



Council – 19th February 2024

Amendments Pack

Agenda Item 7 – Council Budget and Council Tax
2024/25 and Medium Term
Financial Strategy 2024/25 to 2027/28

Report Title: Amendment to Motion by Councillor Joanne Beavis	
Council Budget and Council Tax 2024/25 and Medium Term Financial Strategy 2024/25 to 2027/28	
Report to: Council	
Date: 19 th February 2024	For: Debate
Key Decision: No	Decision Planner Ref No: N/A
Motion Presented by: Councillor Joanne Beavis	
Motion Seconded: Councillor James Abbott	
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Amendment 1

New Recommendation:

The creation of a new Rural Investment Fund of £500,000, funded from New Homes Bonus, to assist rural/village areas in progressing identified capital projects to community owned assets; which fit Braintree District Council's corporate priorities and could be delivered through the establishment of a new Community Delivery Plan.

Technical guidance on the impact of proposed amendment from the Head of Finance:

Impact on Budget 2024/25

The Council is due to receive New Homes Bonus (NHB) of £1,238,637 for 2024/25. The budget proposes to allocate half of this amount to funding the Fit for the Future transformation programme, with the balance held for risk management. The Fit for the Future programme is wide ranging, comprising several workstreams that will require additional resources and investment to achieve its stated aims and objectives. The need to provide for risk management recognises the economic conditions that continue to pose significant risk which could adversely impact key service areas and require extra funding. This provision is to be kept under review and if appropriate all/ part of the funds may be released for re-allocation at a later date.

The Council also holds unallocated NHB received in prior years, this is currently in the sum of £1,004,196. The budget report outlines that this could be used to supplement capital resources for future requirements allocated on a case/case basis. This is suggested in the context that current commitments, and appropriate provision for future calls on capital resources, means the balance of general capital resources (capital receipts and reserve) is

c£0.1million. There are risks inherent within the delivery of the existing capital programme within resources and whilst future capital receipts might be expected to be received, the value and timing of these remains uncertain.

The amendment proposes to apply £500,000 for a Rural Investment Fund using NHB. This would reduce the amount available for any of the purposes currently proposed in the budget as detailed above. NHB is allocated on an annual basis, with no guarantee of receiving same in future years.

The budget report also references the current commitment to provide capital investment into rural areas through the previously agreed investment plan for the Rural England Prosperity Fund in 2023/24 and 2024/25 and for which the Council was allocated £589,191. This is additional to the capital investment also required using the UK Shared Prosperity Fund. Existing staffing resources will need to be directed towards this programme in order that the allocated funding is spent by 31st March 2025 to satisfy the grant conditions, otherwise unspent monies will have to be repaid to government. The administration of a separate Rural Investment Fund would therefore require additional resources that would have to be funded as well from the proposed £500,000 of NHB funding.

Impact on Medium-Term Financial Strategy

One of the aims of the Fit for the Future programme is to address the MTFs budget gap over a three-year period. This objective will more likely be achieved if the funding proposed in the budget is made available so that the longer-term financial and service delivery benefits can be achieved quicker. This approach is very much in line with the views of the recent LGA Corporate Peer Challenge which highlighted the need for the transformation programme to proceed at pace if the Council is to meet its objectives.

Impact on Council Tax Resolution 2024/25

As the amendment seeks to re-allocate NHB funding which has not been used to determine the Council Tax Requirement, there is no impact on the proposed Council Tax Rate for 2024-25.

Technical: Guidance on the proposed amendment from the Monitoring Officer

On 11th December 2023, the Council agreed to consider developing a Community Delivery Plan 2025-2028. To support that consideration, a Member Working Group has been established. This Working Group is due to meet on 20th March 2024. Therefore, the Council has not yet reached a conclusion as to whether a Community Delivery Plan will provide added value to the Councils Corporate Strategy, the MTFs, the Local Plan, Neighborhood Plans, and existing Community Grant Schemes.

If this amendment is approved, the delivery of the Rural Investment Fund may need further consideration, following the outcome of the Working Group considerations of the Community Delivery Plan.

Amendment 2

New Recommendation:

To add those residents who currently have assisted bin collections (approx. 1,240) to the new green bin service, but without charging them, funded from the £173,000 of additional Government funding, allocated to Braintree District Council, for delivering services.

Technical guidance on the impact of proposed amendment from the Head of Finance:

Impact on Budget 2024/25

The number of households currently receiving an assisted bin collection service totals 1242. Of these, 673 (54%) have signed up to the new garden waste service, 653 at the early bird price of £27.50, and the remainder at the full price of £55.

The amendment proposes to provide a free of charge collection service to assisted households. This could result in income forgone of up to c£50,000 in the first year of operation of the new service, and an immediate need to refund £19,057.50 for those that have already paid. These refunds will need to be administered and paid. The provision of a free service is likely to result in more assisted bin households signing up for the service, increasing the cost of provision without generating income to pay for this.

The amendment proposes to meet the cost of this concession from the additional funding received in the final Local Government Settlement for 2024/25 of £173,000. The Budget Addendum report published on 9th February 2024, set out a recommendation to use this extra funding for the Fit for the Future programme, in addition to the amount allocated from New Homes Bonus, giving added financial impetus to delivering this strategic programme. At the same time as announcing the extra funding, the Government also stated a requirement that councils would be required to produce a productivity plan, a key element of which is to explain how transformation of services will be applied to make better use of resources.

The proposed amendment, if agreed, would reduce the funding being made available to deliver the Fit for the Future programme.

Impact on Medium-Term Financial Strategy

The assumptions for the garden waste service for future years would need to be revised to take account of the free service provided to assisted households and potential income forgone which could be up to around £68,000 per annum, based on the current total number of assisted households and a charge rate of £55. A reduction in the income already assumed in the MTFS from the garden waste service would increase the £2.3million projected budget shortfall that would need to be found from other savings or income.

Impact on Council Tax Resolution 2024/25

The proposed Council Tax rate for 2024/25 is at the maximum level of increase permissible under the Government's referendum principles and, therefore, by reallocating a portion of

the £173,000 of extra funding, there would be no change to the proposed Council Tax Requirement or Council Tax Rate for 2024/25.

Technical: Guidance on the proposed amendments from the Monitoring Officer

Currently there are 1,242 people who have signed up to the Councils Assisted Bin Service, 54% have subscribed to the new garden waste service.

The Amendment currently assumes that those that receive the assisted bin service are a low-income household. The assisted bin service is not means tested, the only requirement is that the individual is unable or has difficulties moving their bins, and sacks to the boundary of their property and the resident does not have anyone living in their home to help them.

This need does not have to be based entirely on medical grounds and could equally apply to an individual's physical make up. Mobility issues and physical stature are not necessarily linked to an individual's inability to work, or automatically assumes that they are a low-income household. To give an example, an individual who is 5ft and of slight build and who cannot move their 240lt bin when full due to the weight, would be entitled to sign up for the assisted bin service. Their inability to move their bin has nothing to do with their ability to work, or an indication that they are a low-income household.

Applying for the assisted bin service requires the individual to confirm one of the following that there is no one at the property who can physically take the bin to the edge of the property boundary, they are reliant on a carer, they have a permanent disability or they are recovering from an illness or injury. If this Amendment was implemented it would require the Council to review the criteria, as well as bringing in a rigorous process for assessing applications, based on more evidence including on-site visits were appropriate to validate the application to avoid the service being misused. This would have a resource implication to the Council and a cost associated with it for the management of the applications.

The assisted bin service applies to all types of bins (Black, Green, Food and clear sacks). At the point of signing up for the service the individual is required to indicate which bins they require assistance with through this service. Therefore, it cannot be assumed that all 1,242 people currently receiving the assisted bin service, do so for all types of bins/waste, although normally it would cover all types of collections that take place at that property.

This proposal would, before it could be implemented, need to be subject to an Equality Impact Assessment and supported by the relevant evidence, before it is possible to implement a service to an identifiable group of households free of charge.