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THE CABINET

MEETING, 12TH DECEMBER, 2022

| | |
|---------------------|---------------------------------|
| Councillor Cox | Leader's Portfolio |
| Councillor Haslam | Highways and Transport |
| Councillor Muslim | Environmental Services Delivery |
| Councillor Hewitt | Strategic Housing and Planning |
| Councillor Galloway | Children's Services |
| Councillor Morgan | Adult Social Care |
| Councillor Baines | Wellbeing |

Other Members in Attendance

Councillor Radcliffe
Councillor Peel
Councillor Mrs. Thomas
Councillor Haworth
Councillor Donaghy
Councillor Hayes
Councillor Heslop
Councillor Grant

Officers

| | |
|------------------|-----------------------------|
| Miss. S. Johnson | Chief Executive |
| Mr. T. Glennon | Head of Finance - Corporate |
| Mrs. V. Ridge | Democratic Services Manager |

Apologies for absence were submitted on behalf of Councillor Dean, Mrs. Fairclough, Sanders and Warren.

Councillor Cox in the Chair.

13. MINUTES

The minutes of the proceedings of the meeting of the Cabinet held on 24th October, 2022 were submitted and signed as a correct record.

14. MINUTES OF THE MEETING OF THE GREATER MANCHESTER COMBINED AUTHORITY

The minutes of the meeting of the Greater Manchester Combined Authority held on 25th November, 2022 were submitted for information.

Resolved – That the minutes be noted.

15. BUDGET REPORT 2023/2024

The Chief Executive submitted a report which presented to members the current financial position both locally and nationally and its impact on the Council's 2022/2023 and 2023/2024 budgets.

Members were advised that since the 2022/2023 budget was set earlier this year, there had been some significant events which have had a major impact on the Council's finances. The impact of rising inflation for food and energy had seen the inflation rate increase beyond 10% for the first time in many years. In addition, the Bank of England had increased interest rates a number of times over the last 6 months or so meaning household finances had continued to be squeezed.

It was also stated that social care pressures continued to have a major effect on the Council's budget. There was a continuing upward trend of increases in the volume in demand for Older People's care packages in the community, especially homecare and discharges from hospital to home and the increasing cost of external provision in Children's Social Care.

All the above issues had impacted on the Council's ability to do business and increasing inflation, energy costs and a local government pay award which averaged around 6% (2% was

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built into the original 2022/2023 budget) meant additional in-year costs of £12.7 million. However, there were some offsetting reductions which had reduced the impact on 2022/2023 to £11.5 million and these were detailed in the report.

The report also advised that the key points from the Chancellor's autumn statement which specifically impacted on local government were as follows:-

Adult Social Care

- An additional £1 billion of new grant funding nationally in 2023/2024 and £1.7 billion in 2024/2025;
- Of this additional new money, £600 million in 2023/2024 and £1 billion in 2024/2025 would be allocated through the Better Care Fund to 'get people out of hospital on time';
- The remainder would be allocated through a ringfenced grant at the settlement (£400 million in 2023-2024 and £690 million in 2024/2025); and
- There was no indication yet as to Bolton's share.

B and D Council Tax Thresholds

- The core threshold would increase from 1.99% to 2.99% without the requirement for a referendum;
- The Adult Social Care precept threshold would be 2% in 2023/2024; and
- It should be noted that the draft documentation allowed this flexibility up to 2027/2028.

Business Rates

- Extension of Retail, Hospitality and Leisure (RHL) reliefs in 2023/2024, plus a Supporting Small Business Scheme (SSBS);
- Revaluation would go ahead but there would be a more generous transitional scheme; and

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- The working assumption was the above would be cost neutral.

It was also stated that there had been no announcement on New Homes Bonus, Services Grant or Lower Tier Services Grant in the statement. The draft Local Government Finance Settlement was due the week commencing 19th December, 2022.

The report also advised that beyond 2022/2023 there were some key funding issues yet to be confirmed which could impact further on the Council and related to the Fair Funding Review and Business Rates.

Members were also informed that due to the strength of partnership with local health partners and their commitment to valuing social care, the Locality Partnership had agreed to make a contribution of £937,000 towards Health and Social Care activities for 2023/2024. As this was one-off funding it would need to be built back into the 2024/2025 budget costings.

In view of the above and given the considerable financial uncertainty, both nationally and locally, it was proposed that a one-year budget be presented to Council for approval in February, 2023 which would comprise of:

- Savings of £4.3 million (after allowing for the £0.9 contribution for the NHS); and
- Use of £10 million reserves to balance the budget which would mean that unachieved savings would be rolled forward into the 2024/2025 budget cycle

The Council's controllable budget in 2022/2023 was £190.2 million and the £4.3 million savings were allocated departmentally as follows, viz:-

| Directorate | Original Allocation | Less NHS Contribution | Revised Allocation |
|-------------|---------------------|-----------------------|--------------------|
| | £'000 | £'000 | £'000 |
| Adults and | 1,840 | (260) | 1,580 |

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|---------------|-------|-------|-------|
| Housing | | | |
| Children's | 1,188 | (200) | 988 |
| Public Health | 477 | (477) | 0 |
| Place | 924 | | 924 |
| Corporate | 771 | | 771 |
| | | | |
| Total | 5,200 | (937) | 4,263 |

Members were informed that the options which had been identified to achieve these savings were detailed in Appendix B to the report.

It was also stated that for budgeting purposes, council tax had been set at the following levels:

- The general levy at 1.99%; and
- The Adult Social Care levy at 2%.

The Council Tax Support Scheme which was approved at Council on 17th February, 2021 would remain unchanged.

The report also provided details with regards to the expenditure forecast for 2023/2024 and 2024/2025 and it was stated that, as a result of funding some of the 2023/2024 savings from reserves, the indicative savings target for 2024/2025 was £21.7 million and work would be ongoing to minimise the savings requirements from services in the future. An updated medium term financial strategy was included in Appendix A to the report.

With regards to reserves, the Council estimated its reserves balance to be £157 million at the end of 2022/2023, excluding the Dedicated Schools Grant and Collection Fund balances.

In terms of the impact on staffing, the report stated that it was not possible to accurately identify how many posts would be at risk until detailed proposals were developed. However, based upon the options outlined in Appendix B up to 132 FTEs were in the scope of the review and it was estimated that 42 FTEs would be impacted. Of these, around 11 FTE posts were

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proposed to be displaced and there were 10 FTE vacant posts, covering a number of the areas in scope.

In conclusion, members were advised that the impact of the savings requirements was significant and therefore it was vitally important that the Council and individual services had comprehensive and effective communication plans in place. Communications needed to be with all stakeholders but in particular would include residents/businesses, staff, unions, all elected members, partner organisations and other stakeholders. The information and proposals as set out in the report had already been presented to the joint unions and an online briefing for all staff took place on 2nd December, 2022. Consultation on the overall budget would be carried out separately and details of this were included in the report.

The relevant Equality Impact Assessment had been undertaken and was detailed in Appendix C to the report.

Resolved – (i) That, having due regard to the Equality Impact Assessment, the initial savings proposals for 2023/2024 as outlined in the report of £4.3 million be formally agreed for consultation purposes.

(ii) That the Council Tax Support Scheme approved at Council on 17th February, 2021 remain unchanged.

16. COUNCIL TAX BASE FOR 2023/2024

The Chief Executive submitted a report which set out any changes in the tax base to be used in the calculation of the Council Tax and Business Rates for 2023/2024 (the tax base for tax setting purposes).

The report indicated a tax base before adjustment for losses on collection of 80,429 band D equivalents.

The Council needed to determine its collection rate for the year, which took account of collection difficulties. Based on an assessment of past collection performance, this had been maintained at 98% and resulted in a tax base for tax setting

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purposes of 78,820 band D equivalents which represented an increase of 1,025 properties (1.32%) on the 2022/2023 tax base.

Resolved – That the report of the Chief Executive for the calculation of the Council’s tax base for tax setting purposes for the year 2023/2024 be agreed and that the Council Tax base for the year 2023/2024 shall be 78,820 band D equivalents.