

Meeting EXECUTIVE
Portfolio Area RESOURCES
Date 15 November 2023



BALANCING THE BUDGET OPTIONS 2024/25

KEY DECISION

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1. PURPOSE

- 1.1 To update Members on the Balancing the Budget, Future Town Future Council stream and the 2024/25 options.
- 1.2 To update Members on the General Fund core resource projections.
- 1.3 To propose a range of General Fund (GF) and Housing Revenue Account (HRA) budget options to be incorporated in the 2024/25 Revenue Budget Process.
- 1.4 To update Members on the General Fund balances as a result of proposed Fee income, Balancing the Budget options and growth and service pressures for 2024/25 onwards.

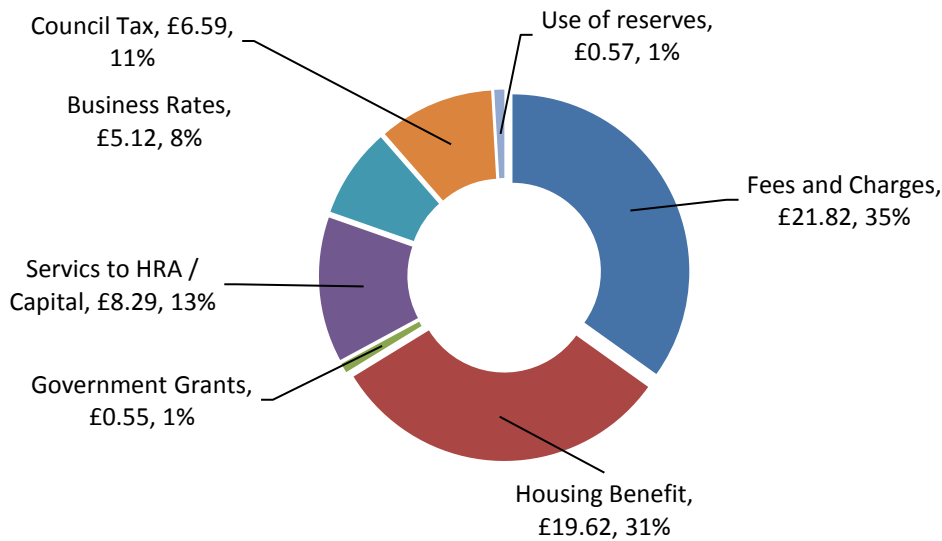
2. RECOMMENDATIONS

- 2.1 The Balancing the Budget options as set out in the report, totalling £1,223,851 (saving) for the General Fund and £77,134 HRA respectively for 2024/25 be approved and incorporated into the Council's budget setting processes.
- 2.2 The Growth options included in section 4.6.2 be approved for inclusion (subject to the savings shortfall being identified) in the 2024/25 General Fund (£131,710) and HRA (£46,960) budgets.
- 2.3 That members approve £40K for the costs associated with implementation of the Balancing the Budget options within the 2023/24 budgets as set out in paragraph 4.9.4 with the GF and HRA sharing the costs 50:50.
- 2.4 The revised GF MTFS financial summary, as shown in section 4.11 to this report be noted.
- 2.5 Members delegate the completion of the Business rates for 2024/25 (NDR 1) to the Strategic Director (S151) after consultation with the Resources and Transformation Portfolio holder (paragraph 4.3.4 refers).
- 2.6 Members agree the increase in the two Planning Fees as detailed in paragraph 4.9.3 and amounts to an additional £1,500 income.
- 2.7 That the Council's recognised unions be consulted regarding the proposed budget package.
- 2.8 That key partners and other stakeholders be consulted, and their views considered as part of the 2024/25 budget setting process.

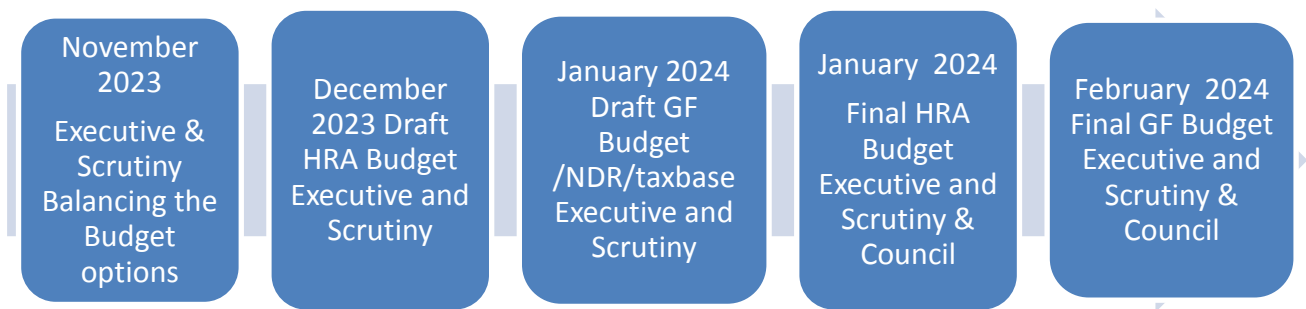
3. BACKGROUND

- 3.1. This report follows on from the Medium Term Financial Strategy (MTFS) that went to Executive in September 2023. This highlighted the continual financial pressures coming out of COVID pandemic, much higher inflationary pressures from utilities and fuel following the Russian invasion of Ukraine and the ensuing cost of living crisis. On top of this, the Council has seen 13 years of funding cuts.
- 3.2. The Chancellor will set out on the 22 November the UK's tax and spending plan (Autumn Statement 2023), which will set out further details on the government's fiscal rules. This will lead on to the provisional settlement and consultation due to be released around the first or second week of December.
- 3.3. The original 2023/24 Stevenage Borough Council (SBC) General Fund net budget of £12.46Million (gross £62.6Million) is funded as set out below.

General Fund Income £63Million



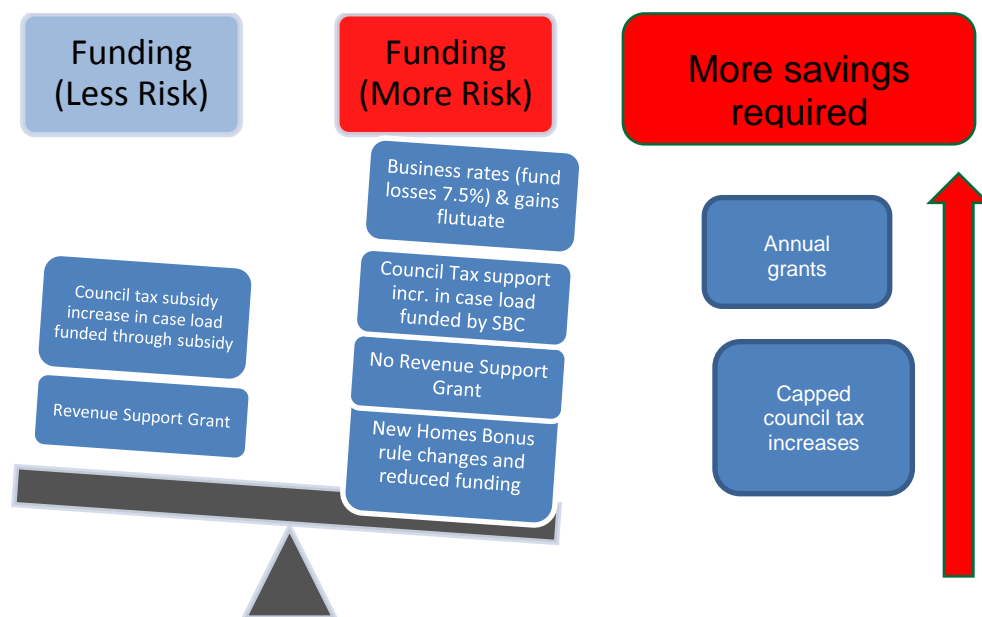
- 3.4. The 2023/24 budget still included COVID related pressures related to income loss (£720K) and additional costs (£100K) totalling £820K. The current MTFS (September 2023) assumptions are pressure of £520K in 2024/25 and then down to £120K in 2025/26 relating to income losses.
- 3.5. A one year budget setting approach has been adopted for a number of years and again for 2024/25 due to the continual pressure on councils to find savings, largely driven by inflationary pressures and minimal funding increases. The Council has been focusing more on Transformation and the Co-operative Commercial insourcing (with the latest strategy going to Executive in October 2023) to look for delivery of future years savings in order to minimise service cuts.
- 3.6. The budget setting timetable dictates that 2024/25 pressures and savings are approved by Members at this stage ahead of the budget setting process. It is the CFO's view that unidentified budget targets should not be included in the 2024/25 budget and options must be put forward for Member consideration to meet any identified gap. This is important as it allows Members to compare the relative priority of all options for approval. The level of risk for the General Fund from continued high inflation, would mean that unidentified savings targets would not be a prudent measure and the General Fund's would be basing spending decisions on unknown and unapproved savings options that may not be identified or delivered.
- 3.7. The budget setting timetable is as set out below.



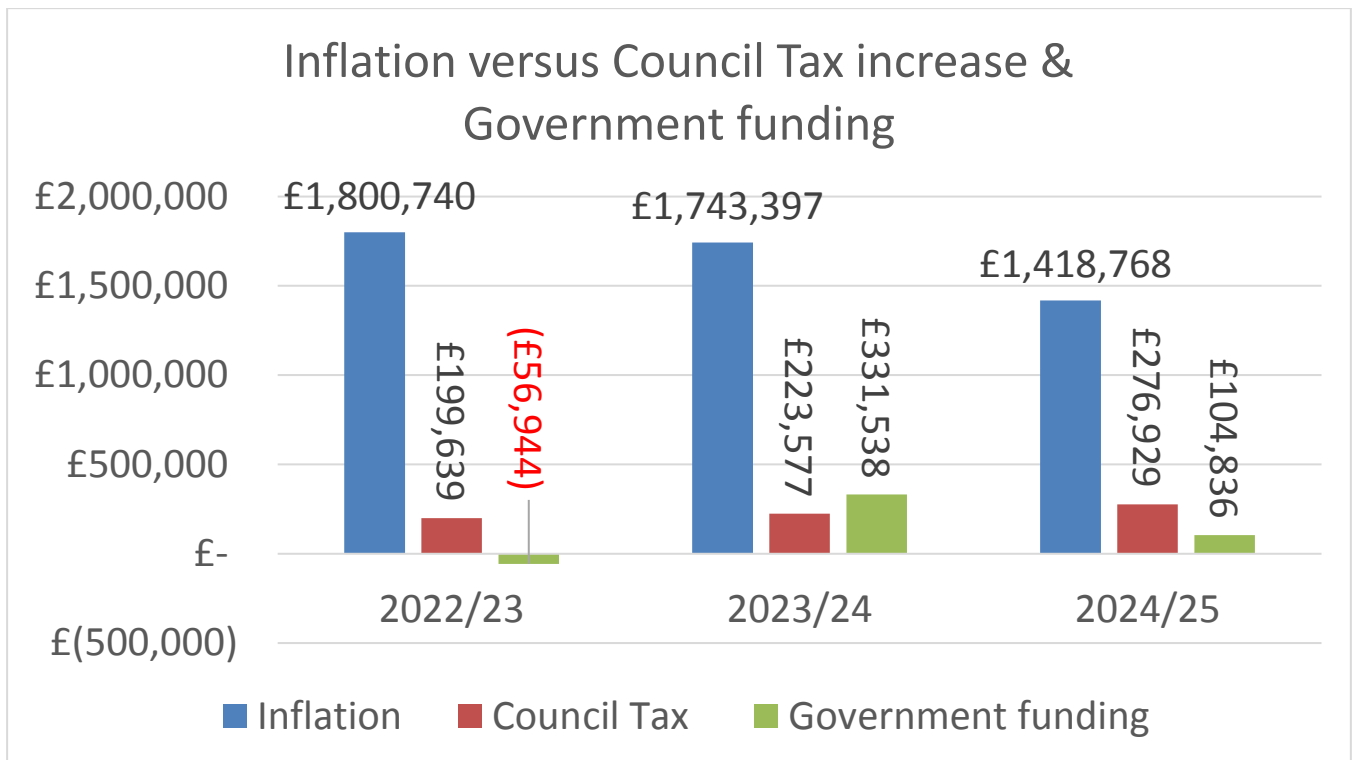
4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1. The requirement to make budget reductions

4.1.1. The period of austerity since 2010 has seen the Council having to find cumulative savings of £11Million plus the shortfall between reducing funding and increases in annual inflation. At the same time there has been a transition towards more inherent risk within local government funding, as illustrated below.



4.1.2. Continual inflationary increases into 2023/24 and projected into 2024/25 is adding to the constant strain of needing to find savings in order to 'balance the budget'. These pressures have continued to outstrip the income from council tax rises (capped by government policy) and Government funding. The chart below shows the inflation projected in the latest MTFS versus additional council tax and government funding for the year.



4.1.3. The inflation increase include Local Government employers side pay offer of £1,925 per spinal point or 3.88% whichever is the higher, equating to a 5.6% average increase, versus the General Fund budgeted pay increase of 3%. This adds an extra £458K to the General Fund pay bill. This has just been approved at the end of October 2023.

4.2. Council Tax

- 4.2.1. Council Tax is capped by Government and is normally announced as part of the Spending Review each year or later in the year with the Provisional Financial Settlement, (before a referendum needs to be held). In the past this has been set at 1.99% with some years having flexibility to either go up to £5 on a band D this would only equate to an increase of around 2.2% or 2.99%. The current MTFS is projecting the ability to increase council tax in 2024/25 by 2.99% (the same as 2023/24) on the basis that this is significantly below inflation but bringing this back to 1.99% for all future years.
- 4.2.2. Members should note that SBC only retains a relatively small part of the overall Council Tax raised for the year (the smallest element of the three preceptors). To illustrate this, taking a Band C property, (the biggest proportion of properties in Stevenage are in band C), the relative shares of council tax for a band C property are shown below.

Authority	2022/23	2023/24	Cost per week	Increase	Share
Hertfordshire County Council	£1,359.38	£1,427.23	£27.45	4.99%	77.34%
Stevenage Borough Council	£200.51	£206.50	£3.97	2.99%	11.19%
Police Crime Commissioner	£198.22	£211.56	£4.07	6.73%	11.47%
Total	£1,758.11	£1,845.29	£35.49	4.96%	100.00%

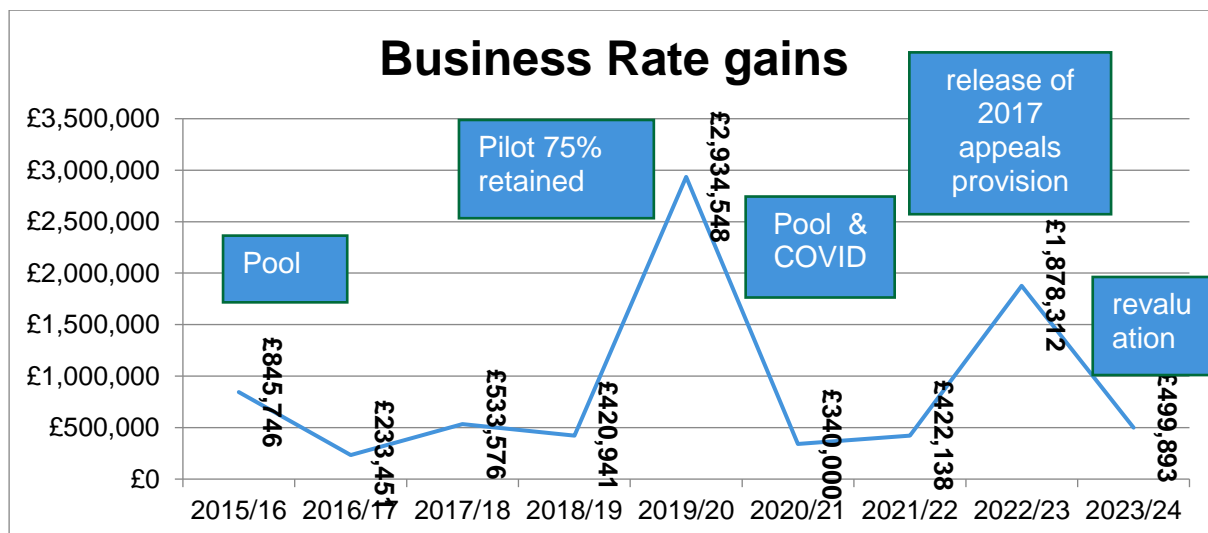
4.2.3. The tax base is currently being calculated based on projected new properties and an assessment of the level of council tax support (CTS) as based on the scheme that went to Executive in September 2023 and other discounts. The current increase in the taxbase for the year (up to September) is 1.21% against a MTFS projection of 0.75%. This would mean an additional £14,013 of income compared to the increase in council tax included in the September MTFS. The draft budget report to the January 2024 Executive will include a further update.

4.3. Business Rates (NDR) Income

4.3.1. Previously the MTFS only included the base line funding for business rates, or the amount the government has assessed the Council needs under its funding formula. In year gains are not guaranteed and have fluctuated each year.

4.3.2. Any NDR gains above the baseline have been used previously to fund time limited growth and regeneration objectives. The rules governing NDR accounting mean any estimated gains are taken in year and any difference between the actual and the estimate are taken from or, in the case of losses refunded to, the Collection Fund in future years. In the past the CFO would have recommended that any business rate gains are transferred to the NDR reserve to improve the resilience of the General Fund.

4.3.3. The latest MTFS now assumes an amount of £200K per year for 2024/25 to 2027/28, this is based on the level of prior years' gains achieved over a number of years as illustrated in the chart below.



- 4.3.4. The completion of the NDR1 form issued by the government determines the level of business rates collectable, level of reliefs to be given in 2024/25 together with the current business rate yield in January. The timing of the release of the government form and the submission deadline means the completion of the NDR1 is recommended to be delegated to the CFO after consultation with the Resources & Transformation Portfolio Holder.
- 4.3.5. It is currently unclear what the government will do in terms of any NNDR rate relief for businesses. In the past September CPI would be used as the mechanism to increase business rates for the coming year with current CPI for September being 6.7%. While this is higher than the projected in the September MTFS (6%), there would be a likely corresponding reduction in the 3% guarantee grant assumed for 2024/25.
- 4.3.6. The Business rate yield for 2023/24 is tracked monthly and the projected level for 2023/24 is marginally down on the original estimate (NDR1) due to some premises coming out of the rating listing from being demolished. This will be partly offset from some new premises coming online in the coming months and the latest appeals position is showing a favourable position. So based on current data the Council is not forecasting any changes to business rates. The draft budget report to the January 2024 Executive will include a further update.

4.4. Projected Finance Settlement 2024/25

- 4.4.1. The 2023/24 finance settlement assumed a 3% overall increase in funding before council tax increases or use of reserves, based on the 2023/24 3% guarantee grant funding. Within the latest MTFS the CFO has assumed the bottom-line funding position will be similar for 2024/25 and the rationale and values are shown in the table below.

Finance Settlement	2023/24	2024/25		
	Final	MTFS	Revised	Assumption
Business Rates	(£2,668,704)	(£ 2,828,827)	(£2,847,507)	6.7% CPI increase
Under indexing	(£ 454,589)	(£ 482,000)	(£ 482,000)	
Total Business Rates	(£3,123,293)	(£ 3,310,827)	(£3,329,507)	
Revenue Support Grant	(£ 102,053)	(£ 108,120)	(£ 108,120)	6.7% CPI increase
New Homes Bonus (NHB)	(£ 86,736)	(£ 10,000)	(£ 10,000)	
Services Grant	(£ 104,040)	(£ 100,000)	(£ 100,000)	
3% guarantee	(£ 78,399)	(£ 70,410)	(£ 51,728)	Assume 3% increase from 2023/24 in 2024/25
Total	(£3,494,521)	(£ 3,599,357)	(£3,599,355)	

4.5. Pressures currently assumed in the General Fund 2024/25

4.5.1. The General Fund budget assumptions for 2024/25 include growth pressures of £2.268Million which were included as part of the MTFS that went to September 2023 Executive. The projections and rationale are set out below and will be reviewed for any material changes as part of the budget setting process.

New Pressures	2024/25	Comments
ICT review	£104,000	Following review by Society for Innovation Technology and Modernisation on the right size of the ICT operation to deliver on both Councils priorities, the MTFS assumes an increase in budget of £104K in 2024/25 (part year implementation).
ICT Licences, software and hardware costs	£205,000	Following a root and branch review of hardware and software costs and licences has identified a pressure of £205K for 2024/25.
Car Park income losses	£300,000	Although income is improving year on year, it is still not achieving income levels pre-COVID. Latest MTFS shows a projected pressure in 2024/25 of £300K.
Garage income losses	£85,000	2024/25 Income will continue to be impacted because of the asbestos issue in the garages, although the introduction of on-line garage lettings has enabled the Council to reduce the losses more quickly than previously anticipated.
Inflation pressures	£1,464,000	This is based on the latest projections for utilities and a 3.5% pay award. The figure shown is net of costs charged to the HRA.

New Pressures	2024/25	Comments
Local Plan costs	£100,000	There is a need to complete number of studies for the next Local Plan update.
Housing Subsidy Admin	£10,000	As housing benefit caseloads reduces (migration to Universal Credit), the subsidy payment also reduces.
Total Pressures identified	£2,268,000	

4.6. Growth for the General Fund 2024/25

- 4.6.1. Since the MTFs was presented to Members in September, a number of new growth items have been identified by services and these are shown at Appendix A which totals £273,484 for the General Fund and £48,608 for the HRA. This is in contrast to the MTFs growth allowance of £75K in 2024/25, an increase in growth would necessitate an increase in savings to be found.
- 4.6.2. As stated above the Council is not in a financial position to be able to afford all new growth requests (without finding equivalent value of savings), and therefore recommended growth has been rationalised and the following is recommended for approval subject to the net budget gap of £56K being resolved for 2024/25. The recommended growth totals £131,710 for the General Fund (HRA £16,590).
- 4.6.3. The growth items were considered by the Council Financial Security Group (CFSG) and the outcome of their review is shown in paragraph 4.12.1.

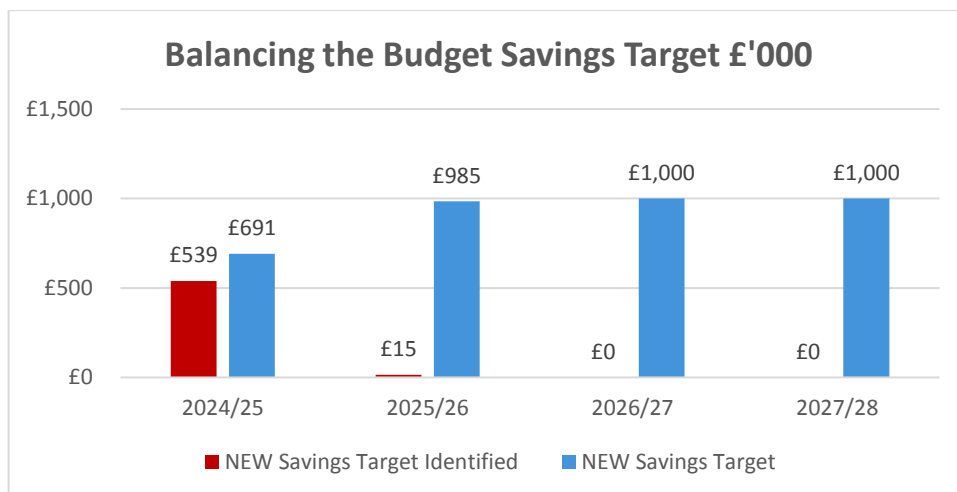
Recommended Growth	2024/25	Comments
Payroll Apprentice	£15,410	Development of the inhouse resource will result in reduction in reliance on third party contractor.
Graduate / Trainee Planner	£35,300	To enable the service to continue its performance around bringing new revenue into the Council and to support the Council in growing its own staff.
Switch from diesel fuel to HVO for the Council fleet	£66,000	This will support the Council ambition to lower its greenhouses gas emissions until the opportunity arises to an alternative power source for the fleet, reducing emissions by up to 90% or 795 tonnes per year implementation 1 October 2024. This would equate to £132K for 2025/26
Street Scene digital operation solution	£15,000	A digital system to manage and deliver the street and grounds maintenance service through improve scheduling, easier adjustment of frequencies of operation and real time job progress and could lead to future savings.
Total Growth	£131,710	

- 4.6.4. As part of the review of growth, it is recommended that:
- Growth item G4 (Finance system) could be funded within potential transformation budgets (currently being reviewed).
 - Growth item G5 (2nd Green Spaces Development Officer) costing £35,410 should continue for a further year to allow for a review of the allotment service processes and procedures to be undertaken and that the 2024/25 cost is funded from reserves.
 - Growth item G8 (woodland team) there is a need to review trees on HRA land and that one post should be approved to focus on the HRA trees at a cost of £30,368.
- 4.6.5. If Members agree to the above, then this would add a further £56,710 to the required savings target for 2024/25 as per the table below.

	2024/25
Budget deficit for 2024/25 as per the MTFS	£1,540,000
To be funded from reserves in year as per MTFS	(£310,000)
Existing saving target as per MTFS that went to September Executive	£1,230,000
New growth requested on top of what was included in the MTFS (£131,710 - £75,000)	£56,710
Revised Savings target for 2024/25	£1,286,710

4.7. The Balancing the Budget Target to Find

- 4.7.1. The MTFS (September 2023 Executive report) identified a General Fund four-year increased savings target of £4.230Million. The 2024/25 target increased from £730K to £1.23Million which is partly because of the £1.4Million of inflationary pressures with only anticipated increase in government funding of £106K and £276K of additional Council Tax revenue.



- 4.7.2. If Members agrees to the new growth requests as per paragraph 4.6.2, then the revised savings target would be £1,286,710.
- 4.7.3. The Balancing the Budget savings target will need to be kept under constant review, due to the considerable uncertainty surrounding local government finance and other economic pressures. The level of reserves required and therefore the level of savings to achieve is based on a risk assessment. Some of those more significant risks which could materialise and increase the need for further savings are summarised in the table below.

Expenditure and Income	Impacted by	Risk (to increase cost)
Inflation	Although prices have dropped since the budget was agreed back in February, there is still huge volatility in the market with the continual war in Ukraine.	medium
	The MTFS assumes a 3.5% pay award for 2024/25, a continuation of higher inflation may drive much higher pay negotiation outcomes	high
	Projections for inflation will continue to exacerbate inflationary pressures in the General Fund and HRA for pay, goods and services. (August CPI 6.2%)	high
Demand for services	There may be an increase for support services such as homeless and advice and this puts further pressure on the Council's budgets	medium
Fees and Charges	The continual impact of 'Cost of Living Crisis' may impact of the Council's fees and charges income which is required to support the funding of services.	medium

Expenditure and Income	Impacted by	Risk (to increase cost)
Core funding	The government has not signalled any new funding for the Public Sector and the MTFS includes a 'status quo' for grant funding, there is a risk that funding could be reduced will be removed.	high
	Grant funding for new burdens is announced annually such as homeless or rough sleeper funding which makes recruitment and retention difficult on a permanent basis	high
	There is uncertainty around future years government funding.	high

4.8. The 2024/25 Balancing the Budget Options process for the General Fund

4.8.1. The Council's Senior Leadership Team in recognising the scale of the savings required, agreed with the Executive Portfolio holders that a star chamber process would be held with all Assistant Directors, looking at:

- New surplus income streams.
- Opportunities for grant funding.
- Services provided for third parties recover all our costs and management time.
- What discretionary services could potentially be reduced or stopped.
- For all services what would a reduction in service feel like e.g. from gold standard to bronze (whilst ensuring that statutory services continue to be provided).
- In addition, cross cutting areas such as training, post etc would be reviewed.

4.8.2. This work was carried out during September and October 2023 has led to the options contained within this report. Due to the options identified as part of the Council's Commercial and Insourcing Strategy (October 2023 Executive) and Transformation activity (September 2023 Executive), the current savings package identified has not required service reductions, with the exception to changes around football pitches.

4.9. Balancing the Budget Savings

4.9.1. It has been recognised nationally and locally by the Council's Executive Members and Senior Leadership Team that this is again a difficult budget to set. Furthermore, with the current position for the sector to stay financially resilient and this can be evidence with a number of new councils actioning a 114 notice, or talking about the possibility to do so, that there are no easy solutions for the sector.

4.9.2. The options contained in this report has been to try and maximise savings through transformation and commercialisation, rather than a break glass option of cutting services. The following savings have already been agreed by Members:

Reported in Quarter 4 outturn for 2022/23	£	£
Increase Commercial Rental		95,000
Reported in Quarter 1 monitor for 2023/24		
HCC Maintenance Verge	33,632	
Homeless B&B costs	100,000	
Reduction in Leisure costs	145,490	
Increase in Commercial Rents	120,000	
Animal Control contract	18,660	417,782
September 2023 Executive		
Transformation report to move Customer Support Service into the atrium	200,601	
Merging two AD posts (Housing and Community & Neighbourhoods) into one	45,418	
Specialist Advice & Support	22,473	268,492
October 2023 Executive		
Increase in fees and charges	396,587	
New fees (from Planning, Engineers and Commercial) and rebasing of some fees to reflect current forecasts on budgets (Indoor Market, Traded Waste and Parks) since report went to Executive in October.	(63,113)	333,474
Total already approved		1,114,748

4.9.3. Further to the Fees and Charges 2024/25 report that went to October 2023 Executive, there needs to be a change to two of the fees which were not updated within the report. It is now being requested that members agree to increasing these fees in order to encourage applicants to apply via the portal for planning direct applications and to recover the costs associated with enquiries (which would generate additional income of £1,500) as follows:

- Planning Direct Application fee from (currently) £48 to £70.
- Enquiry fees from (currently) £10 to £15.

4.9.4. Part of the Transformation activity (from the September Executive) has required one post to be deleted, which resulted in a redundancy cost of £40,000 (of which £20K will be charged to the General Fund) within the 2023/24 budgets.

4.9.5. Further savings have materialised from decisions Members made as part of the capital bids for 2023/24:

	£	£
Total already approved		1,114,748
The installation of solar panels on 7 refuse lorries have saved circa. 1,100 litres of fuel per vehicle per year.	11,000	
To digitalise the physical turning of Book of Remembrance have saved overtime payment, from not having to do it at weekends and bank holidays	4,865	
With the introduction of the new automated car registration, the ability to reduce running costs from the use of chip coins /season tickets	5,000	20,865
Total identified savings		1,135,613

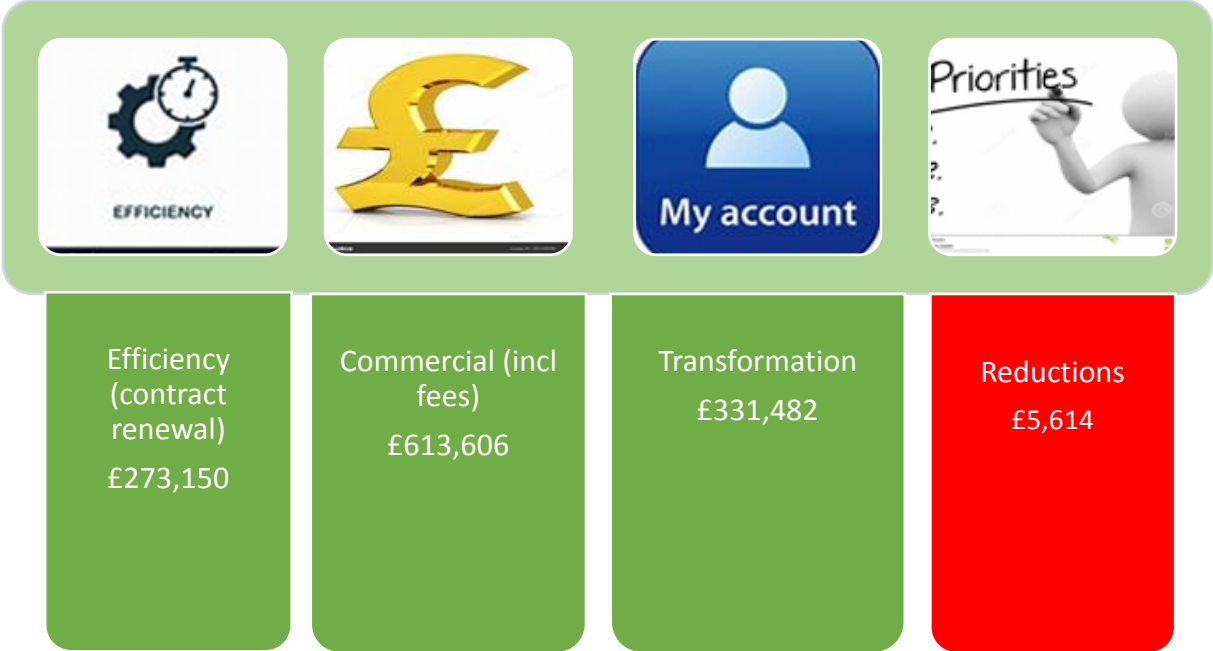
- 4.9.6. After taking into account the above, the revised savings required for 2024/25 is:

	2024/25
Revised savings target (paragraph 4.6.2)	£1,286,710
Total identified savings	(£1,135,613)
Revised savings target before options being considered	£151,097

- 4.9.7. Following the process set out in section 4.8 the following proposed savings are recommended for members to approve in order for the Council to have a balanced budget for 2024/25:

	£
To cease the provision of providing goal nets and corner flags and only offering 'naked pitches' i.e. no changing rooms, the Council will be able to make savings in not having to pay overtime to staff	5,614
A review of historical spend versus training budgets have identified opportunity to reduce budget by 10% across all services – protecting safeguarding and health & safety training. With emphasis to maximise the usage of the Apprenticeship Levy.	9,000
To migrate the Members payroll onto the officer's payroll will reduce the usage of a third part contract	3,350
Opportunity to make changes within the Executive and Member support teams with closer working practices	27,525
Close floor(s) at Daneshill, saving on utilities	11,250
Increase in HCC verge maintenance for 2024/25	30,000
Additional fees and charges as per paragraph 4.9.3	1,500
Total savings	88,239

- 4.9.8. The savings options to balance the budget for 2024/25 have not required the Council to make significant service cuts this year, unlike in previous years which has seen a cessation of both the Community transport and Play service and reductions in other service areas, The 2024/25 options have been aided by the Transformation and Commercial activity streams and there is a balance of £56K (after changes to the MTFS and council tax projections) which the CFO recommends is found for next year’s budget and Members will be updated in the January 2024 draft General Fund budget report. This approach is recommended due to the potential impact of higher salary and contract inflation above that estimated for next year and there is an annual savings target of £1Million beyond 2024/25 which is partly reliant on inflation reducing in the medium term.
- 4.9.9. The ability to continually find budget savings is increasingly difficult and, and this has been evident nationally with the level of Section 114 notices issued and the significant gap between inflation and funding. This has to be a clear indication that the Local Government funding system is broken and the Council has contributed to District Councils Network and other calls for data to support the sectors interest groups to give evidence to the government.
- 4.9.10. The Council will continue to use the balancing the budget activity strands to support the budget setting process and a summary of the savings achieved for 2024/25 within each of these strands are shown below.



4.10. Level of Balances required for General Fund

- 4.10.1. The September 2023 MTFS assumed that the minimum level of balances required would be £3.5Million, however this will need to be kept under review based on the risks set out in this report.

General Fund balances Minimum Level Assessment	2024/25 £Million
Amount to cover a 1.5% overrun in gross expenditure	£0.70
Amount to cover a 1.5% overrun in gross income	£0.75
Amount to cover pay award above the budgeted amount	£0.40
Amount to cover higher prices with higher than forecast inflation	£0.60
Amount to cover fee and charges losses through price fluctuation	£0.30
Amount to increased COVID / cost of living losses	£0.30
Amount to increased homeless costs	£0.05
Amount to cover risk to Balancing the Budget savings	£0.40
Total Estimated General Fund Reserves	£3.50

4.10.2. The need to find this level of savings is difficult but the CFO would recommend that Members consider approving the options presented, including a council tax increase at 2.99% if allowed through the Financial Settlement to ensure the General Fund is as resilient as possible due the uncertainty about the 2024/25 as detailed above.

4.11. Medium Term Financial Strategy General Fund Summary

4.11.1. The MTFs modelling has been updated to reflect the contents of this report which are subject to Members approval in the report and are:

- Growth of £131,710 (less £75,000 already included) as per paragraph 4.6.2.
- Total 2024/25 Balancing the Budget options of £1,223,852 as set out in paragraph 4.9.
- Redundancy costs of £20K for General Fund as per paragraph 4.9.4.
- Increase in council tax income for 2024/25
- Minor changes to inflation budgets

General Fund balances	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000
Opening Balance	(£5,954)	(£4,592)	(£4,226)	(£3,622)	(£3,361)
In Year	£1,362	£366	£604	£261	(£126)
Closing Balance	(£4,592)	(£4,226)	(£3,622)	(£3,361)	(£3,487)

4.12. Consultation

Council Financial Security Group (CFSG) (25 October 2023)

4.12.1. CFSG was presented with savings and growth options for consideration for 2024/25 balancing the budget. No voting was carried out for saving options, however, the group did consider the nine growth options (as detailed at

Appendix A) and scored them by “do not support” 0 point, “support but low priority” 1 point and “support with high priority” 3 points. The table below shows the results.

Growth bids received for 2024/25	Score	Recommended as per paragraph 4.6
Payroll Apprentice*	12	Yes
Graduate Planner*	12	Yes
Change remit of Planning Manager posts x 2	6	No
Improvement to finance ledger system	10	No – looking to fund through alternative sources
2nd Green Spaces Development Officer**	7	One year
Switch from diesel fuel to HVO*	9	Yes
Additional street scene manager	9	No
Creation of woodland team	10	1 post in HRA
Street scene digital operation solution*	6	Yes – a catalyst for further savings

Corporate Plan – six-week consultation starting 23 October

4.12.2. The Council is currently consulting on the Corporate Plan for 2024/25 and this includes questions around whether the respondent:

- Agrees that Balancing the Budget should be a priority so that the Council can remain financially resilient and continue to deliver key services as set out in the Corporate Plan?
- If no, is the alternative is to reduce services and provide less?
- If yes, what should the Council stop doing to generate £1.23Million savings?

Resident Survey (2021)

4.12.3. The 2021/22 Residents survey shows that resident’s preferences with regards to achieving budget savings are firstly to reduce costs through the provision of more online services. This was ranked the highest (out of five options in 2021 and 2017) with 41%. This first rate ranking has increased from 2017 and supports the Transformation programme as a method to reduce costs and improve efficiency / productivity.

Please tell us your order of preference for each of the following options by ordering them 1 to 5	2021 rank	2017 rank	1st
Reduce time and money spent on paperwork by interacting with more residents and customers online	1	1	41%
Increase income from fees and chargeable services, to keep the council's element of Council Tax as low as possible	2	3	24%

Please tell us your order of preference for each of the following options by ordering them 1 to 5	2021 rank	2017 rank	1st
Spend less by reducing or cutting the services that you tell us are not a priority	3	2	16%
Make money by selling more of our services to residents and customers	4	5	9%
Increase our element of Council Tax (for example from 51p per day to 55p per day)	5	4	10%

4.12.4. The 2021 residents' survey asked residents whether the council tax represented value for money. While strongly disagree has increased (from 7% to 15%), overall 52% up from 46% agree it represents value for money as shown in the chart below.

	Responses	2021	2017	2015	2013	2011
		1	7			
To what extent do you agree or disagree that the Council Tax paid to Stevenage Borough Council provides good value for money?	Strongly agree	16%	10%	7%	6%	6%
	Tend to agree	36%	36%	39%	39%	40%
	Neither	18%	30%	30%	35%	33%
	Tend to disagree	10%	17%	18%	17%	16%
	Strongly disagree	15%	7%	6%	5%	5%
	Don't know (DNRO)	4%				
	Summary: Agree	52%	46%	46%	45%	46%
	Summary: Disagree	26%	24%	24%	22%	21%

4.12.5. Due to the level of savings required the CFO intends to set out the issues in a media communication campaign so that residents and businesses understand why the Council is facing budgetary as well as how it is seeking to respond.

5. IMPLICATIONS

5.1. Financial Implications

5.1.1. The report deals with Council finances and as such all implications are contained in the main body of the report.

5.2. Legal Implications

5.2.1. The Council is required to set a balanced budget each year. The Local Government Finance Act 1992 requires the Council to estimate revenue expenditure and income for the forthcoming year from all sources, together with contributions from reserves, in order to determine a net budget requirement to be met by government grant and council tax.

5.3. Policy Implications

5.3.1. The report deals with Council policy and as such all implications are contained in the main body of the report.

5.4. Staffing and Accommodation Implication

- 5.4.1. The 2024/25 budget options included one redundancy which is summarised in paragraph 4.9.4.
- 5.4.2. In compliance with SBC's Organisational Change Policy any proposals involving potential redundancies will be fully consulted on with the trade unions and affected staff for a minimum 30-day consultation period, and again may therefore change depending on the outcomes of the consultation process.
- 5.4.3. Officers will continue to work in an open and transparent way with the trades unions, and will provide them with the information required, in accordance with statutory requirements and best employment practice, as soon as this is available. The trades unions will be provided with all relevant information in accordance with the Council's legal obligations.
- 5.4.4. Wherever possible staff who find themselves in a redundancy situation will be redeployed to a suitable alternative post. If that redeployment results in the staff affected moving into a lower-graded, post pay protection will apply for a 12-month period.

5.5. Equal Opportunities Implications

- 5.5.1. In carrying out or changing its functions (including those relating to the provision of services and the employment of staff) the Council must comply with the Equality Act 2010 and in particular section 149 which is the Public Sector Equality Duty. The Council has a statutory obligation to comply with the requirements of The Act, demonstrating that as part of the decision-making process, due regard has been given to the need to:
 - Remove discrimination, harassment, victimisation and any other conduct that its unlawful under this Act
 - Promote equal opportunities between people who share a protected characteristic and those who do not
 - Encourage good relations between people who share a protected characteristic and those who do not.
- 5.5.2. These duties are non-delegable and must be considered by Council when setting the Budget in February 2024.
- 5.5.3. An overarching EqIA will be developed if any service cuts are proposed and will form part of the budget report that goes to Council in February 2024. This will consider the collective impact of the Budget on people with protected characteristics.

5.6. Risk Implications

- 5.6.1. There are risk implications to setting a prudent General Fund budget if the Financial Security options identified in the report are not achieved and crucially if future options are not found to meet the targets outlined in the report.
- 5.6.2. There are a number of risks that have been identified and these are set out in the report.

5.7. Climate Change Implications

- 5.7.1. The Council declared a climate change emergency at the June 2019 Council meeting with a resolution to work towards a target of achieving net zero

emissions by 2030. The Transformation programme and the digital on-line agenda will contribute to reducing the Councils carbon footprint. The report also recommends an option to reduce our greenhouse gases to help achieve net zero emissions by 2030.

BACKGROUND DOCUMENTS

BD1 General Fund Medium Term Financial Strategy (2023/24-2027/28)

APPENDICES

Appendix A - Growth options