



Oversight and Governance

Chief Executive's Department
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CABINET

Tuesday 17 January 2023
4.00 pm
Council House, Plymouth

Members:

Councillor Bingley, Chair
Councillor Shayer, Vice Chair
Councillors Drear, Carlyle, Dr Mahony, Patel, Smith, Stoneman and Wakeham.

Members are invited to attend the above meeting to consider the items of business overleaf.

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Tracey Lee
Chief Executive

Cabinet

Agenda

Part I (Public Meeting)

1. Apologies

To receive apologies for absence submitted by Cabinet Members.

2. Declarations of Interest

Cabinet Members will be asked to make any declarations of interest in respect of items on this agenda.

3. Minutes (Pages 1 - 8)

To sign and confirm as a correct record the minutes of the meeting held on 08 December 2022.

4. Questions from the Public

To receive questions from the public in accordance with the Constitution.

Questions, of no longer than 50 words, can be submitted to the Democratic Support Unit, Plymouth City Council, Ballard House, Plymouth, PL1 3BJ, or email to democraticsupport@plymouth.gov.uk. Any questions must be received at least five clear working days before the date of the meeting.

5. Chair's Urgent Business

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

6. Leader's Announcements (Verbal Report)

7. Cabinet Member Updates (Verbal Report)

8. Plymouth's Future: Our Opportunity, Our Delivery Plan - Quarter Two Progress Update 2022 - 23 (To Follow)

9. Tamar Bridge and Torpoint Ferry 2023 - 24 Revenue and Capital Programme (To Follow)

10. Finance Monitoring Report Month 8 (Pages 9 - 20)

11. **Council Tax Base and Council Tax Support Scheme 2023 - 24 (Pages 21 - 28)**
12. **Draft Budget Report 2023 - 24 (To Follow)**

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Cabinet

Thursday 8 December 2022

PRESENT:

Councillor Shayer, in the Chair.

Councillors Dr Mahony, Patel, Smith, Stoneman and Wakeham.

Apologies for absence: Councillors Bingley, Drean and Carlyle

The meeting started at 2.30 pm and finished at 3.15 pm.

Note: The full discussion can be viewed on the webcast of the City Council meeting at www.plymouth.gov.uk. At a future meeting, the Council will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

70. **Declarations of Interest**

The following declaration of interest was made in accordance with the code of conduct in respect of items under consideration at the meeting –

Name	Minute Number	Reason	Interest
Councillor Mark Shayer	74	Is member of the Plymouth Freeport Board	Private

71. **Minutes**

The Cabinet agreed the minutes of the meeting held on 10 November 2022.

72. **Questions from the Public**

There were no questions from members of the public.

73. **Chair's Urgent Business**

There were no items of Chair's urgent business.

74. **Leader's Announcements**

The Deputy Leader gave his announcements and highlighted –

- (a) Plymouth and South Devon Freeport was a flagship and a highly ambitious programme to create thousands of high quality jobs and would play a crucial part in

the post COVID-19 recovery in Plymouth, helping to build back better, driving clean growth, and a contribution to the levelling up agendas.

- (b) A Freeport model uses a simplified Tax and Custom benefits aimed at attracting new and expanding businesses as well as attracting foreign direct investments.
- (c) In addition to this, the government was also providing £25m of seed capital, which needed to be locally matched to unlock the site infrastructure, such as site preparation Groundworks, roads and transportation infrastructure.
- (d) The Plymouth South Devon Freeports would supercharge the South West economy by building on our region's unique national capabilities in marine Defence and Space to form a globally impactful clusters and a UK Innovation Superpower.
- (e) Our outstanding location means that Freeport was a prime for growing marine autonomy renewables and innovative businesses.
- (f) Freeport represents a unique opportunity to level up, address historical challenges and leverage new and exciting opportunities to transform the economy of Plymouth and South Devon through three key objectives -
 - 1. create a national hub for trade and investment.
 - 2. promote regeneration and job creation.
 - 3. create a hotbed of innovation.
- (g) In summary our Plymouth and South Devon Freeport Would -
 - 1. Enable new employment land to be bought forward at the three sites of South Yard, Langage and Sherford
 - 2. Support a new £30m Innovation Centre at Oceansgate
 - 3. Provide a major expansion plan for Princess Yachts
 - 4. Include £29m investment from Local Authorities
 - 5. Leverage £250m private sector investment
 - 6. Deliver over 3,500 jobs

75. **Cabinet Member Updates**

Councillor James Stoneman (Cabinet Member for Climate Change) provided an update and highlighted –

- (a) Climate Connections website had now gone live. The purpose of the website was to engage the residents of Plymouth, as well as businesses and organisations to contribute to our action of net zero by 2030.

Councillor Rebecca Smith (Cabinet Member for Strategic Planning, Homes and Communities) provided an update and highlighted –

- (b) We had the money that came from Central Government earlier on in the year, which was the 150 pound energy rebate scheme. And that scheme was completed at the end of November.
- (c) In total, almost 16 million was paid out to over 106,000 eligible households in bands A to D, every eligible household received a 150 pound payment, either by bank transfer, cash payment or credit towards their council tax. Some of those were done as a cash voucher where we didn't have details for people, and a number of those were due to expire by the end of November. So they've been cancelled, and those people have had it credited to their council tax account instead.
- (d) Everybody that was eligible for that 150 pounds has received it, which was a really important thing to share. We also had the Council Tax Discretionary Rebate Fund, with a fund of 556,500 pounds. And that has also been completed. We ended up deciding that eligible households who received some form of reduction in bands, E to H would qualify for that. Which meant, everybody who is in receipt of some sort of council tax discount was helped. Because we also topped up all those in A to D who received Council Tax Support with an additional payment as well.

Councillor Pat Patel (Cabinet Member for Customer Services, Culture, Leisure & Sport) gave an update and highlighted –

- (e) MPO funding. So we've received quite a substantial sum over the next three years, which will keep our culture leisure and heritage projects going.
- (f) I have mentioned in previous Cabinet meetings about the work we want to do with community groups and I am pleased to announce that we've agreed a way forward with Nudge and also Firestone on their projects. We just got a few little bits sort with them. Once they're done, we'll be signing contracts with them.
- (g) A big thank you to all the team under my portfolio. They've been working extremely hard finishing off last year's updates and preparing for next year. And we have an exciting programme to put out for next year.

Councillor Dr John Mahony (Cabinet Member for Health and Adult Social Care) gave an update and highlighted –

- (h) Senior practitioner, Lydia Libby from our operational Adult Safeguarding team has just won a national award at the annual National Safeguarding Adults Boards Excellence Awards. In this section with large number of nominations Lydia was crowned partnership champion for her work in a role that seeks to support other agencies and people leading complex lives, often with coexistence, issues of poor mental health, homelessness, substance dependence and self neglect. Lydia was described as someone who goes about their work with humility and goes beyond the statutory safeguarding remit and touches a range of professional fields, largely

concerning extremely vulnerable individuals who had high levels of risk, who would undoubtedly come to harm without the interventions that she supports so ably.

Councillor Mark Shayer (Deputy Leader and Cabinet Member for Economy and Finance) gave an update and highlighted –

- (i) I have one other additional piece of good news, which has come through to us. We've just been awarded under the regulator's pioneer fund 850,000 pounds to develop a new regulatory framework for the operation of marine autonomous systems.

76. **Finance Monitoring Report Month 7**

Councillor Mark Shayer (Deputy Leader and Cabinet Member for Finance and Economy) introduced the report and highlighted –

- (a) This report sets out the revenue monitoring position of the Council forecast to the end of the financial year 2022/23 as at October, Period 7.
- (b) We were now reporting a net overspend of £4.104m. Last month we reported to Council an overspend of £5.991m. This was an improvement of £1.887m in the last month.
- (c) It has been said before, if we can get to the 3rd quarter (December's report) at below £3m we will be in a very strong position for the final push through the last quarter of the financial year.
- (d) We should not overlook the £6m of non-controllable costs this year - £3.3m relates to energy price inflation for example.
- (e) We also have the impact of the Covid-19 legacy costs in adults and children's social care and the number of people requiring emergency bed and breakfast accommodation.
- (f) We would continue working hard to achieve a balanced position by the end of March. I would like to thank all officers and Cabinet colleagues for their efforts to date.

Cabinet noted the forecast revenue monitoring position at Period 7 as set out in this report in the sum of £4.104m.

77. **Corporate Plan Performance Update, Q2 2022-23**

Councillor Mark Shayer (Deputy Leader and Cabinet Member for Finance and Economy) introduced the report and highlighted –

- (a) The report was provided to update cabinet on the performance of the council in terms of progress in delivering against the Corporate Plan. This was discussed at

Performance and Finance Scrutiny last week and I am happy to reflect feedback from that discussion today.

- (b) This performance report provided an opportunity to recognise improving and strong performance, but it must be set against the context in which the Council and its partners were currently working.
- (c) We all appreciate that these are very trying times for the City, Council and residents.
- (d) The financial challenges that face us are unprecedented, but we were still working hard to improve performance and deliver better services to our residents.
- (e) The employment rate in the city has seen a 2.2% increase from quarter four 2021/22
- (f) The latest data for quarter one 2022/23 showed that at 77.7%, Plymouth had a higher employment rate than the rest of the country (75.5%). In real terms this increased the number of people in employment in Plymouth from 126,900 in the 12 month to March 2022 to 131,200 in the 12 months to June 2022.
- (g) There had been further reductions to the percentage of repeat referrals into Children's Social Care. Whilst the percentage reduction looks small this meant 68 fewer repeat referrals in the 12 months to the end of quarter two. This was a better level than both our statistical neighbours and the England average and shows the impact our services are making on children's lives.
- (h) The report also highlights some performance challenges which we continue to address:
 - (i) The rate of children on multiple child protection plans increased slightly in quarter two and was not achieving our target. Whilst this represents a small change in quarter, overall performance in this area was of concern and the service was working hard to ensure that this improves going forward.
 - (j) Sickness rates had increased in quarter two. These figures were inclusive of COVID-19 sickness which, alongside cold and flu like viruses, was one of the main reasons for short term sickness in quarter 2. This was of concern and was raised at scrutiny last week. An action plan had been put in place which should review policy and procedures, proactive case management and ensuring training is available to all managers to support them in managing sickness.
- (k) The other question raised at scrutiny was regarding the financial impact of our early cessation of garden waste collections. Whilst this was a tough decision to take. We were facing a very serious financial position which was largely due to national issues beyond our control and we had to act decisively if we are to be in with a chance of balancing the books at the end of the financial year. We estimated that stopping collections when we did saved around £200,000.

Cabinet noted the report.

78. **Plymouth Habitat Banking Vehicle**

Councillor Bill Wakeham (Cabinet Member for Environment and Street Scene) and Kat Deeney (Head of Environmental Planning) introduced the report and highlighted –

It was proposed in the report to establish a Habitat Banking Vehicle – an ‘HBV’. The purpose was to deliver a local solution to the new duties set out within the Environment Act 2021 in relation to Biodiversity Net Gain which would come into force Autumn 2023. The new duty would drive a new market where biodiversity units could be created and sold.

As a result of the new duty in the Environment Act developer contributions in their current form related to local greenspace would discontinue. Without developing an HBV which aligned with the new duties there was an estimated loss of £328k annual income for PCC to enhance the environment for people and nature.

The Business Case sets out the opportunity to proactively respond to the new requirement for Biodiversity Net Gain - to develop a new sustainable revenue stream and business model, which would enhance our green and blue spaces and maximise the benefits for our communities.

The options analysis within the business case recommends that the establishment of a HBV at arm’s length to PCC was the preferred approach. This was because it maximises the benefits available, at lowest risk to PCC and delivers the most viable operating model.

Cabinet agreed to –

1. Approve the principle of creating a Habitat Banking Vehicle (HBV) as set out in the Business Case.
2. Delegate to the Strategic Director of Place the approval to work to scope pilot sites and associated background infrastructure required to trial a habitat banking approach as set out in the Business Case.
3. Approve recommendation that details of implementing the HBV including scope of services, final structuring, contracting and governance arrangements (including appointing directors) to be brought back for Cabinet decision as soon as practicable but within 12 months.
4. Approve the Business Case.

79. **Business Case for the procurement of a Domestic Abuse Service**

Councillor Pat Patel (Cabinet Member for Customer Services, Culture, Leisure & Sport), Emma Crowther (Strategic Commissioning Manager) and Laura Griffiths (Commissioning Officer) presented the report and highlighted –

The purpose of the report was to describe the commissioning plan to put in place a new Domestic Abuse service for Plymouth and to draw on our learning from those with lived experience and ensure the city is meeting its new statutory duties. The Domestic Abuse Act 2021 received Royal Assent on 29th April 2021. Part 4 of the Act placed new statutory duties on tier 1 Local Authorities to provide safe accommodation for victims and their children, alongside a number of reporting and governance requirements.

Cabinet agreed to –

1. Approve the Business Case and procurement process to commission a new domestic abuse service.

2. Delegate the decision and to award the contract to the Strategic Director for People

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Cabinet



Date of meeting:	17 January 2023
Title of Report:	Finance Monitoring Report November 2022
Lead Member:	Councillor Mark Shayer (Deputy Leader and Cabinet Member for Finance and Economy)
Lead Strategic Director:	David Northey, (Interim Service Director for Finance)
Author:	Stephen Coker Interim Finance Business Partner (CEO & C&CS)
Contact Email:	David.northey@plymouth.gov.uk
Your Reference:	
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

This report sets out the revenue monitoring position of the Council forecast to the end of the financial year 2022/23 at Period 8.

Recommendations and Reasons

That Cabinet notes:

1. The forecast revenue monitoring position at Period 8 as set out in this report in the sum of £3.126m.

Reason: controlling the outturn within budget is essential to maintain financial control.

Alternative options considered and rejected

There are no alternative options – our Financial Regulations require us to produce regular monitoring of our finance resources.

Relevance to the Corporate Plan and/or the Plymouth Plan

The report is fundamentally linked to delivering the priorities within the Council's Corporate Plan. Allocating limited resources to key priorities will maximise the benefits to the residents of Plymouth.

Implications for the Medium Term Financial Plan and Resource Implications:

Robust and accurate financial monitoring underpins the Council's Medium Term Financial Plan (MTFP). The Council's MTFP is updated based on on-going monitoring information, both on a local and national context. Any adverse variations from the annual budget will place pressure on the MTFP going forward and require additional savings to be generated in future years.

Financial Risks:

Financial risks concerning period 8 reporting are discussed in the body of the report and relate to the attainment of a balanced budget position in financial year 2022/23.

Carbon Footprint (Environmental) Implications:

No impacts directly arising from this report.

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

The reducing revenue and capital resources across the public sector has been identified as a key risk within our Strategic Risk register. The ability to deliver spending plans within budget is paramount to ensuring the Council can achieve its objectives

Appendices

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	2022/23 Savings status							
B	Non Controllable expenditure							
C	Gross to Net Pressures							

Background papers:

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	pl.22. 23.23 8	Leg	EJ/3885 1/9.1.2 2(1)	Mon Off		HR		Assets		Strat roc	
Originating Senior Leadership Team member: David Northey (Interim Service Director for Finance)											
Please confirm the Strategic Director(s) has agreed the report? Yes CMT											
Date agreed: 05/01/2023											
Cabinet Member approval: Councillor Mark Shayer (Deputy Leader and Cabinet member for Finance and Economy) after discussion with Cabinet colleagues.											
Date approved: 05/01/2023											

SECTION A: EXECUTIVE SUMMARY**Table 1: End of year revenue forecast**

	Budget £m	Net Forecast Outturn £m	Variance £m
Total General Fund Budget	197.750	200.876	3.126

1. This report highlights a revised monitoring position at Month 8 (November 2022) of £3.126m over budget, which is a variance of +1.58% against the net budget. This is set out in Appendix C.
2. This represents an improvement of £0.978m on the previous position at Month 7 (October 2022) which reported a net forecast overspend of £4.104m.
3. The movement represents additional costs of £0.333m offset by further savings of £1.311m
4. It is worth noting the month-on-month improvement to the reported net adverse forecast position:

Month (Reporting period)	Gross pressures £m	Savings £m	Net pressures £m	Improvement in month £m	Cumulative improvement £m
June (3)	13.617	(3.686)	9.931		
July (4)	14.855	(6.131)	8.724	(1.207)	(1.207)
Aug (5)	14.372	(7.716)	6.656	(2.068)	(3.275)
Sep (6)	15.532	(9.541)	5.991	(0.665)	(3.940)
Oct (7)	15.532	(11.428)	4.104	(1.887)	(5.827)
Nov (8)	15.865	(12.739)	3.126	(0.978)	(6.805)

5. The current position continues to reflect circa £6m of non-controllable costs including £3.3m relating to energy price inflation. This covers:
 - The Life Centre additional costs of £0.575m.
 - Street Lighting costs have increased by £0.898m
 - The two crematoria have increased costs of £0.345m
 - Corporate estate & car parking £1.455m
6. Aside from energy, the ongoing impact of the pandemic remains evident in terms of demand pressures and other changes which have seen a persistent increase in volumes of domestic waste and reductions in parking revenues as employees generally maintain homeworking. In adult social care and following the dislocation of the pandemic the numbers of people presenting as homeless has become more costly. The Council is not able to influence such demand pressures in the short term.
7. The Council's Children, Young People and Families Directorate is currently facing additional gross costs of £4.4 million regarding specialist residential placements for vulnerable children and other demand pressures – part of a national trend.

8. The national agreement for pay in Local Government in 2022/23 has resulted in an additional £2.9m increase on top of the 2% provision set aside in the Budget. This is a national issue.
9. For the reasons described the variance is still higher than would normally be expected at this point of the financial year and in response management will continue with a financial recovery plan with the aim of eliminating the forecast overspend. The plan includes:
 - Full review of payroll and pension costs, including the use of temporary agency staff
 - Continued management of vacant posts
 - Further review of the capital programme and the impact on in-year borrowing costs
 - Grant funding maximisation
 - Reduced running costs associated with an early exit from both Windsor and Midland House
 - Further review of all reserves and provisions and
 - Deferring all spend where appropriate
10. As shown in Appendix A, the planned in-year savings targets amount to £11.245m, of which £8.275m are reported as on track or scheduled for delivery. Officers will continue to pursue these savings to ensure full delivery by the end of the financial year.

SECTION B: Directorate Review**Table 2: End of year revenue forecast by Directorate**

Directorate	Budget £m	Forecast £m	Forecast Net Variance £m	Status
Executive Office	6.156	6.468	0.312	over
Customer and Corporate Services	46.963	48.589	1.626	over
Children's Directorate	62.162	64.379	2.217	over
People Directorate	95.158	95.533	0.375	over
Public Health	(0.308)	(0.570)	(0.262)	under
Place Directorate	27.278	28.893	1.615	over
Corporate Account & Council wide items	(39.659)	(42.416)	(2.757)	under
Total	197.750	200.876	3.126	over

Executive Office

11. The Executive Office is reporting a gross pressure of £0.443m which is an increase on month 7 to reflect the cost of the January 2023 Bi-Elections. To date pressures include additional member allowances, plus savings target set for 2022/23 not on track due to service demand. Mitigations of £0.131m have been identified leading to a net variance of £0.312m.

Customer and Corporate Services Directorate (CCS)

12. The CCS Directorate is forecasting no change in month with a net overspend of £1.626m. The overspend is significantly driven by energy supply and unmet licence fee savings due to maintained levels of recruitment, other inflationary pressures and demand pressures on business support services and library income. To mitigate these pressures recruitment and all non-essential spend has been delayed or frozen.

Children's Directorate

13. For period 8 there has been no change to the reported gross pressure of £4.421m. The principal variations are; £1.806m relating to new exceptionally high cost bespoke and residential placement above previous growth assumptions, legal costs, specialist assessments, pressures within EP&S relating to SEND Short Breaks and School Transport. There is also a level of savings which appears undeliverable at this juncture.

14. In response to this the directorate has identified mitigations of £2.204m leading to a net variance of £2.217m.

People Directorate

15. The People Directorate is forecast an increased pressure of £0.273m to give a gross overspend of £1.655m. The increased pressure is due to additional cost and volume within both social care and homelessness and bed and breakfast provision..
16. The Department has identified mitigations of £1.280m giving a net variance of £0.375m.

Office of the Director of Public Health (ODPH)

17. Services within the Public Health office are reporting an under spend of £0.262m which has contributed to the Period 8 net position.

Place Directorate

18. The directorate is continuing to report a significant gross overspend of £3.860m. This is due to the impact of rising utility costs; lost income and increased domestic waste disposal costs. The net pressure is down on Period 7 by £0.437m due staff savings and increased income. The overall pressure is due to a combination of factors including utility costs and expenditures due to the Pandemic.
19. There are £2.245m of savings in place to reduce this to a net variance of £1.615m.

Corporate Items & Council wide

20. The overall position shows a net underspend of £2.757m. Adjustments including Council Tax surplus and business rates pool and Treasury Management totalling £0.874m have been made in month 8.

Appendix A 2022/23 Savings status (I) Summary

	Total	Achieved savings	On track for delivery	Working on for delivery	Planned, internal/external actions required to deliver
	£m	£m	£m	£m	£m
Children's	3.942	2.073	0.956	0.467	0.446
People	2.937	1.392	1.545	0.000	0.000
ODPH	0.037	0.037	0.000	0.000	0.000
Customer & Corporate	3.015	0.407	0.000	0.494	2.114
Place	0.964	0.175	0.308	0.071	0.410
Corporate Items	0.350	0.000	0.350	0.000	0.000
2022/23 Savings	11.245	4.047	3.196	1.097	2.970

Appendix A 2022/23 Savings status (2) Detail

Directorate / Plans	Target Savings	MTFS Savings	Achieved savings	Plans on track for delivery	Plans worked on for delivery	Planned, internal/external actions required to deliver
	£m	£m	£m	£m	£m	£m
Children's						
Placement Review	1.400	1.400	0.510	0.423	0.467	
AST	0.500	0.500	0.407	0.093		
Fostering	0.450	0.450	0.450	0.000	0.000	
Supporting Families	0.650	0.650	0.435	0.215		
Management Actions - CYPF	0.225	0.225		0.225		
Management Actions - EPS	0.717	0.717	0.271			0.446
Children - Savings	3.942	3.942	2.073	0.956	0.467	0.446
People						
Care Package Reviews	0.750	0.750		0.750		
Place Holder 1- reviews	0.430	0.430		0.430		
CES catalogue review	0.100	0.100	0.100			
Service Reviews	0.300	0.300		0.300		
Grant Maximisation	0.600	0.600	0.600			
Management Actions	0.100	0.100	0.100			
Advice / Information / Advocacy	0.050	0.050	0.050			
Social Inclusion	0.180	0.180	0.180			
Housing Services	0.250	0.250	0.250			
Alarms	0.112	0.112	0.112			
Leisure Management	0.065	0.065		0.065		
People – savings	2.937	2.937	1.392	1.545	0.000	0.000
ODPH						
Additional Income	0.037	0.037	0.037	0.000	0.000	
ODPH – savings	0.037	0.037	0.037	0.000	0.000	0.000

CCS and Chief Exec						
Efficiency	0.956	0.758				0.956
Soft FM Income	0.020	0.020	0.020			
Digital	0.025	0.025	0.025			
SLAs	0.040	0.040			0.040	
Fees and charges Review	0.016	0.016	0.016			
Coroner	0.070	0.030			0.070	
Public Conveniences	0.100	0.100			0.100	
ICT (c/fwd 21/22)	0.691	0.000	0.346		0.184	0.161
Hard FM (c/fwd 21/22)	0.550	0.000				0.550
IT Service (Unitary) Charge reduction	0.300	0.000				0.300
CEX	0.100	0.100			0.100	
CEX Review and Scrutiny Panels	0.147	0.147				0.147
Cust. & Corp. Services and CEX savings	3.015	1.236	0.407	0.000	0.494	2.114
Place						
ED - Trust Lease review	0.075	0.075	0.075			
ED - TIC 3 year plan to break even	0.013	0.013			0.013	
ED - Theatre Royal SLA	0.100	0.100	0.100			
ED – Mt Edgcumbe break even position	0.045	0.045		0.045		
SPI - Capitalisation (Environmental Planning)	0.050	0.050		0.050		
SPI - Capitalisation (Strategic Transport)	0.030	0.030		0.030		
SPI – Planning Fee increase (pre-app, S38)	0.058	0.058			0.058	
SPI – Bus Shelter Advertising	0.075	0.075				0.075
SPI - Concessionary fares	0.183	0.183		0.183		
Highways – Invest To Save	0.230	0.230				0.230
Highways – Street Lighting	0.105	0.105				0.105
Place savings	0.964	0.964	0.175	0.308	0.071	0.410
Corporate Items						
Change Reserve	0.350	0.350	0.350			
Corporate savings	0.350	0.350	0.350	0.000	0.000	0.000
Overall Total savings	11.245	9.466	2.655	3.043	2.577	2.970

Appendix B Non Controllable Expenditure

The table shows the level of non-controllable pressures within the **Gross overspend** as shown in **Appendix D**.

Non Controllable Budget Pressures	£m
Corporate Estate energy costs	2.243
2022/23 Pay award	2.592
Street Lighting energy costs	0.898
Off Street Parking energy costs	0.132
Streets Services – Fuel / other	0.641
Total	6.496

Appendix C Gross to Net Pressures Month 8

Directorate	Gross Pressures Month 8 £m	Month 7 Savings £m	Month 8 Savings £m	Net Pressures £m
Executive Office	0.443	(0.131)	0.000	0.312
Customer and Corporate Services	2.754	(1.128)	0.000	1.626
Children's Directorate	4.421	(2.204)	0.000	2.217
People Directorate	1.655	(1.280)	0.000	0.375
Public Health	0.150	(0.412)	0.000	(0.262)
Place Directorate	3.860	(1.808)	(0.437)	1.615
Corporate Account & Council wide items	2.582	(4.465)	(0.874)	(2.757)
Total	15.865	(11.428)	(1.311)	3.126

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Cabinet



Date of meeting:	17 January 2023
Title of Report:	Council Tax Base Setting 2023/24 and Council Tax Support Scheme 2023/24
Lead Member:	Councillor Mark Shayer (Deputy Leader)
Lead Strategic Director:	David Northey (Interim Service Director for Finance)
Author:	Stephen Coker (Lead Accounting Manager) Debbie Perry (Technical Manager)
Contact Email:	Stephen.coker@plymouth.gov.uk
Your Reference:	FIN/SC
Key Decision:	No
Confidentiality:	Part I - Official

Purpose of Report

To recommend the 2023/24 Council Tax base to Council in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012.

Agree actions from annual review of the Council Tax Support (CTS) scheme.

Recommendations and Reasons

Cabinet recommends Council approve -

1. The Council Tax Base for 2023/24 of 74,891 equivalent Band D dwellings as set out in the report.
2. The continuation of the current Council Tax Support scheme and Exceptional Hardship Scheme for 2023/24 with no updates.

Reason for recommendations: to meet the legal requirements to set the Council tax base for budget setting purposes.

To help ensure that the Council Tax Support scheme treats claimants consistently, is clear to understand and is easy to administer.

Alternative options considered and rejected

It is a statutory requirement for Council to approve the Council Tax Base for the forthcoming financial year and annually review their CTS scheme. The option to amend the Council Tax Support scheme requires public consultation, and as there are no major Government amendments, it is considered correct to continue with the existing scheme.

Relevance to the Corporate Plan and/or the Plymouth Plan

The Council Tax Base and associated 2023/24 budget papers will set out the resources available to deliver the Corporate Plan priorities.

Sign off:

Fin	pl.22. 23.23 9	Leg	EJ/38 851/9 .1.22(2)	Mon Off		HR		Assets		Strat Proc	
Originating Senior Leadership Team member: David Northey (Interim Service Director for Finance)											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: 05/01/2023											
Cabinet Member approval: Councillor Mark Shayer (Deputy Leader and Cabinet Member for Finance and Economy)											
Date approved: 05/01/2023											

A. Council Tax Base Calculation

I. INTRODUCTION

- 1.1 The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 make arrangements for the setting of the Council Tax. The arrangements include the determination of the Council Tax Base. A Council resolution is necessary. The decision must be notified to the major precept authorities.
- 1.2 For the year commencing 1 April 2023, the major precept authorities will be Devon and Cornwall Police and Crime Commissioner and Devon and Somerset Fire and Rescue Authority.
- 1.3 The Council must determine its Council Tax Base for 2023/24 during the period 1 December 2022 to 31 January 2023. The Council Tax Base is the measure of the taxable capacity of an area, for the purpose of calculating an authority's Council Tax. It represents the estimated number of Band D equivalent chargeable dwellings for the year. It also takes into account the authority's estimated Council Tax collection rate. The level of Council Tax subsequently set must be determined using the Council Tax Base figure. The Council Tax Base calculation is attached in Appendix B.
- 1.4 The calculation of the Council Tax Base allows for discounts under the Council Tax Support Scheme.

2. PURPOSE OF THE REPORT

- 2.1 The purpose of this report is to propose to Council the Council Tax Base of 74,891. The Council Tax Base for 2022/23 was 73,830.
- 2.2 The Tax Base calculation includes the impact of the Council Tax Support Scheme. Tax base calculations include assumptions for financial impact from COVID-19 and the continuing requirements of citizens for support to pay their Council Tax through the Council Tax Support scheme.

3. TAX BASE CALCULATIONS

- 3.1 Council Tax base figures are calculated by the billing authority as the aggregate of the "relevant amounts" calculated for each property valuation band multiplied by the estimated "collection rate" for the year.
- 3.2 Relevant amounts are:
 - (a) The number of chargeable dwellings in that band shown in the valuation list as at 12 September 2022 (Ministry of Levelling Up, Housing & Communities (DLUHC) return – Council Tax Base (CTB);
 - (b) The number of discounts, disabled reductions and exemptions which apply to those dwellings;
 - (c) Estimated changes in the number of chargeable properties between 12 September 2022 and 31 March 2024;
 - (d) Impact of the Council Tax Support scheme;
 - (e) The number of Band D equivalents within each different band.

3.3 The collection rate is the billing authority's estimate of the total amounts of 2023/24 Council Tax which will ultimately be paid or transferred into the Collection Fund;

3.4 This report assumes a collection rate for Council Tax of 97.5%. This rate reflects recent arrears collection performance, the pattern of write offs and the impact of Universal Credit. Analysis of collection rates across the age profile of debts suggests that an eventual collection rate of 97.5% is realistic and prudent in the current economic climate.

3.5 Appendix C shows the tax base used for the previous three years for comparison.

4. EMPTY HOMES PREMIUM

4.1 Change was legislated under the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018 which amends Section 11B of Local Government Finance Act 1992 (higher amount for long-term empty dwellings: England), as follows:

From 1 April 2021 an additional premium can be charged of up to:

- 100% for any dwelling empty between 2 and 5 years.
- 200% for any dwelling empty between 5 and 10 years.
- 300% for any dwelling empty for 10 years or more.

Plymouth City Council introduced charging a maximum premium from 1 April 2019 as part of a strategy to encourage empty properties back into use. Approval was given to charge the additional premium as part of 2020/21 Council Tax Base setting approved at Council on 27 January 2020.

4.2 The Housing Delivery Team recommends an increase to the council tax premium attached to empty homes to the fullest extent possible as the legislation allows. This will provide a further disincentive for keeping properties empty. We envisage that returning empty homes to use will:

- Help to alleviate pressures on the housing waiting list through increased availability of rental properties
- Improve the visual appearance of empty properties that may blight neighbourhoods;
- Address problems that may be associated with living next door to an empty home for example damp ingress, vermin, anti-social behaviour and loss of property value;
- Generate New Homes Bonus funding for the city (subject to changes to the NHB scheme).

4.3 The legislation relating to the new premium can be found at the following link;

<http://www.legislation.gov.uk/ukpga/2018/25/contents/enacted>

5. COUNCIL TAX SUPPORT

5.1 In April 2013 the national Council Tax Benefit scheme was abolished and replaced by local assistance schemes, developed and administered by local councils. Plymouth City Council introduced two schemes from 1 April 2013; Council Tax Support and a discretionary Exceptional Hardship Scheme. The main Council Tax Support (CTS) scheme requires all working age claimants to make a minimum 20% contribution towards their Council Tax bill.

5.2 The qualifying criterion for the CTS scheme follows the basic calculation for Housing Benefit. This is based on a 'means test' with those in receipt of an income based welfare benefit passported to a

maximum 80% payment towards their Council Tax with a sliding qualification scale applied to all other claimants in order to determine entitlement.

- 5.3 All councils are required to annually review their local CTS schemes. Significant changes were agreed to the CTS scheme to implement an income banded scheme in 2020/21 to support Universal Credit (UC) customers from the frequent changes to their awards. In 2021/22 further changes to the scheme were made to address a small number of administrative issues that had arisen as a result of the implementation of the banded scheme in the previous year. A change was also made in 2021-22 to introduce flexibility into the scheme to allow the suspension of the use of the minimum income floor for the self-employed in exceptional circumstances, such as the COVID-19 pandemic.
- 5.4 A review of the 2022/23 CTS scheme has not identified any issues that require changes to be made to the scheme for 2023/24.
- 5.5 Current caseload figures confirm that the number of Plymouth residents claiming Council Tax Support decreased by 0.82% in the last 12 months (October 2021 vs October 2022). Caseload figures have remained stable at around 22,300 throughout 2022/23. The associated expenditure in 2022/23 has also decreased slightly in the last 12 months by 0.877% compared to 2021/22. CTS continues to provide vital support for many households in the city who have continued to lose income whilst household expenditure is increasing due to rising energy and food costs. It is expected that the caseload and scheme cost within 2023/24 can be funded within the available financial envelope.
- 5.6 Taking the factors in the above paragraphs into account, it is recommended that no updates are made to the CTS scheme for implementation in 2023/24.
- 5.7 These factors have been taken into account in establishing the proposed Council Tax Base and the impact will be closely monitored throughout the year.

B. Council Tax Base Calculation Table 2023/24

	BAND A with disabled relief	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	Total
Number of dwellings in valuation list as at 12th September 2022	-	48,050	33,261	23,575	10,213	5,186	1,859	614	55	122,813
Less number of exempt dwellings (including demolished)	-	3,203	1,371	920	652	198	38	33	15	6,430
Reductions to lower band due to disabled relief	-	150	188	180	103	62	24	32	11	750
Additions to band due to disabled relief	150	188	180	103	62	24	32	11	-	750
CHARGEABLE DWELLINGS FOR BAND	150	44,885	31,882	22,578	9,520	4,950	1,829	560	29	116,383
Total discounts at 25%	61	23,074	11,248	6,141	2,312	992	284	87	2	44,201
Total discounts at 50%	2	48	56	31	21	16	28	26	14	242
Total discounts at 100%	-	80	52	17	9	1	-	1	-	160
TOTAL DISCOUNTS - shown as whole dwelling equivalent	16	5,873	2,892	1,568	597	257	85	36	8	11,331
Long Term Empty Premium 2 - 5 years at 100%	-	96	12	8	2	4	-	-	-	122
Long Term Empty Premium 5 - 10 years at 200%	-	42	7	2	1	-	-	-	-	52
Long Term Empty Premium +10 years at 300%	-	7	3	-	-	-	-	-	-	10
LONG TERM EMPTY PREMIUM - impact of premium	-	201	35	12	4	4	-	-	-	256
Estimated number of dwellings not listed but which will be listed in the band for the whole or any part of the financial year	-	153	154	137	67	43	19	7	-	580
Estimated number of reductions to lower band due to successful appeals	-	10	4	10	6	1	4	1	-	-
Estimated number of increases to higher band due to successful appeals	-	9	10	4	9	7	5	2	-	-
TOTAL ADJUSTMENTS	-	154	140	123	82	51	20	10	-	580
LOCAL COUNCIL TAX SUPPORT SCHEME REDUCTIONS	46	9,402	3,224	1,031	232	60	14	3	-	14,013
Estimated impact Local Council Tax Support demand	-	10	5	5	-	-	-	-	-	20
Family annexes discount at 50%	0	31	11	19	17	14	12	1	0	105
FAMILY ANNEXES	0	16	6	9	7	6	6	1	-	50
TOTAL DWELLINGS (ROUNDED)	88	29,940	25,930	20,100	8,770	4,681	1,744	531	22	91,805
RATIO TO BAND D	5	6	7	8	9	11	13	15	18	
	9	9	9	9	9	9	9	9	9	
RELEVANT AMOUNTS FOR 2022/23	49	19,960	20,168	17,867	8,770	5,721	2,519	885	43	75,981
COLLECTION RATE										97.50%
ADJUSTED RELEVANT AMOUNT	47	19,461	19,664	17,420	8,551	5,578	2,456	862	42	74,081
MOD CONTRIBUTION										809
TAX BASE										74,891

C. Council Tax Base - Previous Years

Band	2020/21			2021/22			2022/23		
	Number of properties	Estimated Collection Rate	Adjusted Band D Equivalent	Number of properties	Estimated Collection Rate	Adjusted Band D Equivalent	Number of properties	Estimated Collection Rate	Adjusted Band D Equivalent
A	47,747	98.0%	19,785	47,670	97.5%	18,868	47,824	97.5%	19,057
B	32,932	98.0%	19,729	33,048	97.5%	19,297	33,154	97.5%	19,389
C	23,207	98.0%	17,270	23,318	97.5%	17,103	23,484	97.5%	17,266
D	9,939	98.0%	8,312	10,066	97.5%	8,308	10,132	97.5%	8,443
E	5,057	98.0%	5,470	5,136	97.5%	5,506	5,159	97.5%	5,546
F	1,786	98.0%	2,352	1,805	97.5%	2,361	1,836	97.5%	2,411
G	603	98.0%	846	606	97.5%	850	611	97.5%	863
H	56	98.0%	36	57	97.5%	37	56	97.5%	39
Total	121,327		73,800	121,706		72,330	122,256		73,014
MOD			803			785			816
Tax Base			74,603			73,115			73,830

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