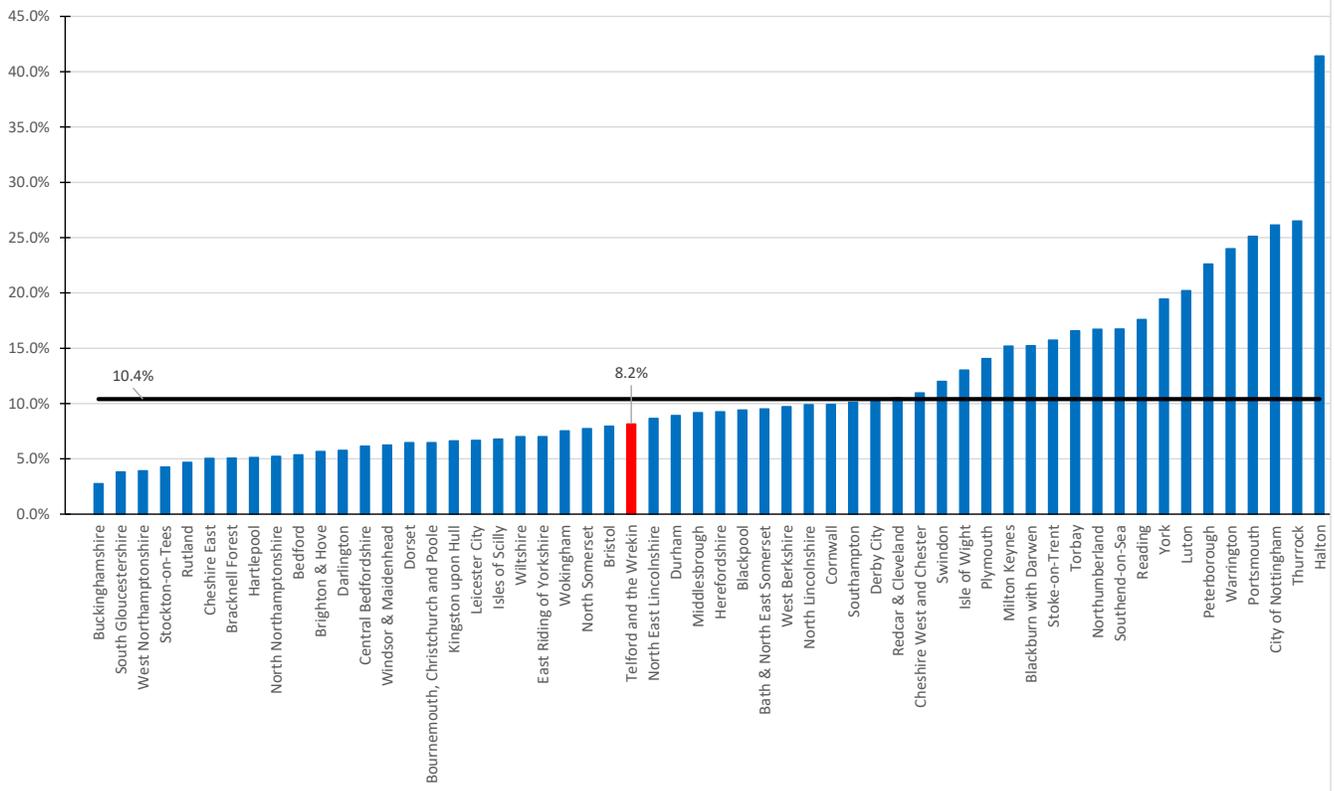
Service Area	Description	Actual Balance at 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022	Estimated Change during 2022/23	Estimated Closing Balance 31/3/2023	Estimated Change during 2023/24	Estimated Closing Balance 31/3/2024	Estimated Change during 2024/25	Estimated Closing Balance 31/3/2025	Purpose
Safeguarding & Family Support	Children's Services	(261,024.25)	60,000.00	(201,024.25)	100,000.00	(101,024.25)	101,024.25	0.00		0.00	To fund various posts within the service and development work
Safeguarding & Family Support	Changing Futures	(14,185.00)	14,185.00	0.00	0.00	0.00	0.00	0.00		0.00	To fund various posts within the service
Safeguarding & Family Support	Child Sexual Exploitation	(6,480.00)	6,480.00	0.00	0.00	0.00	0.00	0.00		0.00	Used to fund support for costs associated with CSE
Safeguarding & Family Support	Unaccompanied Asylum Seekers	(66,838.38)	66,838.38	0.00	0.00	0.00	0.00	0.00		0.00	To offset costs incurred supporting unaccompanied asylum seekers
Safeguarding & Family Support	Social Work Training Reserve	(19,020.71)	19,020.71	0.00	0.00	0.00	0.00	0.00		0.00	Used to support social work training placements
Safeguarding & Family Support	University Students	(51,829.00)	1,588.00	(50,241.00)	20,000.00	(30,241.00)	15,000.00	(15,241.00)	15,241.00	0.00	To fund the training of students on placements with the LA.
Safeguarding & Family Support	Troubled Families Programme	(141,110.13)	141,110.13	0.00	0.00	0.00	0.00	0.00		0.00	Balance on Government's Troubled Families Programme - use to support staff costs within safeguarding
Safeguarding & Family Support	Teaching Partnership	(7,357.96)	7,357.96	0.00	0.00	0.00	0.00	0.00		0.00	DfE funded partnership for training social workers
Safeguarding & Family Support	Frontline	(4,601.60)	4,601.60	0.00	0.00	0.00	0.00	0.00		0.00	To fund trainee social workers
Safeguarding & Family Support	Migration Grant	(43,503.00)	34,000.00	(9,503.00)	9,503.00	0.00	0.00	0.00		0.00	To assist in supporting migratory families, develop community links, so that unaccompanied asylum seekers can be supported in the local area
Safeguarding & Family Support	Control a/s Social Work Improvement Fund	(44,693.31)	0.00	(44,693.31)	44,693.31	0.00	0.00	0.00		0.00	To fund various posts within the service
Safeguarding & Family Support	Staying Put	(44,774.51)	44,774.51	0.00	0.00	0.00	0.00	0.00		0.00	Funding for duty on local authorities to support young people to continue to live with their former foster carers once they turn 18 (the 'Staying Put' duty)
Safeguarding & Family Support	Safeguarding Misc Grants Control Account	(12,340.00)	12,340.00	0.00	0.00	0.00	0.00	0.00		0.00	To fund various posts within the service
Safeguarding & Family Support	NAAS Grant Income	(50,091.47)	4,000.00	(46,091.47)	20,000.00	(26,091.47)	20,000.00	(6,091.47)	6,091.47	0.00	Funding to support implementation of the National Assessment & Accreditation system
Safeguarding & Family Support	Future Social	(20,607.21)	7,000.00	(13,607.21)	7,000.00	(6,607.21)	6,607.21	0.00		0.00	External funding to support staffing to undertake work related to the outcomes required
Safeguarding & Family Support	New Burdens - Personal Advisors	(45,479.97)	34,000.00	(11,479.97)	11,479.97	0.00	0.00	0.00		0.00	Funding to provide personal advisors to support care leavers moving into adulthood
Safeguarding & Family Support	Family Safeguarding Model	(450,000.00)	257,030.00	(192,970.00)	41,338.00	(151,632.00)	151,632.00	0.00	0.00	0.00	Funding to support implementation of the Family Safeguarding model
Safeguarding & Family Support	Social Work Grant	(23,296.85)	18,000.00	(5,296.85)	5,296.85	0.00	0.00	0.00		0.00	Grant funding to support specific posts within the service
		<b>(1,307,233.35)</b>	<b>732,326.29</b>	<b>(574,907.06)</b>	<b>259,311.13</b>	<b>(315,595.93)</b>	<b>294,263.46</b>	<b>(21,332.47)</b>	<b>21,332.47</b>	<b>0.00</b>	
Education & Skills	Revenue and Capital Balances held by schools for ongoing expenditure	(9,403,152.79)	1,474,150.00	(7,929,002.79)	1,000,000.00	(6,929,002.79)	1,000,000.00	(5,929,002.79)	1,000,000.00	(4,929,002.79)	This represents school balances held by the LA only. It includes the balances on the collective self insurance schemes (supply, maternity and theft and vandalism) that T&W offers to maintained schools and for balances on collaborative schemes administered by maintained schools.
Education & Skills	Schools provision held against possible cost of implementation of single status	(3,543,755.04)	15,000.00	(3,528,755.04)	15,000.00	(3,513,755.04)	15,000.00	(3,498,755.04)		(3,483,755.04)	Provision for Single Status costs in schools and DSG centrally funded staff. Use of this dependant on final implementation of Single Status.
Safeguarding & Family Support	Local Safeguarding Board	(84,390.09)	25,000.00	(59,390.09)	17,000.00	(42,390.09)	17,000.00	(25,390.09)	17,000.00	(8,390.09)	T&W Share of Partnership reserve to support the work of the Local Safeguarding Board
Education & Skills	Early Years facilities	(28,872.11)	3,000.00	(25,872.11)	3,000.00	(22,872.11)	3,000.00	(19,872.11)	3,000.00	(16,872.11)	Ring fenced fund for PVs in the early years sector, used to pay for refurbishments and R&M on early years provision.
Education & Skills	Early Years	(49,151.72)	30,000.00	(19,151.72)	0.00	(19,151.72)	10,000.00	(9,151.72)	5,000.00	(4,151.72)	To sustain existing nursery provisions in key areas of need
Education & Skills	Stop Loss Provision	(500,022.33)	50,000.00	(450,022.33)	50,000.00	(400,022.33)	50,000.00	(350,022.33)	50,000.00	(300,022.33)	Stop Loss Insurance - Self insurance to cover fire policy excesses on school buildings and other adhoc costs as appropriate
Education & Skills	Closed schools provision held against possible cost of implementation of single status	(131,177.98)	0.00	(131,177.98)	0.00	(131,177.98)	0.00	(131,177.98)		(131,177.98)	Residual balances from closed schools to cover potential future liabilities
Education & Skills	Education Welfare Balance	(100,329.75)	25,000.00	(75,329.75)	25,000.00	(50,329.75)	21,695.89	(28,633.86)	15,000.00	(13,633.86)	To fund training and resource costs associated with education welfare services
Education & Skills	Schools reserves held against possible deficits arising on schools conversion to academy status	(315,552.82)	100,000.00	(215,552.82)	100,000.00	(115,552.82)	46,709.70	(68,843.12)		(68,843.12)	Monies carried forward as a reserve against the possible unfavourable balance on schools conversions to academy status.
Education & Skills	Youth Unemployment	(949,267.94)	439,267.94	(510,000.00)	510,000.00	0.00	0.00	0.00		0.00	Continuation of Tackling Youth unemployment for 21/22 and 22/23
Education & Skills	SEN Review Reserve	(28,938.91)	5,000.00	(23,938.91)	15,000.00	(8,938.91)	8,938.91	0.00		0.00	To provide additional resources to be allocated to the rapidly growing area of post 16-25 SEN
Education & Skills	Arthog Trading Provision	(2,818.40)	15,254.23	(6,564.17)	6,564.17	0.00	0.00	0.00		0.00	Improvement and development at Arthog Outdoor Education Centre
Education & Skills	SEN Reforms Grant	(61,998.79)	20,000.00	(41,998.79)	20,000.00	(21,998.79)	21,998.79	0.00		0.00	To support staffing posts
Education & Skills	Misc. One off small Grants	(1,000.00)	500.00	(500.00)	500.00	0.00	0.00	0.00		0.00	Support of staffing
Education & Skills	Early Years Grants	(42,419.31)	42,419.31	0.00	0.00	0.00	0.00	0.00		0.00	Support of services
Education & Skills	Extended Rights Transport	(63,700.00)	63,700.00	0.00	0.00	0.00	0.00	0.00		0.00	Grant to be used to support additional costs of extended rights for home to school transport
Education & Skills	Lifelong Learning Grant	(532,709.20)	419,128.00	(113,581.20)	113,581.20	0.00	0.00	0.00		0.00	Grant c/w/d to support this activity - spans academic year
Education & Skills	High Needs Strategic Planning Fund	(26,247.36)	23,100.00	(3,147.36)	3,147.36	0.00	0.00	0.00		0.00	To fund costs of plan implementation in line with detailed actions
Education & Skills	Music Service Tutors	(10,000.00)	5,000.00	(5,000.00)	5,000.00	0.00	0.00	0.00		0.00	To support changes in terms and conditions
Education & Skills	Virtual School Heads Grant	(67,616.51)	60,000.00	(7,616.51)	7,616.51	0.00	0.00	0.00		0.00	
		<b>(15,962,121.05)</b>	<b>2,815,519.48</b>	<b>(13,146,601.57)</b>	<b>1,891,409.24</b>	<b>(11,255,192.33)</b>	<b>1,194,343.29</b>	<b>(10,060,849.04)</b>	<b>1,090,000.00</b>	<b>(8,970,849.04)</b>	

Service Area	Description	Actual Balance at 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022	Estimated Change during 2022/23	Estimated Closing Balance 31/3/2023	Estimated Change during 2023/24	Estimated Closing Balance 31/3/2024	Estimated Change during 2024/25	Estimated Closing Balance 31/3/2025	Purpose
Finance & HR	New Technology	(27,899.92)	1,000.00	(26,899.92)	5,000.00	(21,899.92)	5,000.00	(16,899.92)	5,000.00	(11,899.92)	Committed to Financial Management system development
Finance & HR	Modern Apprentice Reserve	(20,000.00)		(20,000.00)	7,000.00	(13,000.00)	6,000.00	(7,000.00)		0.00	To fund modern apprentices across the 2 accountancy teams (no basic budget)
Finance & HR	Treasury Management Reserve	(10,000.00)		(10,000.00)		(10,000.00)		(10,000.00)		(10,000.00)	Set aside to provide support for any technical advice needed
Finance & HR	Revenues Reserve	(100,000.00)		(100,000.00)	32,205.00	(67,795.00)	32,205.00	(35,590.00)	32,205.00	(3,385.00)	To fund posts in staffing budget and one off additional Northgate costs
Finance & HR	Resource Link Reserve	(152,306.73)	10,000.00	(142,306.73)	50,000.00	(92,306.73)	50,000.00	(42,306.73)	42,306.73	0.00	Fully committed for further development and upgrade costs over future years
Finance & HR	Finance Workforce Development Reserve	(38,891.33)		(38,891.33)	10,000.00	(28,891.33)	10,000.00	(18,891.33)	10,000.00	(8,891.33)	Training and development costs of Finance staff
		<b>(349,097.98)</b>	<b>11,000.00</b>	<b>(338,097.98)</b>	<b>104,205.00</b>	<b>(233,892.98)</b>	<b>103,205.00</b>	<b>(130,687.98)</b>	<b>96,511.73</b>	<b>(34,176.25)</b>	
Prosperity & Investment	PIP Reserve Contribution Account	(818,975.34)	430,429.00	(388,546.34)	100,000.00	(288,546.34)	100,000.00	(188,546.34)	50,000.00	(138,546.34)	Reserve to be used to aid with the ongoing rationalisation of the PIP
Prosperity & Investment	Dilapidations - PIP	(194,717.35)	25,000.00	(169,717.35)	50,000.00	(119,717.35)	50,000.00	(69,717.35)	50,000.00	(19,717.35)	To meet costs of required dilapidations.
Prosperity & Investment	Granville House	(1,177.80)	1,177.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To be utilised as part of accommodation strategy
Prosperity & Investment	Development Planning System	(100,000.00)	26,000.00	(74,000.00)	64,000.00	(10,000.00)	10,000.00	0.00	0.00	0.00	Upgrade of current system and review as to sustainability and suitability
Prosperity & Investment	Planning Appeal costs	(46,623.50)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Set aside for legal costs associated with planning appeals.
Prosperity & Investment	Housing Investment Programme	(170,920.00)	54,780.00	(116,140.00)	40,000.00	(76,140.00)	40,000.00	(36,140.00)	36,140.00	0.00	Reserve for Housing investment costs council side
Prosperity & Investment	HCA Liability Fund	(7,943,222.70)	2,077,925.00	(5,865,297.70)	2,100,000.00	(3,765,297.70)	2,300,000.00	(1,465,297.70)	1,465,297.70	0.00	Land Deal Funds; includes constrained sites funding; liability sites funding and profit share
Prosperity & Investment	World Heritage Lottery Fund	(5,000.00)	5,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	contribution towards bid costs
Prosperity & Investment	Accommodation	(21,718.72)	21,718.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To be used to support Accommodation Strategy & LED lighting
Prosperity & Investment	Master planning	(204,172.78)	127,765.00	(76,407.78)	76,407.78	0.00	0.00	0.00	0.00	0.00	To support development of site planning options
Prosperity & Investment	Custom Build Land Duty Grant	(70,972.21)	25,000.00	(45,972.21)	25,000.00	(20,972.21)	20,972.21	0.00	0.00	0.00	To fund the authorities duty to permission land under the Self-build and custom housebuilding act 2015. A total of £90k New Burdens fund has now been awarded towards the additional resource required to identify land to satisfy supply.
Prosperity & Investment	Heat Networks - HNDU	(40,000.00)	40,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Match funding for Project
Prosperity & Investment	Great Crested Newts	(86,885.63)	6,648.00	(80,237.63)	10,000.00	(70,237.63)	10,000.00	(60,237.63)	10,000.00	(50,237.63)	Funding to support the creation and maintenance of ponds associated with development and planning requirements.
Prosperity & Investment	SEDN Ecological Data	(14,259.57)	5,000.00	(9,259.57)	3,000.00	(6,259.57)	3,000.00	(3,259.57)	3,259.57	0.00	To fund ecological data collection
		<b>(9,718,645.60)</b>	<b>2,893,067.02</b>	<b>(6,825,578.58)</b>	<b>2,468,407.78</b>	<b>(4,357,170.80)</b>	<b>2,533,972.21</b>	<b>(1,823,198.59)</b>	<b>1,614,697.27</b>	<b>(208,501.32)</b>	
Policy & Governance	Insurance - Self Insurance Fund	(1,821,380.37)	160,000.00	(1,661,380.37)	160,000.00	(1,501,380.37)	160,000.00	(1,341,380.37)	160,000.00	(1,181,380.37)	Self insurance fund to cover insurance excesses - established in 2008/09 following decision to increase excesses.
Policy & Governance	Elections Equalisation Reserve	(162,195.74)	25,000.00	(137,195.74)	25,000.00	(112,195.74)	25,000.00	(87,195.74)	25,000.00	(62,195.74)	Set aside to assist in funding future local elections as annual revenue budget may not be sufficient in any given year.
Policy & Governance	CSE Funding Reserve	(2,260,000.00)	2,010,000.00	(250,000.00)	250,000.00	0.00	0.00	0.00	0.00	0.00	Funding to support CSE Inquiry.
Policy & Governance	Single Status Project Team	(98,377.15)	0.00	(98,377.15)	9,000.00	(89,377.15)	9,000.00	(80,377.15)	9,000.00	(71,377.15)	Required to fund single status project work (including legal and consultancy costs) and preparation for implementation
Policy & Governance	Legal Reserve	(96,745.00)	0.00	(96,745.00)	0.00	(96,745.00)	0.00	(96,745.00)	0.00	(96,745.00)	For standards investigations and Legal Staffing
Policy & Governance	Member Dvpt Reserve	(42,000.00)	42,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To be spent on training and equipment as required
Policy & Governance	Organisational Development Training Reserve	(296,936.37)	51,178.00	(245,758.37)	52,000.00	(193,758.37)	52,000.00	(141,758.37)	52,000.00	(89,758.37)	To fund the corporate training programme for the Council
Policy & Governance	Delivery & Planning Reserve	(119,497.26)	20,000.00	(99,497.26)	70,000.00	(29,497.26)	29,497.26	0.00	0.00	0.00	To be used to fund the Management & Leadership programme to enable - people centric organisation, an employer of choice and a family.
Policy & Governance	Kickstart Scheme Support	(4,543.70)	4,543.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support costs Kickstart programme
Policy & Governance	Boundary Review	(80,000.00)	80,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support costs of the Boundary Review
Policy & Governance	Ward Member Newsletter	(30,000.00)	15,000.00	(15,000.00)	15,000.00	0.00	0.00	0.00	0.00	0.00	provision for associated costs of production and distribution
Policy & Governance	OD Training costs	(10,000.00)	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	provision for additional support for employees facing compulsory redundancy
		<b>(5,021,675.59)</b>	<b>2,417,721.70</b>	<b>(2,603,953.89)</b>	<b>581,000.00</b>	<b>(2,022,953.89)</b>	<b>275,497.26</b>	<b>(1,747,456.63)</b>	<b>246,000.00</b>	<b>(1,501,456.63)</b>	
Health & Wellbeing	Joint Commissioning Balance	(27,217.36)	27,217.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support ongoing structure to deliver savings in key areas
Health & Wellbeing	Sponsorship Fund	(80,930.93)	70,205.93	(10,725.00)	10,725.00	0.00	0.00	0.00	0.00	0.00	Contributions from external organisations for specific purposes
Health & Wellbeing	Library Book Fund	(7,518.22)	2,506.07	(5,012.15)	2,506.07	(2,506.07)	2,506.07	0.00	0.00	0.00	Income from sale of books to be retained to support the book fund budget
Health & Wellbeing	Library Reserve	(8,804.40)	8,804.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Restructure support
Health & Wellbeing	Public Health Grant	(1,665,551.73)	683,408.00	(982,143.73)	292,796.00	(689,347.73)	200,000.00	(489,347.73)	200,000.00	(289,347.73)	Fully Committed for use in future years - ring-fenced for Public Health purposes-Known commitments shown
Health & Wellbeing	Early Help Partnership	(61,763.53)	0.00	(61,763.53)	0.00	(61,763.53)	0.00	(61,763.53)	0.00	(61,763.53)	Supporting locality working for the 0-10 Healthy Child Programme
Health & Wellbeing	Procurement Advice reserve	(29,561.00)	29,561.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	For Procurement Advice & systems
Health & Wellbeing	Young Persons Substance Misuse	(35,000.00)	35,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	funding of a peer support and mentoring offer for children and young people with drug and alcohol problems
Health & Wellbeing	Social Prescribing	(65,000.00)	65,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Paid to the CCG in 21/22 to support the smoking in pregnancy programme
Health & Wellbeing	Covid Grants	(4,825,166.42)	4,825,166.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Balance of various grants received in relation to Covid
Health & Wellbeing	Carers Assessment Tool	(3,563.40)	3,563.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Covering the cost of the worker supporting Carer assessments
Health & Wellbeing	Carers Services	(29,500.24)	29,500.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Committed against staffing changes
		<b>(6,839,577.23)</b>	<b>5,779,932.82</b>	<b>(1,059,644.41)</b>	<b>306,027.07</b>	<b>(753,617.33)</b>	<b>202,506.07</b>	<b>(551,111.26)</b>	<b>200,000.00</b>	<b>(351,111.26)</b>	
Adult Social Care	Invest to Save Reserve	(7,008.97)	7,008.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Committed to staffing support in 2021/22
Adult Social Care	Adult Social Care Initiatives	(186,928.18)	101,050.00	(85,878.18)	17,050.00	(68,828.18)	17,050.00	(51,778.18)	51,778.18	0.00	Monies committed to specific areas of partnership work i.e Autism strategy
Adult Social Care	Transforming Social Care	(27,398.93)	27,398.93	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Supporting short term impacts Implementation of restructure
Adult Social Care	Transformation Posts Reserve	(200,000.12)	57,969.00	(142,040.12)	76,632.00	(65,408.12)	65,408.12	0.00	0.00	0.00	To support staffing
Adult Social Care	My Options	(70,737.35)	50,737.00	(20,000.35)	0.00	0.00	0.00	0.00	0.00	0.00	To support service development
Adult Social Care	Change Programme	(183,508.71)	143,509.00	(39,999.71)	39,999.71	0.00	0.00	0.00	0.00	0.00	To support capacity to deliver CIP initiatives, support for training, Smart House

Service Area	Description	Actual Balance at 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022	Estimated Change during 2022/23	Estimated Closing Balance 31/3/2023	Estimated Change during 2023/24	Estimated Closing Balance 31/3/2024	Estimated Change during 2024/25	Estimated Closing Balance 31/3/2025	Purpose
Adult Social Care	Winter Pressures	(74,401.83)	74,401.83	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To meet any additional costs as a result of pressure on ASC and the hospitals
Adult Social Care	Care Legislation	(61,340.75)	34,420.00	(26,920.75)	26,920.75	0.00	0.00	0.00	0.00	0.00	Supports a number of posts within ASC. Remainder to progress further implementation of national changes in ASC (a Building Back Better)
Adult Social Care	Capacity Building Projects	(77,105.49)	35,105.00	(42,000.49)	42,000.49	0.00	0.00	0.00	0.00	0.00	Required to meet capacity issues, training support, policy updates
Adult Social Care	Adults Safeguarding Board	(29,502.60)	5,000.00	(24,502.60)	7,500.00	(17,002.60)	7,500.00	(9,502.60)	9,502.60	0.00	Funding to be reinvested in the work of the Board as required-
Adult Social Care	BCF/TCP Section 75 Agreement Pooled Fund Reserve	(608,311.37)	608,311.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	In place for mitigation of any financial risks associated with TCP.
Adult Social Care	BCF Reserve	(734,937.14)	734,937.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Committed to BCF with significant pressures in reablement
Adult Social Care	Childrens Grants	(5,315.92)	5,315.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Young Person's Grant Scheme
Adult Social Care	Safeguarding & Strategic Management	(94,544.30)	94,544.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support legal fees and DOLS costs
Adult Social Care	IBCF	(176,341.37)	83,166.00	(93,175.37)	83,166.00	(10,009.37)	10,009.37	0.00	0.00	0.00	Support of staffing to support the delivery of integrated care services and processes.
Education & Skills	Moderation Grant	(9,287.40)	9,287.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	DfE grant to support the LA's duty to moderate annual key stage exams for maintained schools.
Adult Social Care	ASC Reserve	(500,000.00)	500,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support ASC purchasing (linked with Cantrac project)
Corporate	Integrated Commissioning	(200,000.00)	57,650.00	(142,350.00)	77,836.00	(64,514.00)	64,514.00	0.00	0.00	0.00	To support joint funded posts to support work on Joint Commissioning across the Council and NHS system
		<b>(3,246,679.43)</b>	<b>2,629,811.86</b>	<b>(616,867.57)</b>	<b>391,105.30</b>	<b>(225,762.27)</b>	<b>164,481.49</b>	<b>(61,280.78)</b>	<b>61,280.78</b>	<b>0.00</b>	
Neighbourhood & Enforcement	Environmental Mice Programme	(943,720.89)	943,720.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Fully committed to fund a programme of improvements.
Neighbourhood & Enforcement	Safer Communities balance	(19,835.49)	19,835.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Committed to fund safer city spend
Neighbourhood & Enforcement	Coalbrookdale Water Course	(41,336.05)		(41,336.05)		(41,336.05)		(41,336.05)		(41,336.05)	Coalbrookdale Water course drawn down as and when required each year (commuted sum) and annual contribution received.
Neighbourhood & Enforcement	Stoneyhill Landfill	(22,138.00)		(22,138.00)		(22,138.00)		(22,138.00)		(22,138.00)	This is for a commuted sum for periodic cleaning & maintenance of the site's (golf balls)
Neighbourhood & Enforcement	Bus Subsidy Reserve	(314,017.00)	310,461.00	(3,556.00)	3,556.00	0.00	0.00	0.00	0.00	0.00	To support subsidised bus routes
Neighbourhood & Enforcement	Waste Contract	(419,742.14)	65,000.00	(354,742.14)	60,000.00	(294,742.14)		(294,742.14)		(294,742.14)	Enable the ongoing management of new Waste contract. Fully committed.
Neighbourhood & Enforcement	Confirm & Tascomi System Implementation costs	(28,783.47)	16,050.00	(12,733.47)	12,733.47	0.00	0.00	0.00	0.00	0.00	To support the implementation of the Confirm system which went live in 01.04.19 as a result of the new Highways and Grounds & Cleansing contracts. Also to support the implementation of the new Public Protection database
Neighbourhood & Enforcement	Car parking Enforcement	(98,341.81)	20,000.00	(78,341.81)	20,000.00	(58,341.81)	20,000.00	(38,341.81)	20,000.00	(18,341.81)	Additional income from CPE which must be re-invested back into the Highway
Neighbourhood & Enforcement	Transport & Highways Reserve (G100)	(63,954.99)	63,954.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Required to support revenue position
Neighbourhood & Enforcement	Fleet Reserve	(2,729.42)	2,729.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support the replacement of Fleet vehicles
Corporate	Corporate Travel Plan	(50,000.00)		(50,000.00)	50,000.00	0.00	0.00	0.00	0.00	0.00	
Neighbourhood & Enforcement	Reserves - to cover Legal Costs	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	Potential legal costs
Neighbourhood & Enforcement	Community Action Teams Funding	(1,655,000.00)	597,000.00	(1,058,000.00)	529,000.00	(529,000.00)	529,000.00	0.00	0.00	0.00	Funding for Community Action Team programme for 3 years to 2023/24
Neighbourhood & Enforcement	Neighbourhood Services	(243,085.24)	164,508.00	(78,577.24)	68,589.00	(9,988.24)	9,988.24	0.00	0.00	0.00	Committed to cover staffing
Neighbourhood & Enforcement	Covid-19 Grants	(37,039.40)	37,039.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Balance of various grants received in relation to Covid
		<b>(3,939,723.90)</b>	<b>2,240,299.19</b>	<b>(1,699,424.71)</b>	<b>743,878.47</b>	<b>(955,546.24)</b>	<b>558,988.24</b>	<b>(396,558.00)</b>	<b>20,000.00</b>	<b>(376,558.00)</b>	
Hsg. Employment, Infra	Capacity Fund - Skills Analysis	(7,428.00)	7,428.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Research of skills gaps surveys
Hsg. Employment, Infra	Targeted Marketing Campaign	(11,027.67)	11,027.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Destination Telford work
Hsg. Employment, Infra	Destination Telford	(10,242.14)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Destination Telford, to be used for the Inward Investment Marketing strategy
Hsg. Employment, Infra	Local Plan Enquiry	(86,867.50)	86,867.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support the Local Plan
Hsg. Employment, Infra	Homelessness Prevention	(95,747.76)	95,747.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Reserve to fund Homelessness prevention and Homelessness pressures
Hsg. Employment, Infra	Growth Hub Development	(10,045.95)	7,000.00	(10,045.95)	10,045.95	0.00	0.00	0.00	0.00	0.00	Funding to support future development
Hsg. Employment, Infra	Revitalise Fund	(7,366.58)	7,366.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Pride in Your High Street funding
Hsg. Employment, Infra	New Burdens Funding - Housing	(184,659.22)	184,659.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	HRA Act - new burdens monies to be utilised for resourcing to fulfil the responsibilities required under the new Act
Hsg. Employment, Infra	Town's Deal	(159,204.00)	129,000.00	(30,204.00)	30,204.00	0.00	0.00	0.00	0.00	0.00	Town Deal Capacity grant to support the development of a Town Deal Board and Investment Plan
Hsg. Employment, Infra	Rapid Rehousing Pathway Grant - Balance Sheet	(39,797.22)	39,797.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support Homelessness prevention
Hsg. Employment, Infra	High Street Challenge	(256,773.77)	256,773.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support Pride programme.
Hsg. Employment, Infra	Domestic Abuse - Housing	(65,154.33)	42,308.18	(22,846.15)	22,845.15	0.00	0.00	0.00	0.00	0.00	Funding staff post
Hsg. Employment, Infra	Housing Strategy Consultancy Support	(162,540.00)	162,540.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To fund Housing strategy work commissioned from consultants
Hsg. Employment, Infra	DEFRA - destination Telford	(1,591.92)	1,591.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support Destination activities
Hsg. Employment, Infra	Pride in Wellington Station	(45,394.00)	45,394.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	To support small improvements at Wellington Station
Hsg. Employment, Infra	Rough Sleeping Initiative	(100,015.38)	(44,670.00)	(144,685.38)	144,685.38	0.00	0.00	0.00	0.00	0.00	Supporting specific rough sleeping initiatives
Hsg. Employment, Infra	Private Sector Housing Holding code	(135,144.22)	88,944.22	(46,200.00)	25,000.00	(21,200.00)	21,200.00	0.00	0.00	0.00	To support temporary staffing
Hsg. Employment, Infra	Homelessness Support Grant	(222,994.29)	(151,453.71)	(71,540.58)	109,269.85	(265,187.15)	119,883.15	(145,304.00)	145,304.00	0.00	Funding of specific homelessness solutions
Corporate	Pride in Your High Street	(1,000,000.00)	1,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	Committed
		<b>(2,601,993.93)</b>	<b>1,973,565.45</b>	<b>(628,428.48)</b>	<b>342,041.33</b>	<b>(286,387.15)</b>	<b>141,083.15</b>	<b>(145,304.00)</b>	<b>145,304.00</b>	<b>0.00</b>	
Cities, Customer & Commercial	Voluntary Sector Support Fund	(488,048.77)	82,944.00	(405,104.77)	200,000.00	(205,104.77)	200,000.00	(5,104.77)	5,104.77	(0.00)	To support the Voluntary Sector/Partnership working
Cities, Customer & Commercial	Customer Services & Benefits	(227,465.08)	82,257.00	(145,208.08)	102,568.00	(42,640.08)	42,640.08	0.00	0.00	0.00	To support additional staffing costs as a result of Welfare Reform changes and to support delivery of savings
Cities, Customer & Commercial	Telford Town Park Commuted Sums	(119,940.00)	25,010.00	(94,930.00)	(19,990.00)	(114,920.00)	(19,990.00)	(134,910.00)	(19,990.00)	(154,900.00)	Balance to be built up over 10 years to fund management and maintenance plan for further ten years after 2020. In line with Management Plan/required for Parks for People Grant

Service Area	Description	Actual Balance at 31/3/21	Estimated Change during 2021/22	Estimated Closing Balance 31/3/2022	Estimated Change during 2022/23	Estimated Closing Balance 31/3/2023	Estimated Change during 2023/24	Estimated Closing Balance 31/3/2024	Estimated Change during 2024/25	Estimated Closing Balance 31/3/2025	Purpose
Cities, Customer & Commercial	Crisis Assistance Reserve	(81,244.99)	50,000.00	(31,244.99)	15,000.00	(16,244.99)	16,244.99	0.00		0.00	To support the revenue budget for Crisis Assistance. It is anticipated that there will be a call on this in 2021/22 and future years following the pandemic.
Cities, Customer & Commercial	Community Engagement Reserve	(33,522.38)	20,000.00	(13,522.38)	10,000.00	(3,522.38)	3,522.38	0.00		0.00	To be used for training volunteers and staff, development of volunteer website and database
Cities, Customer & Commercial	Leisure/Aspirations Invest to Save Funding	(279,703.15)	159,500.00	(120,203.15)	25,000.00	(95,203.15)	25,000.00	(70,203.15)	25,000.00	(45,203.15)	To fund the ongoing replacement of Leisure equipment. Also includes £180k to fund Leisure concessions between 2021/22 and 2023/24 and £27.5k to fund delay in delivery of savings.
Cities, Customer & Commercial	ICT Reserves & Provisions	(33,276.30)	20,000.00	(13,276.30)	13,276.30	0.00		0.00		0.00	Support Pricing model and delay in implementation of saving in 2021/22
Cities, Customer & Commercial	Culture	(152,726.09)	100,000.00	(52,726.09)	25,000.00	(27,726.09)	25,000.00	(2,726.09)	2,726.09	0.00	To fund ongoing events. £60k for Theatre equipment
Cities, Customer & Commercial	Culture - Destination	(35,000.00)		(35,000.00)		(35,000.00)		(35,000.00)		(35,000.00)	provision for one-off costs
Cities, Customer & Commercial	Climate Change	(50,000.00)	25,877.00	(24,123.00)	24,123.00	0.00	0.00	0.00	0.00	0.00	Year and reserve approval 2019/20 to support Climate Change initiatives/action plan. Funding a post in 2021/22
Cities, Customer & Commercial	Syrian Resettlement Programme (SRP)	(368,806.57)	134,287.00	(234,519.57)	134,287.00	(100,232.57)	100,232.57	0.00	0.00	0.00	Grant funding in relation to Syrian Resettlement Programme
Cities, Customer & Commercial	Covid 19 Grants	(461,720.72)	0.00	(461,720.72)	0.00	0.00	0.00	0.00	0.00	0.00	Balance of various grants received in relation to Covid
		<b>(2,331,454.05)</b>	<b>1,161,595.72</b>	<b>(1,169,858.33)</b>	<b>529,264.30</b>	<b>(640,594.03)</b>	<b>392,650.02</b>	<b>(247,944.01)</b>	<b>12,840.86</b>	<b>(235,103.15)</b>	
Corporate	Special Fund Balance	(1,179,276.01)	204,718.00	(974,558.01)	192,000.00	(782,558.01)		(782,558.01)		(782,558.01)	Working balance
Corporate	General Fund Balance	(4,039,105.01)		(4,039,105.01)		(4,039,105.01)		(4,039,105.01)		(4,039,105.01)	General Fund Working Balance
Corporate	Budget Strategy Reserve	(21,824,826.32)	173,000.00	(21,651,826.32)		(21,651,826.32)		(21,651,826.32)		(21,651,826.32)	Available to support the Medium Term Budget Strategy
Corporate	Investment in Council Priorities Fund	(10,000,000.00)		(10,000,000.00)		(10,000,000.00)		(10,000,000.00)		(10,000,000.00)	For Investment in Council Priorities
Corporate	Covid Recovery & Regeneration	(1,250,000.00)	324,000.00	(926,000.00)		(926,000.00)		(926,000.00)		(926,000.00)	
Corporate	Parks Funding, Pride in Your Park	(1,000,000.00)		(1,000,000.00)		(1,000,000.00)		(1,000,000.00)		(1,000,000.00)	
Corporate	Cultural, tourism and public event initiatives and activities	(1,000,000.00)		(1,000,000.00)		(1,000,000.00)		(1,000,000.00)		(1,000,000.00)	
Prosperity & Investment	Accommodation Reserves (ICT)	(750,000.00)	200,000.00	(550,000.00)	550,000.00	0.00		0.00		0.00	
Corporate	Rights of Way (£100k p.a. for 3 years)	(300,000.00)	100,000.00	(200,000.00)	100,000.00	(100,000.00)	100,000.00	0.00		0.00	
Corporate	Fire at Overdale	(250,000.00)	250,000.00	0.00		0.00		0.00		0.00	
Corporate	Communities & Engagement Team	(156,000.00)		(156,000.00)	52,000.00	(104,000.00)	52,000.00	(52,000.00)	52,000.00	0.00	
Corporate	Integrating Communities/Representing all parts of the Community	(50,000.00)		(50,000.00)		(50,000.00)		(50,000.00)		(50,000.00)	
Corporate	Additional Funding for Comms & Marketing	(137,000.00)	87,000.00	(50,000.00)	50,000.00	0.00		0.00		0.00	
Corporate	Collection Fund Surplus - Council Tax - TWC element only	(941,300.67)	(2,050,000.00)	(2,991,300.67)	621,000.00	(2,370,300.67)		(2,370,300.67)	870,000.00	(1,500,300.67)	Estimated collection fund balance drawn down as part of budget strategy
Corporate	Collection Fund equalisation Account	(1,000,000.00)	300,000.00	(700,000.00)		(700,000.00)		(700,000.00)		(700,000.00)	Fund to accommodate any fluctuations in Council Tax Income
Corporate	NDR Equalisation Account	(4,531,000.00)	1,870,100.00	(2,660,900.00)	1,045,457.00	(1,615,443.00)	1,045,457.00	(569,986.00)		(569,986.00)	Fund to accommodate any fluctuations in business rates income and 2020/21 deficit phased over 3 years
Corporate	Capital Funding Reserve	(405,938.41)	163,000.00	(242,938.41)	242,938.41	0.00		0.00		0.00	Fully Committed to capital programme
Corporate	Single Status Provision - General Fund element	(8,917,031.52)		(8,917,031.52)		(8,917,031.52)		(8,917,031.52)		(8,917,031.52)	Funding set aside to meet costs of implementing single status
Corporate	Severance Fund	(1,109,813.08)		(1,109,813.08)		(1,109,813.08)		(1,109,813.08)		(1,109,813.08)	Fund set up to meet the one off costs of redundancies arising from restructures in order to deliver ongoing savings. The Council also has the ability to capitalise costs associated with service transformation through to March 2025
Corporate	Redundancy Provision	(48,047.00)		(48,047.00)		(48,047.00)		(48,047.00)		(48,047.00)	Specific provision to meet one off costs associated with the Council re-structure - relates to those who had received notification of redundancy at 31 March.
Corporate	Pride in Your Community - Funding Reserve	(1,216,140.00)	434,000.00	(782,140.00)	434,000.00	(348,140.00)	348,140.00	0.00		0.00	Reserve created to fund debt charges associated with the Pride in Your Community initiative.
Corporate	Hadley PFI Sinking Fund	(1,436,560.05)	(44,000.00)	(1,480,560.05)	11,000.00	(1,469,560.05)	32,000.00	(1,437,560.05)	70,500.00	(1,367,060.05)	Equalisation account relating to Hadley PFI, based on funding model
Corporate	Bad Debt Provision	(2,774,545.52)		(2,774,545.52)		(2,774,545.52)		(2,774,545.52)		(2,774,545.52)	To cover bad debts, level based on formula
Corporate	Corporate Capacity / Invest to Save Fund	(5,565,656.19)	1,600,000.00	(3,965,656.19)	1,200,000.00	(2,765,656.19)	1,200,000.00	(1,565,656.19)		(1,565,656.19)	Various initiatives to build capacity and provide funding to deliver future savings. Includes support to partner organisations who take on the delivery of services.
Corporate	Telford 2020 (capital programme)	(17,000.00)	17,000.00	0.00		0.00		0.00		0.00	Committed
Corporate	Communications	(100,000.00)		(100,000.00)	100,000.00	0.00		0.00		0.00	
Corporate	Campaigns and Marketing	(209,118.16)	142,260.00	(66,858.16)	66,858.16	0.00		0.00		0.00	To support Creating a Better Borough and Community Initiatives and Campaigns
Corporate	Capital grant fundings held as a reserve	(798,650.27)	346,000.00	(440,650.27)	440,650.27	0.00		0.00		0.00	Committed to funding the capital programme.
Corporate	VAT and Taxation Reserve	(29,648.32)		(29,648.32)		(29,648.32)		(29,648.32)		(29,648.32)	Provision for any unforeseen VAT/Taxation costs
Corporate	Pride in Our Community	(1,000,000.00)	500,000.00	(500,000.00)	500,000.00	0.00		0.00		0.00	Committed
Corporate	Public Transport Initiative	(300,000.00)	150,000.00	(150,000.00)	150,000.00	0.00		0.00		0.00	Committed to support a range of initiatives.
Corporate	Community Initiatives	(756,435.51)	400,000.00	(356,435.51)	356,435.51	0.00		0.00		0.00	Committed to support a range of initiatives.
Corporate	Covid-19 - various	(15,739,824.00)	15,739,824.00	0.00		0.00		0.00		0.00	Committed
Corporate	Covid-19 reserve	(3,000,000.00)		(3,000,000.00)		(3,000,000.00)		(3,000,000.00)		(3,000,000.00)	
Corporate	Covid Hardship Fund - balance	(420,821.15)	420,821.15	0.00		0.00		0.00		0.00	
Corporate	Reserves - Councillors Pride Fund	(40,305.97)	40,305.97	0.00		0.00		0.00		0.00	Balance committed
		<b>(92,282,043.16)</b>	<b>21,368,029.12</b>	<b>(70,914,014.04)</b>	<b>6,112,339.35</b>	<b>(64,801,674.69)</b>	<b>2,777,597.00</b>	<b>(62,024,077.69)</b>	<b>992,500.00</b>	<b>(61,031,577.69)</b>	
<b>TOTAL</b>		<b>(143,600,245.27)</b>	<b>44,022,868.65</b>	<b>(99,577,376.62)</b>	<b>13,728,988.97</b>	<b>(85,848,387.64)</b>	<b>8,638,587.19</b>	<b>(77,209,800.45)</b>	<b>4,500,467.11</b>	<b>(72,709,333.34)</b>	

### Financing Costs to Net Revenue Stream - 2021/22 Unitary Authorities



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Section 106 Monetary Contributions Received and Expended for Education Purposes 01/04/20 to 31/03/21

APPENDIX 7

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Planning Application No	Scheme	Bal Carried forward	Income	Expenditure	Bal Carried forward	Project	
E015	TWC/2012/0320 & TWC/2013/0720	Land off Sommerfield Road	-138455.16	0.00	0.00	-138455.16	HLC expanded from 2 FE (420 places) to 3FE (630 primary places)
E020	TWC/2011/0821	Land at Wellington Rd Newport	-438812.37	0.00	0.00	-438812.37	Allocated to future primary education projects in Newport
E637	TWC/2013/0297	Land off Edmond Rd Newport	-210659.62	0.00	0.00	-210659.62	Allocated to future primary education projects in Newport
E643	TWC/2014/0484 & TWC/2016/0332	Land West of The Cedars Rodington	-27309.71	0.00	0.00	-27309.71	Contribution towards primary facilities towards the new Allscott Primary School
E645	TWC/2016/0535	Springfields Industrial Estate Newport	-40842.62	0.00	0.00	-40842.62	Expansion and remodelling works to provide additional 130 places at Burton Borough School
E647	TWC/2013/0855	Land rear of Willow Tree Cottage Station Rd Newport	-124579.09	0.00	0.00	-124579.09	An additional three class bases provided to address suitability issues with the Victorian block , remodelling to provide additional 130 places at Burton Borough School
E649	TWC/2012/0530	Land at Priorslee East (HCA)	-366342.84	0.00	0.00	-366342.84	New primary school at Priorslee planned - 106 says provision of new & enhancements to existing primary
E652	TWC/2013/0592	Former Ever Ready Factory	-223431.52	0.00	0.00	-223431.52	Additional primary and nursery places provided at Ladygrove Primary school
E653	W2006/0291 & TWC/2011/0541 & TWC/2011/0541	B1/B3 Apley Castle (Peregrine Way)	-136111.71	0.00	0.00	-136111.71	Additional class bases are planned to take the school to a 2FE (420 places)
E655	TWC/2014/0230	Back Lane/Plantation Rd Tibberton	-112948.24	0.00	0.00	-112948.24	An additional three class bases provided to address suitability issues with the Victorian block
E658	TWC/2013/1033	Land off Haygate Rd	-498300.15	-27820.44	0.00	-526120.59	Allocated to future projects at Wrekin View & Ercall Wood
E663	TWC/2014/0415	Land at The Knoll Church Aston	-41169.25	0.00	0.00	-41169.25	An additional three class bases provided to address suitability issues with the Victorian block
E666	TWC/2017/0714	Snedshill Way	-70835.09	0.00	0.00	-70835.09	An additional class base to allow St Georges Primary School to move from a PAN of 70 to 75
E668	TWC/2016/0560	Beech Hill & Blue House Barns	-74738.06	0.00	0.00	-74738.06	An additional three class bases to be provided to address suitability issues with the Victorian block at St Georges Primary School
E670	TWC/2017/0941	Land West of Castle Farm Way Priorslee	-418488.87	-831660.00	0.00	-1250148.87	A new primary school is planned in Priorslee. It will open as a 1FE (210 places) but will have core and site to accommodate 2FE (420 places) dependent on rate of build in the Priorslee area
E674	TWC/2016/0446	61 Plantation Rd Tibberton	-93753.42	0.00	0.00	-93753.42	Contribution towards refurbishment of demountable at Tibberton Primary School
E677	TWC/2016/0562	Former Beches Hospital site Ironbridge	-190062.90	0.00	0.00	-190062.90	Remodelling works at John Fletcher of Madeley Primary school
E678	TWC/2011/0827	Audley Ave (Housing)	-422642.86	-219308.22	0.00	-641951.08	Newport primary education & Burton Borough
E683	TWC/2015/1111 & TWC/2017/1050	Land adjt to Walton Ave/Ridgeway High Ercall	-152850.93	0.00	0.00	-152850.93	Allocated towards education provision at High Ercall primary & transport to Charlton school
E685	TWC/2017/0233 & TWC/2018/0659	Plough Lane Newport	-25820.04	-53721.92	0.00	-79541.96	Allocated to future education projects in Newport
E686	TWC/2016/1152	Parkland House Audley Ave	-201389.23	0.00	0.00	-201389.23	An additional three class bases provided to address suitability issues with the Victorian block
E689	TWC/2017/0179	Land South of 28 Beechfields Way	-77743.06	0.00	0.00	-77743.06	An additional three class bases provided to address suitability issues with the Victorian block
E693	TWC/2019/0753	Land between Arleston Lane & Dawley Rd	0.00	-348575.55	0.00	-348575.55	Nearby Primary & secondary education facilities
E699	TWC/2018/0658	Land east of Charlton School	-103371.66	0.00	0.00	-103371.66	Hadley Primary Expansion
E708	TWC/2019/0252	Sheldar/Covings/The Old Stables, Tibberton	-84997.00	0.00	0.00	-84997.00	Allocated to facilities at Burton Borough and Tibberton Primary Schools
E709	TWC/2016/0978	Land to rear of 32 Bratton Rd	-55752.64	0.00	0.00	-55752.64	Primary Education at Wrekin View Primary
E710	TWC/2018/0596	Site of Caravan & Camping Centre Stadium Way Hadley	-55304.02	-5129.04	0.00	-60433.06	HLC primary and secondary expansion
E711	TWC/2019/1031	Site of Royston,68 Rosecroft, 9&70 Park Rd/Leonards Rd Malinslee	-134524.42	0.00	0.00	-134524.42	Lawley Village Academy expansion
E712	TWC/2019/0487	Land west of Lawford Close, off Majestic Way	-165335.15	-1920.91	0.00	-167256.06	Lawley Village Academy expansion
E715	TWC/2020/0518	NFU House (Land at Southwater Way)	-144359.44	0.00	0.00	-144359.44	Lawley Village Academy expansion
E716	TWC/2012/0961	Land at Orchard House Tibberton	-16168.24	0.00	0.00	-16168.24	New class base at Tibberton
E718	TWC/2015/0157	Land at Former Dairy Crest site Crudgington	-219412.79	-19532.47	0.00	-238945.26	Works at Crudgington Primary/Charlton School. Discussions on going with Trust as per 106
E722	TWC/2014/1080	Land at Mill Lane Tibberton	0.00	-63938.44	0.00	-63938.44	Extension at Tibberton Primary & Burton Borough Sports facilities
E723	TWC/2018/1019	Land South of Newcommon Way	0.00	-230948.00	0.00	-230948.00	Improvements to John Randall School/Telford Langley school
E724	TWC/2018/0780	Corner of Holyhead Rd/Telford Way, Snedshill	0.00	-219267.58	0.00	-219267.58	Upgrade/enhancements at St Georges Primary school
YD28	TWC/2014/0333	Land at Corner of Stafford Rd/A41 Newport	-313460.02	0.00	0.00	-313460.02	To be used toward expansion of education facilities in Newport area - project yet to be confirmed
YD30	W2004/0980 & TWC/2010/0828	Lawley Primary New School	-79489.94	0.00	0.00	-79489.94	Provision of a new school in Lawley. Lawley Village Academy
YD63	TWC/2012/0650 & TWC/2014/0237	Land off Doseley Works	-18057.97	-459970.50	0.00	-478028.47	Additional primary and nursery places provided at Ladygrove Primary school
YD64	TWC/2014/0273	Land at The Barnes Church Aston	-1910.37	0.00	0.00	-1910.37	Improvement Moorfield primary school
YD66	TWC/2010/0111 & TWC/2014/0258	Land at Former Ibstock Brickworks	-10428.55	0.00	0.00	-10428.55	Additional primary and nursery places provided at Ladygrove Primary school
YD95	TWC/2014/0656	Land adjt to Stone House Shifnal Rd Priorslee	-19087.92	0.00	0.00	-19087.92	An additional class base to be provided to allow St Georges Primary school to move from a PAN of 70 to 75
YD97	TWC/2012/0926	Land at Horsehay	-53010.10	0.00	0.00	-53010.10	Allocated towards education provision in the vicinity

<b>Totals</b>	<b>-5561956.97</b>	<b>-2481793.07</b>	<b>0.00</b>	<b>-8043750.04</b>
	<b>-5561956.97</b>			<b>-8043750.04</b>
<b>To 31/10/2021</b>	<b>0.00</b>			<b>0.00</b>

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**TELFORD & WREKIN COUNCIL**  
**REVENUE BASE BUDGET BEFORE ADDITIONAL SAVINGS**

	2022/23 GROSS EXPENDITURE £	2022/23 GROSS INCOME £	2022/23 NET EXPENDITURE £
Prosperity & Investment	21,162,857	27,090,982	(5,928,125)
Finance & Human Resources	22,317,729	7,526,315	14,791,414
Policy & Governance	8,177,641	7,166,880	1,010,761
Children's Safeguarding & Family Support	40,441,856	2,857,916	37,583,940
Education & Skills	140,437,935	126,328,649	14,109,286
Health, Wellbeing & Commissioning	11,705,958	9,494,061	2,211,897
Adult Social Care	83,900,838	29,329,343	54,571,495
Neighbourhood & Enforcement Services	40,964,679	9,458,108	31,506,571
Housing, Employment & Infrastructure	5,754,009	3,427,983	2,326,026
Communities, Customer & Commercial Services	82,421,920	78,132,887	4,289,033
Corporate Items	23,643,148	36,910,895	(13,267,747)
Netting off of Internal Recharges included above	(52,255,715)	(52,255,715)	0
<b>Total</b>	<b>428,672,855</b>	<b>285,468,305</b>	<b>143,204,550</b>
<b>Contributions To/From Balances</b>	<b>0</b>	<b>434,750</b>	<b>(434,750)</b>
<b>Net Total</b>	<b>428,672,855</b>	<b>285,903,055</b>	<b>142,769,800</b>

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## ANALYSIS OF BASE BUDGET MOVEMENTS

## APPENDIX 9

Base Budget Movements from 2021/22	2022/23	
	£'000	£'000
<b>2021/22 Base Budget</b>		<b>131,014</b>
Revenue Contingency		2,423
Reversal of use of balances (Coll Fund and Capital funding reserve)		300
Reversal of one off use of balances in 2021/22		173
		<b>133,910</b>
<u>Inflation</u>		
General - major contracts	966	
Pay Inflation	2,789	
		<b>3,755</b>
<u>Council Wide Items</u>		
New Services Grant	-2,671	
Additional Social Care Grant	-2,133	
Cost of Health & Social Care Levy	725	
Pensions - Increases in the lump sum deficit payment - figures from actuaries.	84	
Additional Capacity required following review of posts funded on a temporary basis.	300	
New Homes Bonus	(228)	
WME Dividend/Costs	222	
Holly Project	80	
Lower Tier Services Grant	(11)	
		<b>(3,632)</b>
<u>Capital/Treasury</u>		
Cost of Capital Programme	1,910	
		<b>1,910</b>
<u>Service Pressures</u>		
Waste - growth in properties and tonnages	168	
Adults additional pressure	500	
Adult Social Care growth	5,980	
Children's Safeguarding growth	1,200	
Housing - project management costs - PiOHS/BT	95	
Policy & Governance capacity	20	
Policy & Governance - statutory canvassing duties	25	
Leisure - income shortfall	(269)	
Housing, Infrastructure & Employment Investment	150	
Other	536	
		<b>8,405</b>
<u>Savings</u>		
Approved in 2021/22 & Previous Budget Strategy	(1,579)	
		<b>(1,579)</b>
<b>Base Budget</b>		<b>142,769</b>
<u>Less Funding</u>		
Council Tax Income	74,430	
Council Tax growth in base	2,318	
Council Tax Collection Fund	2,120	
Revenue Support Grant	10,336	
Parishes CTS Grant	(99)	
Top Up	4,969	
Retained Business Rates - local projection	38,316	
Section 31 Grant - local projection	3,956	
<b>Total Funding</b>		<b>136,346</b>
<b>Base Budget Gap</b>		<b>6,423</b>
Less Savings		(5,656)
Less Adult Social Care Precept		(767)
<b>Residual Gap</b>		<b>0</b>

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**SCHEDULE OF SAVINGS PROPOSALS**

**APPENDIX 10**

	Description of Saving	2022/23 £	2023/24 £	Total Ongoing Saving £
1	Service Restructures, staff savings and capitalisation across the organisation	869,028	500,635	1,369,663
2	Income generation including Nuplace, leisure services and trading operations, and outdoor education	1,281,414	1,386,511	2,667,925
3	Children's Safeguarding & Family Support - enhanced fostering offer. The savings will not see a reduction in the budget as the funds released will be fully re-invested back in to the service along with other additional new investment.	350,000	550,000	900,000
4	Adult Social Care – a number of service improvements/reviews including supported living options, increased use of technology, funding contributions and rapid reviews. The savings will not see a reduction in the budget as the funds released will be fully re-invested back in to the service along with other additional new investment.	910,000	100,000	1,010,000
5	My Options – delivery of the Learning Disability Strategy including a change in transport needs with a focus upon independence building and community initiatives'	170,000	0	170,000
6	Treasury Management - review of alternative borrowing sources and underlying treasury assumptions	1,000,000	0	1,000,000
7	The local authority is able to use DSG to support young people with high needs	187,500	50,000	237,500
8	Procurement efficiencies through review of contracts, including some Public Health contracts	163,180	100,000	263,180
9	Various other efficiencies across the organisation	811,100	38,014	849,114
	<b>TOTAL GROSS SAVINGS</b>	<b>5,742,222</b>	<b>2,725,160</b>	<b>8,467,382</b>
	<b>LESS "LEAKAGE" FROM GENERAL FUND</b>	<b>86,133</b>	<b>40,877</b>	<b>127,011</b>
	<b>TOTAL NET SAVINGS</b>	<b>5,656,089</b>	<b>2,684,283</b>	<b>8,340,371</b>

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## Children's Safeguarding & Family Support – Cost Improvement Plan

### Introduction:

In 2021, the number of CLA by local authorities in England rose to its highest level at 80,850, up 1% on last year and continuing the rise seen in recent years.

The increase was driven by there being slightly more CLA starting during the year than those ceasing. However, both starts and ceasing were down, and monthly figures show that:

- The numbers of CLA starting were consistently lower than we might usually expect throughout the year but were particularly low during periods when national lockdowns or restrictions were in place.
- The numbers of CLA ceasing were similarly affected by the first national lockdown but returned to the levels we might expect from September onwards. This fall is likely to have driven an increase in the average duration of care for those CLA ceasing, which increased by a further 79 days (more than two and half months) compared to last year.
- Another headline of particular interest, suggesting an impact of the pandemic is that the number of CLA who were adopted has fallen 18%, continuing a fall from a peak in 2015. The large decrease this year is likely driven by the impact on court proceedings during the pandemic, where cases progressed more slowly or were paused.
- The proportion of CLA starting in foster care continues to fall, as do CLA starting in placements in the community (which includes independent living). More children have been placed with parents, or other person with parental responsibility or placed in secure units, children's homes and semi-independent living (although much of the increase here is in semi-independent living) and in 'other' placements.
- The current national data collections (SSDA 903 and children in need census) are only just starting to pick up these emerging trends of the needs and circumstances of the growing adolescent population of looked after children, and those on the edge of care. . Specific contemporary issues were cited, such as child sexual exploitation, child criminal exploitation and county lines gangs.
- Within the wider context of increased demand and reduced budgets, rising unit costs, as highlighted in the published section 251 expenditure data, particularly for looked after children, is a substantive issue for children's social care.

### In Telford & Wrekin:

- There are round 46,000 people aged 0-19 in the borough, and around 57,500 in the 0-24 age bracket.
- The Borough has a higher proportion of people under 20 (25.2%) compared to the England average of 23.6%.
- As the population of the Borough grows, the number of young people aged 0-24 is set to increase to around 60,200 by 2034 – there is projected to be less young people aged 0-14 (around 600 less) whilst the growth is in those aged 15-24, with a projected increase of 4,300 people in this age group.
- Telford and Wrekin is estimated to have 1,100 children aged 5-10 and 1,500 aged 11-16 with a mental health disorder.

- At the time of the 2011 Census, a total of 5,362 households in Telford and Wrekin were lone parents with dependent children, just under a quarter (24.4%) of all dependent children households within the borough. 43.5% of lone parent households were not in employment, compared to the national average of 40.5%.
- 4,550 (14.4%) of pupils have Special Education Needs Support (SEND). The proportion of pupils with SEN Support has grown from 10.9% in 2014 to 14.4% in 2020/21.
- There remain challenges for some children and young people around levels of deprivation, with 23.8% (8,600) of children aged 0-15 living in income deprived households.
- The most common risk factors identified in 1,964 assessments completed by Children Safeguarding Teams in 2020/21 were mental health (43.8%), domestic violence (39.9%), Emotional Abuse (21.4%) and drug misuse (21.1%).
- The rate of children looked after per 10,000 at 2020/21 year end was 102 with the rate of new LAC increasing by 17.8% from the previous year.
- 890 families met the thresholds for Strengthening Families in 2020/21. 63% of Strengthening Families family circle assessments identified mental & emotional health of children and young people as presenting need. The second most common need was adult mental health at 61% and then parenting at 51%.

### **The Challenges:**

The challenge for children's services is to ensure that we achieve positive outcomes for children and families in the context of an increasing child population; rising demand for services including increases in cases involving a myriad of factors including mental health problems, high levels of deprivation, domestic violence, substance misuse, child exploitation, migration across local authority lines, children with special educational needs and disabilities (SEND). Alongside this, as with the national picture we are facing increased placement costs and reduced placement sufficiency.

Furthermore, the COVID-19 pandemic has affected service demand in other ways, there is an emerging mental health epidemic with children and young people disproportionately adversely affected, as they have had to adapt to extraordinary changes to the world around them. We have also seen a significant increase in the complexity of situations that young people are experiencing, which has continued during the easing of lockdown with more and more children appearing to be linked within peer networks of vulnerability. We have also been responding to a bulging backlog in the family courts.

The priorities for our children's services are reflective of the need to safely reduce the number of children and families in need of support escalating to statutory safeguarding services. There is a strong focus on the need to do more to prevent the problems leading to care entry, ensuring compliance with the principles of the United Nations Convention on the Rights of the Child (UNCRC) 1989 and the Children's Act (UK, 1989), both of which emphasise the importance of a child being cared for by their parents

Our improvement plan is very much focused on reviewing and re-modelling services and finding new and innovative ways of doing more for less. Whilst doing so, our foremost priority

is to promote the wellbeing and safeguarding of vulnerable children and young people, in line with our statutory responsibilities.

### **Our Approach:**

The main focus of the Children's Services Cost Improvement Plan (CIP) is to:

- Reduce the number of children becoming looked after;
- Increase the number of children ceasing to be looked after;
- Increase the number of children returning home to parents or family members;
- Reduce the length of time children are looked after for;
- Reduce the number of re-referrals to safeguarding;
- Reduce the number of looked after children placed in residential provision;
- Reduce the number of looked after children placed in external foster placements;
- Increase the number of looked after children placed with internal foster carers;

### **New Initiatives to support the delivery of the CIP:**

#### DFE's Strengthening Families, Protecting Children Programme: Family Safeguarding

Telford and Wrekin Council applied and were successful to join the DFE's Strengthening Families, Protecting Children Programme, where £84 million has been invested over 5 years to support up to 20 local authorities to improve work with families and safely reduce the number of children entering care by adopting one of three successful models developed elsewhere.

Family Safeguarding was developed by Hertfordshire County Council in 2015, where it has delivered a radical impact in improving outcomes for children and their families whilst also significantly reducing demands and costs for the county. The model has been independently evaluated as being very effective, has been complimented by Ofsted and is being replicated by at least 8 other English local authorities already (some with financial investment from the DfE). Key to its success is the initial intensive support provided to both children and the adults in their families.

The Family Safeguarding Model is predicated on multi-disciplinary joint children and adult teams. The model will therefore be implemented by building on the skills mix of our current Children's Social Work teams by adding community-based mental health staff, domestic abuse specialists and substance misuse workers.

The new model went live in Telford and Wrekin in July 2021.

#### Together4Children

We continue to be part of the Together4Children Regional Adoption Agency (RAA) as a partnership between Shropshire Council, Staffordshire County Council, Stoke-on-Trent City Council and Telford & Wrekin Council. The RAA delivers a range of functions, including:

- Recruiting and assessing adoptive families;
- Finding families for the children from our region who need adoptive families;
- Providing adoption support services to adopted children, their families, birth families and adopted adults.

Working together across the partnership we aim to:

- Make best use of our collective resources to recruit, assess and support prospective adopters and foster carers across the region.
- Improve the quality and speed of matching for children through better planning and by having a wider choice of families.
- Provide high quality support to children and their families delivered through a combination of direct provision and effective partnerships.
- Provide all children and their families with the right support at the right time through a consistent permanency support offer available across the region.
- Respond to the regulatory requirements in respect of Adoption (including Non-Agency Adoptions and Intercountry Adoption).

### In-house Fostering Strategy

As corporate parents our ambition is to recruit and retain the best foster carers to provide the best possible care for our looked after children. Our “in-house” foster carers are central to our aims to secure the best possible outcomes for children in our care. The rates and benefits provided to the carers who care for some children are no longer attractive in the competitive market and as such the borough is experiencing difficulty recruiting new carers and retaining existing.

When children come into our care “in-house” fostering is the preferred option because it enables children to remain close to their connections and for the borough to support them (and their carer family).

However, options of in-house care are becoming limited due to the number of foster carers entering, the ageing cohort of existing carers, carers supporting young people post their 18th birthday (known as Staying Put) and the number of carers exiting.

In spite of a concerted effort to improve the offer to carers, some fostering families choose to no longer care for children. The success and need for Staying Put arrangements has also increased and is will likely continue to increase, thus reducing the number of available “in-house” carers further.

The Fostering Plus pilot was introduced in 2018 with the aim of working to stabilise the foster care home environment for those children and young people whose needs would have ordinarily been met by Independent Fostering Agencies (IFAs) or residential children’s homes. It has been found that by adapting in-care provision to support systemically trained and intensively supported foster carers, in house services have been able to stabilise care for children with complex needs and avoid the need to move children to residential care.

The number of children in residential children’s homes at the commencement of the pilot was 48 and the percentage of total number of looked after children was approximately 12%. We have reduced this number to a steady 8%.

In the recent Foster Carer Health Check, foster carers were asked to rate our fees and allowances out of 10. 40% of foster carers who completed the survey rated our fees 5 or below. 25% of foster carers rated our allowances 5 or below.

Many new carers register interest via word of mouth and feedback from our existing foster carers is that our offer is no longer preferable to other boroughs or the independent sector. The borough is not unique in this challenge; Ofsted published a national report in November 2020 noting that recruitment of in-house carers was a significant difficulty for all the local authorities and agencies used in their study. The shortage of suitable carers was the most significant barrier to making good matches with children and ultimately identifying successful caring places for them.

Benchmarking has also been undertaken across other authorities' within the West Midlands. This activity focused on in-house foster carer fees and allowances and Independent Fostering Agencies. It has been established that in spite of concerted efforts to recruit and retain, Telford and Wrekin Council is no longer competitive as a destination for potential carers at levels 1-3 and that current payments are lower than the average across the region and lower than IFA's.

By increasing both the support provided and financial incentives to carers we aim to reduce future costs of the service by increasing the number of in-house options, as well as ensuring that in-house foster carers have the financial resources to provide the best care possible for children in their care.

The service is therefore proposing to increase retention of our in-house foster carers' resident in the borough by providing:

- more financial resource and stability;
- a comprehensive wrap-around support package;

This will include an increase of our fee rates at level 1, 2 and 3 for all age groups with increases ranging from 25%-50%.

	<b>TW Current Fee (£)</b>	<b>PROPOSED Fee (£)</b>
	<b>x 1 child</b>	<b>X 1 child</b>
Level 1	80	120
Level 2	120	150
Level 3	140	200

We are also looking to increase our allowances in line with the Consumer Prices Index including owner occupiers' housing costs (CPIH) which shows an increase of 2.1% in the 12 months to July 2021.

This increase will enable the authority to become financially competitive in the foster care market and ensure existing foster carers remain with the borough. We also intend to focus targeted recruitment campaigns for foster carers able to care for sibling groups and fostering plus placements.

In addition we have:

- Introduced the Mockingbird Model. Mockingbird uses an extended family model, in the form of 'constellations' which consist of a 'hub' home and several 'satellite' homes

nearby. The specially recruited and trained hub home carers offer respite care, peer support, regular joint planning and social activities. Because of its structure, Mockingbird helps alleviate the sense of isolation foster carers can feel and offers immediate practical support - similar to that a non-fostering family might receive from friends and relatives.

- Further developed our marketing strategy, with a dedicated resource to make the Telford and Wrekin fostering brand more visible across the borough.
- Reviewed our recruitment processes to ensure that the service responds swiftly to all enquiries and visit all potential new carers as soon as they express an interest in becoming a foster carer for Telford and Wrekin.
- Developed our support offer to Foster Carers which includes access to therapy to promote wellbeing and improve placement stability for our children and young people.
- Worked with colleagues from across the Council to look at additional ways to support our in-house fostering service to support our carers to care for children and young people with disabilities or additional support needs, e.g. through adaptations.

### Child and Family Ambassador Volunteer Scheme

We know that in the right circumstances, volunteer services can effectively contribute to delaying or preventing entry to more expensive systems of care and support and provide an effective mechanism for support for families through stepdown from practitioner led services. We have further developed our volunteer scheme and now have a number of successful volunteer roles to support our service offer:

- Child and Family Ambassadors provide one to one support and encouragement to families receiving support from our Early Help and Safeguarding Services. The Ambassadors support families either alongside Practitioners or as part of an exit strategy to provide our families with additional support.
- FGC Ambassadors support the Family Group Conference (FGC) service in promoting the voice of the child, helping children and young people to prepare for the FGC and support them during the FGC itself.
- Care Leaver Mentors are safe adults independent of the care leavers' family and care system. The aim is to develop a stable friendship with a care leaver, helping to build their confidence and self-esteem and also to bring stability, security and consistency to a care leaver's life through regular contact for a sustained period.
- Rights and Reps Ambassadors support VOICE (Care Council) co-ordinators during meetings, seasonal activities and regional trips.

### Systemic Practice

We are now in the fifth year of embedding Systemic Practice in to make system changes to the way we work with children and young people. The systemic practice model is family-focused, and strengths-based, to build families and/or young people's capacity to address their own problems more effectively.

We have delivered whole service implementation of the systemic practice model: with practitioners, managers and leaders having completed training through the Centre for Systemic Social Work. The practice model enables our workforce to work intensively with

families to empower them to solve their own problems and change behaviours instead of referring out to others.

### NSPCC Reunification Practice Framework

In 2019-20, the NSPCC Reunification Practice Framework was introduced in Telford and Wrekin's children's services. It was reported in our 2020 Ofsted inspection that we have "A highly effective and creative service [that] successfully assists children, especially older children, to remain with their birth family, or supports a return to their family wherever it is safe to do so... Families are supported to ensure that changes are sustainable, avoiding the need for further care episodes and reducing the need for further statutory involvement. Exit strategies are carefully planned to ensure that families can sustain change themselves."

Ineffective support for reunification planning is extremely costly, and is not in the best interests of children and young people. The outcomes of returning children home from care show high breakdown rates (2 years after return 47% of the returns had broken down (Farmer et al 2011) mainly because of parental difficulties or children's behaviour. The average annual cost for each child that re-enters care from home is £62,000 compared with an average annual cost of supporting a child to return home which is just over £5,500

### Family Solutions

The Family Solutions service includes Family Group Conferencing and works to achieve a number of key outcomes that each feed into the cost improvement plan.

Our services refer to Family Solutions when it is considered that a child is perceived to be at the 'edge of care' or at risk of becoming looked after.

Family Solutions also support children and young people to stepdown from residential to foster placement, providing clear stepdown plans and working with all involved to ensure that there is robust planning to achieve successful transition and prevent placement breakdowns.

The remit of this offer is now broader, with support for some of our older young people to transition to semi-independent living arrangements and support for reunification plans, with the whole team trained in and championing the NSPCC reunification practice framework.

### Reducing Parental Conflict

We have recently been successful in an application to the Reducing Parental Conflict (RPC) Workforce Development Grant. The purpose of the grant is to help professionals to spot parental conflict, provide initial support and refer parents to further interventions such as therapy for a constructive resolution and prevent escalation. The programme fits with our approach to providing the right support for families at the right time, and is more important than ever given the circumstances of the last 18 months and the impact of a national pandemic.

### New Beginnings

"New Beginnings" is an exciting 18 month pilot which will enable us to take a fresh approach to working with women where their unborn child is assessed as being at risk and requires a pre-birth assessment. We have appointed a full time psychologist who will work within our Parenting Assessment Team to offer cognitive capacity and psychological assessments and interventions as part of a new approach to improving outcomes for mother and child.

The team will offer early assessment, psychologically driven interventions and multi-disciplinary support, the goal is to enable mother and baby to remain together.

## APPENDIX 12

### Adult Social Care (ASC) Continuous Improvement Plan

#### **1** Current challenges

- Demand for Adult Social Care (ASC) continues to rise each year, people are living longer and there are more people living with long-term conditions, particularly dementia.
- There are increasing numbers of young adults in transition to ASC with complex needs.
- We are also seeing increased numbers of people with complex needs discharged from hospital or supported at home to prevent hospital admission.
- The longer-term Covid legacy impact upon the availability and cost of care continues to be a challenge for our providers.
- The increased complexity of the needs of some people who we continue to support in their own home.
- Workforce availability across health and social care.
- Telford and Wrekin has an increasingly older population with the prevalence of age related conditions.

#### **2** Population in more detail

- There are estimated 181,300 people living in Telford & Wrekin; 31,700 are over 65 years old. Although the population of the Borough is set to increase in coming year, very little of this increase will be in the working age population (Updated information for 2019-2020 and all population is rounded to the nearest 100 as they are estimated numbers only)
- There are estimated 16,500 people over the age of 25 years old providing unpaid care to a partner, family member or other person; 3,700 people are over 65 years old.
- There are estimated 2,800 adults between 18 and 64, and 600 people aged over 65 years old with a learning disability
- There are estimated 2,000 people aged over 65 years old that have dementia, by 2035 this will increase to 3,220 (60%)
- There are estimated 10,900 people aged 18-164 years old that have a moderate or serious physical disability
- There are estimated 1,400 people aged over 18 years old that have autistic spectrum disorders
- There are estimated 17,300 people aged between 18 and 64 years old that have a common mental health disorder
- There are estimated 13,500 people aged over 65 years old that have a long term health problem or disability that limits their day to day activities
- There are around 3,831 working age veterans in the Borough

Please note: these are nationally produced figures for each Local Authority Area. For more information about the population of Telford and Wrekin, visit [www.telford.gov.uk/factsandfigures](http://www.telford.gov.uk/factsandfigures)

- As with all age groups in the Borough, a high proportion, nearly 16,000 of the working age between 16-64 adults reported having a long term illness or disability than the national average at the time of the 2011 census.
- An estimated 10,600 people aged 16-64 have a moderate or serious physical disability based on the 2017 mid-year estimates.
- An estimated 3,400 people have a baseline learning disability, aged 15-64+, with 800 moderate or severe learning disability

### **Our Model**

In Telford and Wrekin Adult Social Care we continue to follow a Strength and Community Asset Based Approach which seeks to enable people with care and support needs to live as independently as possible in their own homes and communities. Our approach importantly focuses upon ensuring early access to information and advice about health and social care. This enables people to make informed choices to enable them to keep independent whilst getting the information they need when they need it. Given the challenges currently faced across health and social care nationally as well as locally it is critical that we continue to follow this approach in order that we manage the resources we have to best impact for local people with care and support needs.

We have developed a multi-year financial plan, which is up-dated at least annually. The plan assists in forecasting the financial requirements of the service model for ASC reflecting the impact on expenditure and income of population numbers, population ageing, strategic changes to service delivery and care support delivered.

Due to the Coronavirus pandemic, we have experienced increased numbers of people particularly on our hospital discharge and enablement pathways. We have also seen an increase in the numbers of people referred to our Health and Social Care Rapid Response and all Adult Social Care Teams. These teams support people to avoid any unnecessary hospital admissions and enable them to remain in their own home wherever possible and to live a life free from abuse.

### **Early Information and Advice**

We continue to develop and improve the level of information, advice, support and guidance at our first point of contact Family Connect, enabling people to help themselves to maintain their independence as far as possible. This helps us ensure that we use our statutory resources for those that have care and support needs. Part of the initial support, where it is appropriate to do so, is to signpost to available and suitable community assets.

There are a range of early help, advice and interventions dependent upon the level of need that help us ensure that we use our resources proportionately:

### [Live Well Telford](#) (LWT)

Our on line all age Directory of services provides self-help options, whilst promoting choice, control and independence for people to help themselves. Live Well Telford provides information and signposting to a wide range of services, activities and organisations in the area, to help everyone find the support they need to live healthy independent lives. People can look for information on services, activities and organisations who can give advice or practical support, help at home, health conditions, childcare information, leisure information and much more. 1,593 Services are now registered and available on LWT. New categories include: Dementia, Micro providers, 'Festive' Meals, Access to Digital (in development), Jobs in Care, and Social prescribing referrals.

### **Wellbeing and Independence Partnership (WIP)**

Working in partnership with Voluntary organisations who provide individuals with information, advice, support, guidance and advocacy services without the need to contact ASC services

### **Family Connect**

Providing information, advice, and signposting to other relevant services and organisations but also providing occupational therapy and social work interventions under the Care Act when required.

### **Virtual Hubs**

We continue to provide information, advice and guidance through our virtual or face to face hubs and booked appointments. This means that individuals and their families can have an early conversation with ASC staff about their care and support needs with the intention of promoting their independence for longer.

### **Virtual and face to face Calm Café**

Providing support to those with mental health care and support needs.

### **Independent Living Centre**

The independent Living Centre run in partnership with the CVS is now well established in the town centre and offers a drop in and booked appointments for information and advice about staying independent. This includes practical advice, equipment and assistive technology. There is also an online 'Virtual House' where from the comfort of people's own home a virtual tour of a house with examples of independent living equipment and technology that can be purchased directly: [Virtual House Tour](#) This resource is particularly important as we see the numbers of older adults in Telford and Wrekin increasing over the next few years and we want to make sure that we are providing that early information to prevent or delay higher levels of interventions being required.

### **Carers Wellbeing**

For the second year with our local partners we have developed a Carers Wellbeing guide that has been circulated widely across communication channels and to carers known to the Council and partners: [Carers Wellbeing Guide](#). This gives Carers key information about the support available in Telford and Wrekin.

### **Hospital Discharge**

We continue to work partners in an integrated discharge team supporting people with complex needs, to leave hospital when they are medically fit to do so. We use a strengths based approach post hospital discharge and ensures that only individuals with complex needs go on to have reablement and many more are supported with community resources and assets to return home.

### **Care Act Assessments and Long Term Services**

Our trend in providing long-term care demonstrates that we are supporting more people to live within their own home. We continue to perform well nationally being in the top quartile for the numbers of people supported to live in their own home as opposed to residential care supported by our community social work and occupational therapy teams.

We have a specialist team supporting those with learning disabilities and autism and a team supporting those with mental health issues. This ensures that staff have expertise in supporting people in these group and this has enabled the team to support even more individuals towards greater independence whilst supporting family carers too.

Following engagement with people and their families, we developed of a new learning disability strategy and the Learning Disability Partnership Board enables us to develop our offer to meet current and future needs. The link below shows the latest update to Cabinet: [Learning Disabilities \(LD\) Programme](#)

### **Supporting our care provider market**

We have co-produced our Market Position Statement: [Market Position Statement](#) with Partners and Care Providers. This document sets out our aspirations for care delivery and signals to the market and future investors what good service delivery looks like over the next 6 years, the quality of care we aim for and the cost of that care

Every year we produce a Local Account that reviews the previous year and looks to planning forwards. Read the latest version here: [Adult Social Care Local Account](#)