

**Oversight and Governance**

Chief Executive's Department
Plymouth City Council
Ballard House
Plymouth PL1 3BJ

Please ask for Jamie Sheldon
T 01752 668000
E democraticservices@plymouth.gov.uk
www.plymouth.gov.uk
Published 03 July 2025

CABINET – SUPPLEMENT PACK

Monday 7 July 2025
2.00 pm
Council House, Plymouth

Members:

Councillor Evans OBE, Chair

Councillor Laing, Vice Chair

Councillors Aspinall, Briars-Delve, Dann, Haydon, Lowry, Penberthy, Cresswell and Stephens.

Members are invited to attend the above meeting to consider the additional information within this pack.

Tracey Lee

Chief Executive

Cabinet

- 6. Cabinet Response to Natural Infrastructure and Growth Scrutiny Panel Recommendations: (Pages 1 - 6)**
- 11. MHCLG Consultation Overview: (Pages 7 - 14)**

Cabinet



Date of meeting:	07 July 2025
Title of Report:	Natural Infrastructure and Growth Scrutiny Panel Recommendations
Lead Member:	Councillor Tom Briars-Delve (Cabinet Member for Environment and Climate Change)
Lead Strategic Director:	Glenn Caplin-Grey (Strategic Director for Growth)
Author:	Hannah Chandler-Whiting (Democratic Advisor)
Contact Email:	Hannah.chandler-whiting@plymouth.gov.uk
Your Reference:	NIGSP Apr 25 Recs
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This report sets out the recommendations received from the Natural Infrastructure and Growth Scrutiny Panel and a proposed response to those recommendations. The Panel met on 02 April 2025 and heard representations from South West Water (SWW) on Plymouth's ambitious growth plans and how the drainage and wastewater management systems would cope with additional pressure, and what investment was planned. Following a discussion, the Panel made three recommendations.

Recommendations and Reasons

1. Thank the Natural Infrastructure and Growth Scrutiny Panel for scrutinising this issue.
Reason: To recognise the important role the Scrutiny Panel played in looking into this important issue following other meetings where concern was raised.
2. Support the proposed responses to the recommendations made in the report.
Reason: To support the actions proposed in response to the recommendations proposed by the Scrutiny Panel.

Alternative options considered and rejected

1. To reject the recommendations made by the Natural Infrastructure and Growth Scrutiny Panel.
This option was rejected as the Cabinet have responses to the recommendations.

Relevance to the Corporate Plan and/or the Plymouth Plan

This report supports the city vision in the Corporate Plan to be one of Europe's most vibrant waterfront cities, where an outstanding quality of life is enjoyed by everyone and the mission to make Plymouth a fairer, greener city.

Implications for the Medium Term Financial Plan and Resource Implications:

There are no direct financial implications as a result of this report.

Financial Risks

There are no financial risks in the proposed actions to respond to the recommendations made by the Scrutiny Panel.

Legal Implications

(Provided by AC)

None arising from this report.

Carbon Footprint (Environmental) Implications:

No direct implications as a result of this report.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

No direct implications as a result of this report.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Natural Infrastructure and Growth Scrutiny Panel Recommendations Response Report							

Background papers:

**Add rows as required to box below*

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	OW. 25.26. 020	Legal	LS/00 0013 12/1/ AC/3 0/6/2 5	Mon Off	N/A	HR	N/A	Asset s	N/A	Strat Proc	N/A
-----	----------------------	-------	--	------------	-----	----	-----	------------	-----	---------------	-----

Originating Senior Leadership Team member: Glenn Caplin-Grey
Please confirm the Strategic Director(s) has agreed the report? Yes Date agreed: 27/06/2025
Cabinet Member approval: Councillor Briars-Delve agreed via email Date approved: 27/06/2025

This page is intentionally left blank

NATURAL INFRASTRUCTURE AND GROWTH SCRUTINY PANEL RECOMMENDATIONS

Drainage and Wastewater Management in Plymouth now and in the future



I. EXECUTIVE SUMMARY

I.1 The Natural Infrastructure and Growth Scrutiny Panel heard an item on drainage and wastewater management in Plymouth now and in the future at their meeting on 02 April 2025. South West Water and relevant Plymouth City Council officers were invited to speak to the Panel about Plymouth's ambitious growth plans and how the drainage and wastewater management systems would cope with additional pressure, and what investment was planned.

The Panel made the following recommendations for response by the relevant Cabinet Member.

Number	Scrutiny Panel recommendation	Cabinet Response to recommendation
1.	Recommend that the relevant Cabinet Member enquires about a digital display system for water quality in the three swimming zones in Plymouth following up on a similar recommendation made during Water Quality Select Committee.	Agreed. Research has been carried out into the possibility of digital displays for water quality and found that there are several challenges around planning permission and power that do not make this a viable option when the live information is available online.
2.	Recommended that the relevant Cabinet Member worked with officers at PCC and SWW to ensure that there was clear and consistent dialogue about the growth plans for the city and the possible impacts on SWW infrastructure.	Agreed. Councillor Briars-Delve and The Leader will work with the Service Director for Strategic Planning and Infrastructure to ensure there is clear and consistent dialogue about the growth plans for Plymouth and the possible impacts on South West Water infrastructure. The issue of South West Water infrastructure and its relationship to the growth plans for Plymouth will continue to be discussed at the regular Strategic Liaison Meetings held between the Service Director and South West Water and the Environment Agency. Ultimately these discussions will help inform the Infrastructure Needs Assessment and Infrastructure Delivery Plan for the next Plymouth Local Plan in bringing forward the housing and jobs the city will need for the next few decades.

3.	Recommended to South West Water that the results of air quality impact assessments and strategies to reduce odours for all sewage treatment works (if appropriate) were shared with the local authority (including Panel members).	Agreed. South West Water have agreed to this recommendation and will provide a response when available.
----	--	--

Cabinet



Date of meeting: 07 July 2025

Title of Report: **MHCLG Consultation Overview: Fair Funding Review 2.0 & Council Tax Modernisation**

Lead Member: Councillor Mark Lowry (Cabinet Member for Finance)

Lead Strategic Director: Ian Trisk-Grove (Service Director for Finance)

Author: Ian Trisk-Grove

Contact Email: Ian.Trisk-Grove@plymouth.gov.uk

Your Reference:

Key Decision: No

Confidentiality: Part I - Official

Purpose of Report

This briefing note focuses on the Fair Funding Review 2.0, given the significance of impact this will have on Plymouth City Council as part of the funding reforms

Recommendations and Reasons

- I. It is recommended that Cabinet note the contents of the report and the proposed changes to how Local Authorities are funded.
Reason: Changes to funding will have a significant impact on Plymouth City Council's Medium Term Financial Plan

Alternative options considered and rejected

- I. N/A

Relevance to the Corporate Plan and/or the Plymouth Plan

The proposals will have a significant impact on Plymouth City Council's Medium Term Financial Plan, which underpins and enables all Corporate Plan priorities.

Implications for the Medium Term Financial Plan and Resource Implications:

The consultation proposals will have a significant impact on Plymouth City Council's Medium Term Financial Plan, however the impact is not currently quantifiable, and the consultation proposals are yet to be confirmed and actioned by MHCLG.

Financial Risks

The financial impact of the consultation proposals is not currently known, and the proposals have not yet been confirmed and actioned by MHCLG.

Legal Implications

(Provided by LB/Liz Bryant)

There are no legal implications arising directly from this report.

Carbon Footprint (Environmental) Implications:

No direct carbon/environmental impacts arising from the recommendations.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

** When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.*

No other implications.

Appendices

**Add rows as required to box below*

Ref.	Title of Appendix	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
		1	2	3	4	5	6	7
A	Fair Funding Review 2.0 & Council Tax							

Background papers:

**Add rows as required to box below*

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable) <i>If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.</i>						
	1	2	3	4	5	6	7

Sign off:

Fin	OW. 25.26. 021	Leg	LS/00 0031 97/29 /LB/0 3/07/ 25	Mon Off	N/A	HR	N/A	Asset s	N/A	Strat Proc	N/A
Originating Senior Leadership Team member: Ian Trisk-Grove											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 02/07/2025											
Cabinet Member approval: Councillor Mark Lowry approved verbally											
Date approved: 02/07/2025											

This page is intentionally left blank

THE FAIR FUNDING REVIEW 2.0 & COUNCIL TAX MODERNISATION

Consultation – June 2025



I. SUMMARY

- I.1. On 20 June 2025, the Secretary of State for Housing, Communities and Local Government (MHCLG) delivered a Written Ministerial Statement which announced the launch of two consultations:
 - ‘The Fair Funding Review 2.0’, covering progress of the Government’s work on funding distribution reform as well as other local government finance-related issues, which runs for 8 weeks to 15 August 2025; and
 - ‘Modernising and improving the administration of council tax’, which runs for 12 weeks to 12 September 2025.
- I.2. The Fair Funding Review 2.0 is a government consultation launched to reform the way local authorities in England are funded through the Local Government Finance Settlement, starting in 2026-27. Its stated aim is to create a simpler, fairer, and more transparent funding system that better reflects the current needs, costs, and resources of local areas.
- I.3. The review proposes updated methodologies for assessing relative need, adjusting for local revenue-raising capacity, and consolidating fragmented grants into a streamlined framework. It also outlines transitional arrangements to support councils through the changes and invites feedback from stakeholders to shape the final policy.
- I.4. As a city with a relatively low council tax base and high levels of need - particularly in areas like adult social care, children’s services, and temporary accommodation - Plymouth has historically been disadvantaged under the current system. The proposed reforms aim to direct funding more fairly, based on up-to-date assessments of need and local revenue-raising capacity.
- I.5. The consultation **does not include provisional allocations at local authority level**. We anticipate analysis will become available to help understand the relative impact locally, however this will remain as indicative until the consultation is considered and the announcement of the provisional finance settlement this autumn.
- I.6. The separate consultation on council tax explores reforms to make council tax administration fairer, more efficient, and better aligned with modern expectations. Key proposals include simplifying billing processes, reviewing discounts and exemptions, improving collection practices, and ensuring the system is more responsive to local needs and taxpayer experiences. The government’s intended outcome is to reduce administrative burdens on councils and enhance transparency and fairness for taxpayers.
- I.7. Officers will review the impact of the proposals for Plymouth and provide analysis and insight to inform a consultation response on behalf of Plymouth City Council.

2. THE FAIR FUNDING REVIEW 2.0

- 2.1. The Fair Funding Review 2.0 announcement on 20th June **confirmed a move to a three-year settlement from 2026-27**.
- 2.2. The consultation proposes a new approach to calculating local authority funding through the Settlement Funding Assessment. The main elements of the new funding formula are the Relative Needs Assessment and the Resource Adjustment, which work together to

determine the level of funding for each local authority. The aim is to ensure funding is distributed fairly and transparently.

- 2.3. The formulae used to assess local authorities' current needs, which have remained relatively unchanged for over a decade, are to be updated to achieve the government's aim of targeting money where needs are highest. The review introduces a streamlined set of nine Relative Needs Formulae, replacing the previous 15.
- 2.4. The Resource Adjustment applies a standardised "notional" Council Tax level - set at the national average - to each authority's tax base (measured in Band D equivalent dwellings). This allows the government to equalise funding across areas with different revenue-raising abilities.

The resource adjustment accounts for mandatory discounts and exemptions, for example relief provided to students and military personnel, which are outside local control. Discretionary discounts and premiums are assumed to be unused to maintain fairness and simplicity.

Under the proposals, authorities with weaker tax bases would receive more central funding, while those with stronger tax bases would receive less

- 2.5. To reduce complexity and improve flexibility, the government plans to consolidate over 300 existing grants into a smaller number of core funding streams. This includes rolling many grants into the Revenue Support Grant and creating four new consolidated grants focused on homelessness, public health, crisis resilience, and children's services.
- 2.6. The Social Care Grant, Local Authority Better Care Grant and Market Sustainability and Improvement Fund are proposed to be included within the Settlement Funding Assessment. This will result in changes to the Council's funding allocation in respect of social care, and we will need to determine the impact of this shift alongside the overall funding changes.
- 2.7. Whilst it is not mentioned in the consultation, it has been indicated that the Recovery Grant will be rolled into the funding allocated via the new formula, as it was badged as a one-off grant for 2025-26.
- 2.8. The Spending Review confirmed funding to reform the Special Educational Needs and Disabilities (SEND) system. Further detail in the Fair Funding announcement detailed a planned phased transition process - working with local authorities to manage their SEND system, including deficits - alongside an **extension to the Dedicated Schools Grant Statutory Override until the end of 2027-28**.

Further details will be set out in the Schools White Paper and the provisional Local Government Finance Settlement, both to be issued in the autumn.

- 2.9. A full reset of the Business Rates Retention System is due to be implemented in 2026-27. This will realign funding with updated needs assessments while maintaining incentives for local economic growth. Adjustments to the safety net and levy rate are also proposed to manage risk and reward more effectively.
- 2.10. The government is also reviewing the framework for local authority fees and charges, with the potential to update outdated rates or devolve fee-setting powers. The goal is to ensure services are financially sustainable while protecting users from excessive costs.
- 2.11. To support local authorities through the transition, the government proposes a three-year phased implementation of the new funding model. This includes a potential funding floor to protect councils from cash losses and additional flexibilities to support service transformation and financial planning.

3. MODERNISING AND IMPROVING THE ADMINISTRATION OF COUNCIL TAX

- 3.1. The consultation proposes to change the default number of instalments for the payment of Council Tax bills from ten to twelve. There will be flexibility to allow taxpayers to choose to continue with ten instalments, however the intention is that twelve instalments will help households manage their finances more effectively by spreading payments evenly across the year.

- 3.2. To improve public understanding of how council tax is spent and what support is available, the government have proposed changes to enhance bill design and explanatory materials. They also propose to instruct councils to more effectively signpost their local council tax support (LCTS) schemes.

There will be a focus on digital-first communication, and the benefits this can bring to taxpayers, whilst ensuring safeguards remain in place for digitally excluded residents.

- 3.3. Definitions of disregards are proposed to be modernised, with “Severe Mental Impairment” being renamed to “Significant Cognitive Impairment” to reduce stigma and align the definitions with the Welsh Government’s updated terminology.

The eligibility thresholds for apprentices and carers have not been updated since 2006, so there are plans to review these, alongside exploring national consistency for discretionary disregards, e.g for care leavers.

- 3.4. The government is concerned that current enforcement practices can be aggressive and counterproductive. Proposals include extending the timeframe before full-year liability is triggered (currently seven days), introducing a cap on liability order costs, encouraging welfare checks and early debt advice referrals, and developing statutory guidance on fair and proportionate enforcement.

The consultation also seeks views on whether there should be other methods available to residents to pay their council tax and whether it could be more efficiently and fairly collected.

- 3.5. MHCLG acknowledges that some households could be paying more than they should for council tax, due to incorrect bandings. The current process for challenging council tax bandings is complex, as part of the consultation views are being sought on how to simplify and improve access to banding reviews.

- 3.6. Many of the current requirements around council tax administration and billing are outdated, and the same as when council tax was introduced, for example the requirement to issue notices in newspapers and to supply paper bills. The consultation focused on how these communications can be modernised while ensuring accessibility.

This page is intentionally left blank