

# Impact Assessment

## Overarching Council Budget Proposal 2025-26



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

Before you begin, please read through the guidance found [here](#) in English, and [here](#) in Welsh.

## 1. Proposal Information

\* Required

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<b>Portfolio Holder</b>	Councillor David Arnold Thomas
<b>Proposal title</b>	Overarching Council Budget Proposal
<b>Description of proposal *</b>	<p>This Impact Assessment (IA) focuses on the draft budget considered by Cabinet for their approval on the 14<sup>th</sup> January, 2025. It assesses the impact of the budget proposals, council tax requirements and those budget savings needed to deliver a balanced budget, as well as their impact across a range of headings (including the Well-being Goals, guiding principles and the workforce, with mitigating actions to reduce negative impacts, as summarised at Appendix A). There are 68 individual savings proposals for next year that are considered within this IA, they have each been assessed and <b>do not</b> have any impact on the main IA criteria headings including communities and other stakeholders. The remaining 5 savings proposals have separate IAs published within the budget pack as they may have a future impact on communities etc and need to be reviewed to fully appreciate the consequence of accepting the savings proposal.</p> <p>The savings proposals within this IA, have no detrimental impact on communities and residents and fall within the following categories:</p> <ul style="list-style-type: none"><li>• Budget that can be reduced – utilities, travel, suppliers and standstill inflation</li><li>• Manage contracts better – reduce void beds, alternative care provision, reducing agency and consultancy</li><li>• Workforce changes – restructure, vacancy management and the actuarial pension revaluation and reduction to contribution rates</li><li>• Income increases – inflation uplifts on fees, ensuring we maximise external income and using grants to fund base costs</li><li>• Other (such as transformation – introduction of AI and automated processes</li></ul>

## 2. Savings and Consultation

\* Required

## Profile of savings delivery

2024-25	2025-26	2026-27	2027-28	2028-29	2029+	Total Savings
Total Savings for this Impact Assessment	11,177,198	526,097	3,388,850	2,040,483	30,030	17,142,658

## Further information

The overall budget proposal is £365,778k for which there are £36,439k inescapable cost pressures. These pressures cover the cost of our pay awards, National Insurance employer contribution increases and the Real Living Wage annual uplift affecting our care sector, and price/contract inflation. In addition, we are proposing to fund increasing demand for Social Care, and demographic growth.

To partly support these increasing costs the council proposes to make savings of £12,287k in 2025-26.

There are 68 budget saving proposals for approval by Council, 5 have been assessed as needing a separate impact assessment (IA). 63 of the saving proposals are considered in this IA because they have little or no impact on communities or stakeholders, or where it is not possible to assess impact at this early stage in the development of the proposal and one will be completed at a later date (when more detail is known). These savings can be summarised together without any detrimental effect on understanding their impact (see Appendix A for the overall summary by category). The total value of these savings is £11,177k.

## **BACKGROUND**

By law the Council must annually agree a balanced budget. This impact assessment concentrates on the net revenue budget for 2025-26. The budget has been developed, refined and challenged by a robust process involving Heads of Service, Corporate Leadership Team, Cabinet and Scrutiny Committees. The full timetable was published in July 2024 setting out the governance approach and meetings planned to develop and finalise the budget. This has been updated regularly and shared with those considering the overall budget. The draft budget will be approved by Cabinet on 14<sup>th</sup> January 2025 and will then be considered by three Scrutiny Committees and the Finance Panel through January and into early February. The final budget will be presented to Council for agreement on 20<sup>th</sup> February 2025.

5 Individual impact assessments have been completed for the savings proposals where they are specifically required. Most savings align to the Sustainable Powys principles, providing efficiencies, increased income, use of grants and reduced cost whilst continuing to ensure the Council meets its statutory responsibilities and retains core budgets to support service delivery.

This assessment assesses the cumulative impact of the budget on Powys residents, balancing the increased funding needed to support service pressures, the proposed council tax increase and those savings proposals that do not need a separate assessment.

The Final Budget includes an 8.9% increase in the Council Tax in 2025-26 (£2.80 a week increase for a band D property), and then 5% for the following 4 years. The Council Tax Resolution will be presented to Council on 6<sup>th</sup> March 2025.

## **REVENUE BUDGET**

The receipt of the provisional local government funding settlement for 2025-26 provided the Council with an additional 3.3%, which is the third lowest increase across Welsh Authorities next year, providing an additional £7,929k after transfers into the opening base figure. This is insufficient to meet the increase in costs for inflation and demand for services. Once again, the budget process has created a significant challenge for the Council to deliver a balanced budget. Over the last thirteen years £136 million savings have been delivered to support balanced budgets in previous budget rounds, and it becomes harder to identify and deliver savings to address the

burdening service pressure demands, as set out in the Councils budget pack Appendix F Cost Pressures.

The Council has developed its 2025-30 Medium Term Financial Strategy (MTFS) and revenue budget by seeking to focus resources on achieving our goal of building a Stronger, Fairer, Greener future, whilst ensuring that Powys can be financially, socially and environmentally sustainable.

### **Cost Pressures**

The 2025-26 budget includes £36,439k of inescapable cost pressures, these pressures cover the cost of our pay awards, National Insurance employer contribution increases and the Real Living Wage annual uplift affecting our care sector, and price/contract inflation. In addition, we are proposing to fund increasing demand for Social Care, and demographic growth. These must all be considered and recognised in the budget to ensure the Council can, as required by law, set a robust and balanced budget.

Powys residents will benefit from this investment in our services ensuring delivery of the Council's statutory obligations. However, the increased budget requirement cannot be met from the funding settlement the Council has received from the Welsh Government creating a budget gap of £22,120k which will be mitigated in part by savings proposed of £12,287k, with the remaining shortfall being funded by an increase in Council Tax of 8.9% together with an increase in the Council base totalling £9,832k.

### **Cost Reductions**

To bridge the budget gap all services were asked to identify savings that could be made to reduce the Council's spending requirement. £12,287k of saving proposals have been identified which are deemed to be achievable within an acceptable level of risk. This leaves a residual budget gap of £9,832k which it is proposed is found by increasing Council Tax by 8.9%. If Council Tax was to be increased by less the Council would need to make further savings. In looking for additional savings the Council would need to consider whether the impact on residents from any saving would be greater than the impact on households of an additional 8.9% per annum in Council Tax.

Development of the budget has been challenging this year, the extent of the pressures and the continued delivery of savings year on year reduces the opportunity for change. The development of the Sustainable Powys Programme has been introduced to shape the design of services for the future to drive out more costs over the medium to longer term. This work is progressing but the scope for identifying additional cost reductions immediately is very limited without having a significant detrimental impact on service delivery.

### **Council Tax**

The Council's net revenue budget is funded from Welsh Government grant known as Aggregate External Finance (AEF) and Council Tax. AEF is the total level of support that the Government provides to local authorities, comprising Revenue Support Grant (RSG) and the amount distributed from business rates (NNDR) and is distributed using a needs-based formula.

The settlement formula is based on a Standard Spending Assessment (Revenue Support Grant, business rates plus notional Council Tax). What has been seen in previous years is that the notional Council Tax element of the settlement has increased at a greater rate than the AEF element, this results in councils with smaller tax bases having a greater share of the grant element

and councils with higher tax bases like Powys receiving less grant due to their relative tax raising ability. Our net budget requirement is therefore funded by roughly 30% from Council Tax and the rest from Welsh Government.

Council Tax income comes from residents, but not all residents pay full Council Tax. Many residents benefit from the Council Tax Reduction Scheme (CTRS) and/or are in receipt of a statutory council tax discount or exemption. Our current budget is £12,116k to provide CTRS support for Powys residents exceeds the level of funding included in the settlement by £3,168k. The level of support provided by this scheme has increased since the pandemic and economic downturn as more people became eligible, but the allocation included in the WG settlement has remained constant, the impact of this increase is therefore fully funded by the Council. Any annual increase in Council Tax will increase the CTRS demand and an allocation of £1,078k is included in the budget to cover an 8.9% increase in Council Tax.

In setting the Council Tax level each year the Council must strike an appropriate balance, the need to ensure the Council has sufficient funds to provide crucial often statutory services to local residents within a balanced budget (a legal requirement) with the ability of Powys taxpayers to afford to pay the level set. Each year the number of properties subject to Council Tax increases, this increase to the tax base is based on estimated new builds and properties brought back into use.

Understanding the affordability of any Council Tax increase requires consideration of the cost of the increase in relation to household income. Council Tax can be measured in 'Band D' or in 'per dwelling' terms. Band D has historically been used as the standard for comparing Council Tax levels between and across local authorities. This measure is not affected by the varying distribution of properties in bands that can be found across authorities. The 'per dwelling' calculation uses chargeable dwelling figures which gives an indication of the average amount of Council tax that is actually paid per household. In 2024-25 the Average Band D council tax set for Powys was £2,054 which was above the Welsh average of £2,024. These figures include Community Council and Police authority precepts. Council Tax can also be measured as average Council Tax per dwelling. In Powys the average Council Tax per dwelling for 2024-25 is £2,056, £226 a year (£4.34 a week) above the £1,830 average for Wales.

An 8.9% increase in Council Tax in 2025-26 for a Band D dwelling would be an increase of £145.86 for the year, equivalent to £2.80 per week (before Community Council and Police precept). Based on this year's take up of benefits/support it would be reasonable to assume that only around 47% of Powys' households would pay the full increase, while just over 53% would receive partial or total exemption from payment.

## **ECONOMIC CONTEXT**

On 30th October 2024 the Office for Budget Responsibility (OBR) published its report "Economic and fiscal outlook". The report provided an analysis and forecast of the UK's public finances based on the budget statement released by the Chancellor of the Exchequer on the same day.

Having stagnated last year, the economy is expected to grow by just over 1 per cent this year, rising to 2 per cent in 2025, before falling to around 1½ per cent, slightly below its estimated potential growth rate of 1⅔ per cent, over the remainder of the forecast. Budget policies temporarily boost output in the near term but leave GDP largely unchanged in five years. If the

increased level of public investment were sustained, it would permanently raise supply in the long term and by significantly more than it does in the forecast period.

Having fallen back to around the 2 per cent target in mid-2024, CPI inflation is expected to pick up to 2.6 per cent in 2025 partly due to the direct and indirect impact of Budget measures. Inflation then slowly returns to the 2 per cent target by the forecast horizon as the effect of these measures fades and the positive output gap closes. Compared to the March forecast, inflation is 1.1 percentage points higher in 2025 and 0.6 percentage points higher in 2026, driven mainly by greater-than-expected persistence in wage growth and the impact of the near-term fiscal loosening in this Budget. It is estimated that Budget policy measures increase inflation by 0.4 percentage points at their peak effect in 2026, mainly reflecting the impact of the excess demand generated by the fiscal loosening and some pass-through of employer NICs to consumer prices. A further escalation of the conflicts in the Middle East poses a risk to the inflation forecast, initially via its impact on energy prices. Market expectations for 2025 oil prices have ranged between 68 and 84 dollars a barrel since the March forecast, compared to 71 dollars a barrel in the central forecast.

OBR expect house price growth to fall back slightly from 1.7 per cent in 2024 to 1.1 per cent in 2025, as the average effective mortgage rate continues to rise. House price growth then averages around 2½ per cent from 2026 until the end of their forecast, supported by nominal earnings growth. House prices have risen by around 3 per cent in the first half of the year, such that the average house price was around 3 per cent higher than March forecasts in mid-2024. Average house prices remain above the March forecast throughout, driven by the recent resilience and our forecast for higher nominal incomes. Average interest rates on the stock of mortgages are expected to rise from around 3.7 per cent in 2024 to a peak of 4½ per cent in 2027, then remain around that level until the end of the forecast. The high proportion of fixed-rate mortgages (around 85 per cent) means increases in Bank Rate feed through slowly to the stock of mortgages. Bank of England analysis shows around two-thirds of fixed-rate mortgages have been repriced since the start of this hiking cycle, and they expect the remainder to expire by the end of 2026.

In December 2024 the Bank of England has opted to hold the base rate at its current level, meaning interest rates finish the year at 4.75 per cent. Governor Andrew Bailey has said "We think a gradual approach to future interest rate cuts remains right but with the heightened uncertainty in the economy we can't commit to when or by how much we will cut rates in the coming year.

National statistics from the Office of National Statistics (ONS) show the average gross weekly earnings (full-time equivalent employees on adult rates) in Powys in 2024 to be £675 compared to an average for Wales of £684, and the UK average of £728.

## Consultation requirements

<b>Consultation required? *</b>	Yes
<b>Union consultation date</b>	Click or tap to enter a date.



<b>Staff consultation date</b>	Click or tap to enter a date.
<b>Public consultation date</b>	Click or tap to enter a date.

**Consultation plan (or justification where no consultation is required)**

Business rate payers will be consulted as is required under the Local Government Finance Act 1992, Section 65. Where required specific consultations are completed, underway or planned.

5 of the budget savings proposals may affect residents and communities and a separate IA has been prepared setting out the implications to be considered as part of the budget round.

Service consultations for restructures, total saving £1,496k - Highways, Transport and Recycling (HTR) £375k, PPPP £55k, Information Compliance £7k, Education £400k, Childrens £70k and Business intelligence £89k, and a further £500k to be allocated following structure reviews. All reduction plans will follow the management of change guidance and adhere to the timescales that are required depending on the size of restructure and those affected.

### 3. Impact on other service areas, geographical areas, and data protection <sup>i</sup>

\* Required

#### 3a. Impact on other service areas \*

- Digital Services
- Childrens Services
- Adult Services
- Business Intelligence and Governance
- People
- Finance
- Legal and Monitoring
- Economy and Climate
- Housing Services
- Highways, Transport & Recycling
- Planning & Regulatory Services

- Transforming Education
- School Improvement and Learning
- Community Wellbeing
- Strategic Partners, e.g PTHB, RPB

**If you selected “Strategic Partners”, please specify the strategic partners below**

Each saving has been reviewed by Corporate Leadership, Cabinet and Scrutiny Committees and any impact has been assessed to ensure there are no implications that will arise when the saving is made

### 3b. Impact on geographical locations \*

- All Powys
- Llanfyllin
- Welshpool and Montgomery
- Machynlleth
- Llanfair Caereinion
- Newtown
- Llanidloes
- Llandrindod and Rhayader
- Knighton and Presteigne
- Builth and Llanwrtyd
- Hay and Talgarth
- Brecon
- Crickhowell
- Ystradgynlais



### 3c. Data protection impact assessment i

Will the proposal involve processing the personal details of individuals? *	No
Is Powys County Council the data controller? *	Choose an item.

If you answered yes to either question above then please ensure you have completed, as a minimum, the screening questions on the data protection impact assessment.

For further advice please contact the [Information Compliance Team](#).

## Further information

Click or tap here to enter text.

## 4. Impact on well-being goals including Welsh language and equalities

\* Required

## 4a. A prosperous Wales

<b>Impact *</b>	<p>The budget proposal provides additional funding of £6.5 million in pay inflation for next year, most employees live in county and much of this funding is circulated locally to support the local economy.</p> <p>Schools will be funded to a level of 8.3%, £7,425k and reflects the priority Education has within the Council and ensures that schools receive the full level of funding as set out in the formula.</p> <p>Education have mitigated their £1,160k service pressures by a number of means, offering savings of £130k by maximising grant funding legitimately to support base costs and will reduce spend by £30k against consultancy support. They are reviewing their procurement processes and buying less from 3<sup>rd</sup> party providers expects to save £116k. The service will also review and restructure their current staffing structure to release £400k of savings, plus automating processes to save £10k through the use of AI technology to reduce routine activities. Nurture provision aims to release £149k, this was a pilot and following review and feedback from the headteachers involved they felt that the pilot cluster model did not match to the availability and costs of transport and therefore the model will not continue and pre school specialist centres £50k taking the final element of the budget from units already closed.</p> <p>Catering aim to reduce their costs by £285k delivered through the roll out of universal Free School Meals, alongside an inflationary price increase for school meals for secondary school pupils to generate an additional £40k.</p> <p>There are a number of service restructures saving £996k (HTR £375k, Education £400k, Childrens £70k, Business Intelligence £89k, PPPP £55k, Information Compliance £7k) and a further £500k to be allocated following structure reviews. Consultation will be taken forward through the management of change process.</p> <p>A further £139k will be achieved through removal of vacant posts or introducing a vacancy factor.</p> <p>Within Social Care their social work training programme will result in more qualified staff next year, reducing the demand for agency support, an expected saving of £74k.</p> <p>The funding position of the Pension Fund continues to improve which has allowed the reduction in the Councils contribution rate to the fund, benefiting the overall budget by £350k. A further actuarial review will take place through 2025 and may see further reductions in 2026.</p>
<b>Impact Rating *</b>	Poor

## Mitigation

Schools' transformation will continue to reduce building numbers and improve value for money through economies of scale with additional pupils in the remaining schools, reducing the need to spend on those schools requiring high maintenance and removing schools with high energy costs. The capital programme continues to prioritise schools in terms of new build, improvement and maintenance this also benefits the curriculum. £150 million in the capital programme over the next 3 years.

Inflation and demand pressures in school transport will be funded at £893k.

Education budgets will receive funding to support wages and contract inflation for providers - £160k.

Planning budgets support economic activity, and these will remain static next year with pay and price inflation funded.

Overall, the capital programme is £381 million over the next 3 years and aims to employ local contractors and local sub-contractors, this then supports the local employment market. We have major capital funding too from Levelling Up - £15 million, SPF - £7 million and Growth Deal - £5 million, which will support both revenue and capital infrastructure improvements in the public, charity and private sector over the next few years, again supporting the local employment market and wider economy.

Social Care are offering savings of £10k from bringing service users, where feasible, closer to home thus saving staff (and family) time and travel and supporting local providers who will deliver this care and the wider economy that support them. Increasing extra care provision will yield small care cost reductions of £20k.

Significant pressures arise from care provider real living wage increases, the proposal will see an additional £2.9 million to ensure the sector remains stable and continue to provide local jobs and offer local care facilities to service users. This is in addition to contract inflation that the sector is budgeted for at £6.4 million.

The Council continues to support the Welsh Apprenticeship levy and assume this will rise by £32k next year.

Businesses and other ratepayers in Wales are supported with a package of non-domestic rates support from WG. The increase to the non-domestic rates multiplier for 2025-26 will be capped at 1%, at a recurring annual cost of £7million. Ratepayers will continue to be supported with increased liabilities following the 2023 non-domestic rates revaluation. The transitional relief scheme continues to phase in changes for eligible ratepayers at a cost of £38 million. WG will also be investing an additional £78m to provide a sixth successive year of support for retail, leisure and hospitality businesses with their NDR bills. This builds on the £1bn of

	support provided through the retail, leisure and hospitality rates relief schemes since 2020-21. Eligible ratepayers will receive 40% NDR relief for the duration of 2025-26. As in previous years, the relief will be capped at £110,000 per business across Wales.
<b>Mitigated Rating</b>	Neutral

#### 4b. A resilient Wales

<b>Impact *</b>	<p>We continue to offer modest savings on travel, £63k where feasible.</p> <p>There are savings offered for reduction in the councils' utility costs of £84k, linked to reduction in usage and tariffs. This includes street lighting partial dimming that reduces energy consumption by £25k. We also plan to sell council buildings that will save on running costs and repairs, £287k.</p> <p>Within Highways, savings are offered for increased income levels of £103k for Street Works taking the target to the level being achieved. They are proposing to use grants to support public transport, £960k which ensures levels of service remain consistent. We are also utilising part of The Extended Producer Responsibility Grant £1,744k to support the overall service delivery, and ensure no further reductions have to be made.</p> <p>Fee increases in line with inflation are planned for waste services – green waste and trade waste, will deliver £173k but may reduce the recycling of green waste, albeit the fee only rises by £10. Route optimisation of collections should deliver savings of £52k without any impact as will bulk waste in North Powys and deliver a £50k saving. Carboard banks are to be removed and deliver a saving of £50k whilst the new Extended Producer Responsibility for Packaging will encourage other ways of ensuring collection is maximised and grant funding will support the implementation costs in 2025.</p>
<b>Impact Rating *</b>	Neutral

<p><b>Mitigation</b></p>	<p>Leisure continues to receive grant funding for energy efficiency works at leisure facilities that reduce usage.</p> <p>Within the cost pressures are part year salary costs for two new officers, £36k, to support sustainable travel and electric vehicles.</p> <p>Asset disposals will allow the removal of utility, maintenance and cleaning budgets from buildings, £287k, as well as realising a capital receipt that will support the capital programme.</p> <p>We are uplifting some budgets to the level of income being recovered, which is an accounting adjustment, rather than undertake service change that affects the public and communities.</p> <p>The capital strategy continues to fund an additional £1 million for street lighting, where lighting replacement and improvement is needed, and £5 million for the HAMP annually until 2030. In addition, we have bid for LUF funding to allow essential bridge and road projects.</p> <p>Housing Services will continue to support energy efficiency and bringing privately owned empty homes back into use through the SWAS (Safe Warm &amp; Secure), Landlord Loans and the ZILF Co2i loan schemes.</p>
<p><b>Mitigated Rating</b></p>	<p>Good</p>



## 4c. A healthier Wales

## Impact \*

Social Care budget proposals contain pressures of £16.9 million. £2.9 million relates to paying care workers the real living wage (Welsh Government priority) whilst £5.0 million pressures have come from increases in providers' contract costs and £7.5 million placement demand.

In addition, the service has identified £9.1 million of potential demand pressures that will be funded via the risk budget next year if needed.

Social work recruitment has been an ongoing challenge with the need to utilise agency staff to cover key vacancies, we have set out savings that can be delivered through the 'grow our own' social worker scheme and reducing agency staff £74k.

Savings have been put forward from Social Care; improved contract management and utilisation of voids will save £74k, these are deemed efficiency savings and improvements to how we manage our contracts. Ensuring partner organisations, like Health Boards and other Local Authorities, pay their fair share of care costs is a priority, as is maximising income and the use of grants, with a target of £1.0 million.

Social workers utilise a wide range of care options, and savings will be delivered through right sizing assessed need and using alternative provision such as extra care, shared lives and guardianship where appropriate, this is more cost effective than high-cost placements with estimated savings of £1.6 million. This is an ongoing piece of work and an extension of the modernising domiciliary care programme. It involves the review of new and existing packages of care to ensure people have the right level of support. There will be a focus on achieving an individual's outcomes safely, whilst reducing care where appropriate and avoiding over prescription by adjusting packages where hours are not being utilised. The outcomes identified as being important to the person will not change.

Strengths-based rightsizing of care packages has several positive impacts:

1. **Enhanced Independence:** By focusing on individuals' strengths and capabilities, care packages can be tailored to promote greater independence and self-care. This approach encourages people to do more for themselves, which can improve their confidence and quality of life.
2. **Improved Care Quality:** Reducing the number of different carers involved in a person's care can lead to more consistent and personalised care. This can enhance the relationship between carers and those they support, leading to better outcomes.
3. **Resource Optimisation:** By right-sizing care packages, resources can be freed up and redirected to where they are most needed. This can help address capacity issues and ensure that care is provided more efficiently.
4. **Community and Family Involvement:** Encouraging individuals to seek support from their community or family can strengthen social networks and reduce reliance on formal care services.

	<p>Overall, strengths-based rightsizing of care packages will create more sustainable, efficient, and person-centred support.</p> <p>The service plan to improve processes and introduce AI technology to reduce admin burdens and save £170k.</p> <p>Savings in Community Development, £10k can be achieved through increasing fees and charging and £31k from use of grants to support base budgets. A budget savings from the Leisure Provider management fee of £266k is expected next year, in part this is due to the annual contract adjustment, reviewing the schools SLA and administrative improvements..</p>
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	<p>The majority of savings proposed in Social Care relate to efficiency through contract management, maximising income from partners and reviewing care packages to ensure they remain appropriate, these will still provide services to service users. There are three savings proposals that are a continuation of the previous year and the existing IAs are provided separately as they relate to remodelling the service provision and the workforce and stakeholder engagement, there could be some impact although statutory levels of service will continue. In Childrens two separate IA will be provided for service change and redesign.</p> <p>There continues to be extra funding for all registered carers through the real living wage which will help retain and attract care workers to the profession to support more vulnerable and frail service users. In addition, all care providers will receive inflation uplifts to their contract overall this equates to an uplift estimated at £7.9 million cost to the council.</p> <p>The Council will provide growth funding of £152k to support the growing placement need from Unaccompanied Asylum Seeker Children.</p> <p>The Council is committed to funding the probable demands that may arise across Social Care, with an £9.1 million held against the risk budget, this includes the risk of possible WG grant change allowable criteria, and demography.</p> <p>The savings listed in this section for Community Wellbeing will not have a detrimental effect on service delivery.</p>
<b>Mitigated Rating</b>	Neutral

#### 4d. A Wales of cohesive communities

<b>Impact *</b>	<p>General Fund Housing have offered up their non pay inflation uplift of £52k and plan to remain within this year's budget envelope, in addition they plan to utilise grants and use growth funding of £400k to fully fund the ongoing rise in the level of homelessness. This is in addition to the pay award and non-pay inflation totalling £65k that will be funded.</p> <p>Removal of cardboard bring banks, £50k saving, will change amenity facilities in some communities although new legislation means the service is going to change how these recylates are collected.</p>
<b>Impact Rating *</b>	Neutral

<p><b>Mitigation</b></p>	<p>The Councils five-year plan and priorities are set out in its Corporate Plan and focus on Stronger, Fairer, Greener. The outcomes of this are community focused and improve services in Powys, the budget supports this plan and will be delivered through a Sustainable Powys programme.</p> <p>Housing in the main is ring fenced through the Housing Revenue Account (HRA). Annual rent increases are set independently of the general fund budget process, within thresholds set by Welsh Government. The HRA business plan includes the cost of borrowing to deliver the construction and letting of 32 new homes in 2025-26 with a further 56 under construction and 150 additional homes under active consideration for future development (dependent upon site acquisitions, viability assessments and resolution of the phosphates issues affecting development of all types). Housing is also supporting Childrens services to develop in-county accommodation for care leavers and UASC 16+, it is expected this approach will deliver revenue savings of £500k and provide more appropriate local support. This is in addition to the Homelessness Supported accommodation project with Capital and revenue funding approved, the outcome of these facilities with triage service should see a reduction in social care demand and repeat homelessness cases from 2026.</p> <p>Cardboard recycling is available through kerbside collections, as well as HWRCs, households have other ways to recycle their cardboard. We continue to retain HWRCs in localities which the public can access.</p> <p>Funding Unaccompanied Asylum Seeking Children – growth demand of circa £152k, the current grant arrangements are not sufficient to cover the costs of meeting the complex needs of some of these children and young people.</p> <p>The Council will fund a £892k increase to bus operators for school transport provision and inflation on public transport routes.</p>
<p><b>Mitigated Rating</b></p>	<p>Good</p>

#### 4e. A globally responsible Wales

<p><b>Impact *</b></p>	<p>Mileage reduction supports the budget and emissions as we continue to work from home and utilise online meeting portals, a further £63k is offered up next year.</p> <p>There are savings offered for reduction in the cost of utilities, £84k, which includes HTR savings for street lighting partial dimming that reduces energy consumption, £25k.</p> <p>Where possible savings are offered up that have minimal impact on the economy, society and the environment and do not affect Powys' Global Wellbeing. These saving proposals include process improvements and use of technology reducing workload and the way we work, next year we can release £330k, we can also manage staff vacancies removing vacant posts, £139k. Reviewing grants use, to fund some posts and other costs will release £139k budget and retain service levels. Use of SPF grant funding, where appropriate is planned to a level of £1 million, to mitigate service spend.</p> <p>The Economy and Climate Service has offered up savings from inflation uplifts not needed and digitising funding searches £37k</p> <p>Other budgets that can be released, standstill on supplies and service, returning inflation uplifts £346k, and £451k by limiting spend on third party/ consultancy support, and holding down the cost of free school meals.</p> <p>£100k released from the insurance excess budget, any increased demand for this budget could be funded by a provision or reserves both of which are held to address likely insurance obligations.</p> <p>The contribution to the council's pension fund will reduce by 0.4% next year as part of a 3-year reduction re the actuarial review which saves contributions of £350k into the pensions fund.</p> <p>We will increase fees for land charges and registrars to deliver an extra £10k.</p> <p>We will digitise the automation of funding searches and make an efficiency of £20k, digitisation within HTR to collate and push relevant data to the web, £50k saving, as well as AI technology to reduce manual processes.</p>
<p><b>Impact Rating *</b></p>	<p>Good</p>

<b>Mitigation</b>	The Council has identified savings that can be achieved without any impact on its global wellbeing agenda, and these are largely explained through this document, where the budget requires savings with potential detrimental impacts these are considered through individual impact assessments
<b>Mitigated Rating</b>	Good

#### 4f. A Wales of vibrant culture and thriving Welsh language i

##### Using Welsh i

<b>Impact *</b>	There are no savings proposed for Translation or other areas affecting Welsh language, the use of AI technology should help improve this service offer across the council. Reconfiguring the communications offer £89k may limit the amount of promotion that the council can undertake.
<b>Impact Rating *</b>	Good
<b>Mitigation</b>	The use of AI technology to assist in Welsh Translation is being explored.
<b>Mitigated Rating</b>	Good

##### Promoting Welsh i

<b>Impact *</b>	See above
<b>Impact Rating *</b>	Choose an item.
<b>Mitigation</b>	See above
<b>Mitigated Rating</b>	Choose an item.

## Sports, Art & Recreation i

<b>Impact *</b>	<p>A budget saving from the Leisure Provider management fee of £266k is expected next year, in part this is due to the annual contract adjustment, as well as reconfiguring the schools SLA and administrative improvements.</p> <p>Use of grants will continue for another year to support Cultural Services to maintain a £31k budget saving. A £10k income target increase for cultural and community services is also offered and a vacancy factor put in place to achieve £60k.</p>
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	There are no further budget savings from the Freedom Leisure contract for next year at this time and the centres have access to grant funding to improve the facilities and deliver energy efficiencies.
<b>Mitigated Rating</b>	Good

## 4g. A more equal Wales i

### Age i

<b>Impact *</b>	<p>Council Tax increase of 8.9 % is needed to deliver a balanced budget and ensure service cuts are minimised, as has been identified most savings will not affect the residents of Powys, but to maintain this stance we need the funding from council tax of £9,832k. This is an increase all households in Powys will incur.</p> <p>To deliver an additional £40k, an inflationary meal rise for secondary school pupils is there to cover the cost of the pay award, utilities and cost of provisions, these meal costs are still subsidised by council budgets. There is still the provision for free school meals (FSM) for families that qualify for this support.</p>
<b>Impact Rating *</b>	Poor



<b>Mitigation</b>	<p>Those on a lower income may be more affected by council tax increases, but these will be mitigated through support from the Council Tax reduction scheme for eligible households, this will benefit those in greatest need to cover all or part council tax payments. The Money Advice Team, Financial Assessment and Housing Officers as well as partners - Age Cymru, CAB etc all provide financial advice to residents ensuring they maximise their benefits and through 2025 various campaigns are being targeted at the public to raise awareness of this support.</p> <p>Free School Meals are available for those families that qualify for this support, and this is highlighted to those we support through money advice etc. Free School Meal activity is a driver for the funding formula and benefits the council, so we must encourage take up and identify those who are eligible. The rollout of universal free school meals will support more primary age pupils.</p>
<b>Mitigated Rating</b>	Neutral

## Disability

<b>Impact *</b>	Within Adult Social Care some saving proposals relate to all client categories, void management £24k, use of extra care facilities instead of home care £20k, these do not reduce the offer to service users but require the council to better manage its contracts and only purchase appropriate care where needed.
<b>Impact Rating *</b>	Good
<b>Mitigation</b>	The budget is increased by £1,570k to fund demographic increases for learning disability transitions, these are children who will move into Adult Social Care and need ongoing support through adulthood. Some of these children access our special schools and there is an additional £905k to support the rise in pupil numbers attending these schools. A further £220k is provided for out of county placements for children generally with special needs addressing ongoing demand and £69k to fund the contract inflation on existing placements.
<b>Mitigated Rating</b>	Good

## Gender Reassignment

<b>Impact *</b>	none
<b>Impact Rating *</b>	Neutral

<b>Mitigation</b>	none
<b>Mitigated Rating</b>	Neutral

### Marriage or Civil Partnership

<b>Impact *</b>	This budget will see a small inflationary increase in registrar fees budget, extra £7k – this will have minimal impact on those who wish to marry or have a civil ceremony
<b>Impact Rating *</b>	Good
<b>Mitigation</b>	Click or tap here to enter text.
<b>Mitigated Rating</b>	Good

### Race

<b>Impact *</b>	none
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	none
<b>Mitigated Rating</b>	Neutral

### Religion or belief

<b>Impact *</b>	none
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	none
<b>Mitigated Rating</b>	Neutral

### Sex

<b>Impact *</b>	none
<b>Impact Rating *</b>	Neutral

<b>Mitigation</b>	none
<b>Mitigated Rating</b>	Neutral

### Sexual Orientation

<b>Impact *</b>	None
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	None
<b>Mitigated Rating</b>	Neutral

### Pregnancy and Maternity

<b>Impact *</b>	None
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	None
<b>Mitigated Rating</b>	Neutral

### Socio-economic Duty

<b>Impact *</b>	The effect of the council tax increase will result in a weekly increase of £2.80 on a band D property. Those most socio-economically disadvantaged would be affected by this increase.
<b>Impact Rating *</b>	Poor
<b>Mitigation</b>	This group of council taxpayers would be able to claim CTRS to receive up to 100% level of council tax support. A central council budget funds this. In addition, the in-house Money Advice team, Housing and financial assessment officers alongside external partners like CAB and Age Cymru will ensure those on benefits maximise what they are entitled to and signpost to relevant services if other vulnerabilities are highlighted. The increase in the budget (to the level of the Council Tax increase) will be allocated to meet the CTRS demands and ensure an increased level of support is in place.

#### 4h. Evidence

The Council's five-year plan and priorities are set out in its Corporate Plan and focus on Stronger, Fairer, Greener. The outcomes of this are community focused and improve services in Powys, the budget supports this plan. The priorities align to our 5 ways of working and the 7 wellbeing goals of the Well-being and Future Generations Act 2015. "Sustainable Powys" will review what services we provide and how they are provided to meet current needs whilst ensuring we have innovative solutions to provide the best services adapted for our future generations. It is about working together to design a future for our local authority that delivers stronger, fairer and greener services whilst reducing our costs.

Where needed, separate IA are provided that set out greater detail of the impact of the savings proposals. Some proposals are carried over from last year.

The budget proposals have been developed closely with Service Heads who have put forward growth pressures necessary to maintain an appropriate level of service to deliver the Council's statutory functions, in addition council wide pressures, such as inflation, have to be funded as these are contractual obligations for staff and contractors. The main increase to the overall budget is growth and demand pressures and to fund them savings and a council tax increase are recommended. The savings explained in this document can be undertaken without a major impact on our stakeholders.

## 5. Impact on key guiding principles & workforce i

\* Required

### 5a. Sustainable development principles

#### Long-term i

<b>Impact *</b>	<p>Although the focus of this impact assessment is the 2025-26 budget, the Council is also being asked to approve the Medium-Term Financial Strategy which extends the revenue forecasting to 2030 and the capital programme to 2030, both of which help the Council to take a longer-term view.</p> <p>The Integrated Business Planning approach involves developing operational service and resource plans for the next three years which again encourages the organisation to take a medium-term view of planning which should lead to better outcomes for the citizen and future generations.</p>
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	<p>The FRM has been delivered with Heads considering their medium-term requirements, alongside the Sustainable Powys principle and Place Based Planning projects that has major projects being developed to change the way we deliver services and ensure we can afford to deliver our statutory function.</p> <p>We continue to work within our Reserves Policy, maintaining the general fund reserve above 4% of net revenue spend (excluding schools and the HRA) and have been able to strengthen reserves to support future plans, next year's budget has some small calls on reserve and possible level of pay inflation risk, but maintains a healthy level of reserve.</p>
<b>Mitigated Rating</b>	Good

#### Collaboration i

<b>Impact *</b>	<p>Some of our budget proposals will require closer working with partners and stakeholders, including health boards, other local authorities and the third sector to help develop new delivery models and maximise income. It is important the council only fund the personal social care element of service user support and health contribute to identified health related costs.</p>
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<b>Impact Rating *</b>	Good
<b>Mitigation</b>	<p>We continue to work closely with Ceredigion Council to distribute Capital and Revenue funding across Mid Wales through Shared Prosperity Funding as well as running the Schools Improvement Partnership, Mid Wales Growth and the Corporate Joint Committee.</p> <p>Working with health colleagues to maintain adequate care packages to service users and both parties fund the legally responsible elements of that care. Social Care savings are predicated on this remaining in place, as well as reviewing care packages and bringing services closer to home.</p> <p>Joint Leadership Team meetings of the Council and Powys Teaching Health Board ensure that plans are shared and developed in tandem.</p> <p>We work closely with partners to deliver support to residents like Age Cymru who are undertaking a campaign to improve pension credit take up and promote other benefits that can be drawn down.</p> <p>A series of meetings have been held with Town and Community Councils to encourage a more collaborative and integrated approach, this work with other partners will be fundamental to developing the resilience of our communities.</p>
<b>Mitigated Rating</b>	Good

## Involvement (including Communication & Engagement)

<b>Impact *</b>	The council and our schools maintain a strong public presence through our website and various news feeds like Facebook, where we publish budget updates and other news. We provide information to help the public understand our actions regarding budgets and ongoing projects like Sustainable Powys.
<b>Impact Rating *</b>	Good
<b>Mitigation</b>	We acknowledge that we can do more to raise awareness, communicate and engage more effectively with the people of Powys and communities. We will build on the progress made to date to improve these aspects through 2025/26.
<b>Mitigated Rating</b>	Good

## Prevention

<b>Impact *</b>	The Council understand the benefit of funding preventative activities to reduce the increased resource needed further down a care pathway. The savings focus on more independent living than residential type care.
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	<p>Increasing access to Extra Care £20k rather than residential care allows service users to remain independent for longer.</p> <p>Increasing the take up of direct payments will be encouraged, as it allows better choice for service users in the support they want to purchase, a separate Impact Assessment provides greater detail on this proposal that saves £200k.</p> <p>Children’s services are working with Housing to identify and set up independent accommodation in Powys for post 16 Unaccompanied Asylum-Seeking Children (UASC) and Leaving Care, this should save £500k, but also provide targeted local support.</p>
<b>Mitigated Rating</b>	Good

## Integration

<b>Impact *</b>	<p>Services developed their FRM model as part of wider budget setting considerations, and the Senior Leadership Team have been working collaboratively on Sustainable Powys and the workstreams such as Place Based Planning (PBP), to ensure collectively they streamline service delivery and consider the consequences for other services'.</p> <p>Please see the section on collaboration which has some narrative about impact with partner agencies etc.</p>
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	Place based planning will see the removal of some council buildings and deliver £287k budget savings and reduce the long-term cost to maintain them
<b>Mitigated Rating</b>	Neutral

## 5b. Impact on the workforce i

<b>Impact *</b>	<p>There are some proposed reductions to the workforce, mainly from vacancies and with a greater push to “grow our own” social workers. We will increase our resilience and professional staff, whilst reducing the need for high-cost agency cover.</p> <p>A restructure in the school’s service, Highways Transport and Recycling, the Post Room and Communication teams will be subject to the management of change process to fully appreciate all implications in advance of any decisions if needed.</p> <p>Digital technologies will automate some of our processes reducing the input from staff for some work-based tasks. Some staff may be displaced as a result of these developments</p>
<b>Impact Rating *</b>	Poor
<b>Mitigation</b>	<p>Most of the staff reductions will be achieved through vacant posts. While this may lead to reduced productivity in some teams, these vacancies have generally been managed for some time, allowing the service to operate effectively at these levels. Utilising grants to fund some staff will have minimal impact on the actual staff in post. Workforce plans ensure that we consider, manage and plan our workforce requirements in a proactive way, taking into consideration the long-term view.</p> <p>As a service-driven organisation, workforce costs are a significant driver across our services. Sustained high inflation has led to prolonged national pay negotiations, resulting in increased pay costs for teachers and council staff.</p> <p>Redeployment and retraining of staff will help fill vacant but required posts.</p> <p>The use of digital technologies will automate processes and transform how the people of Powys interact with the Council. This will allow staff to focus on work that adds greater value by freeing up time from routine tasks.</p>
<b>Mitigated Rating</b>	Neutral

## 5c. Welsh language impact on Staff i

<b>Impact *</b>	None
<b>Impact Rating *</b>	Neutral
<b>Mitigation</b>	None



<b>Mitigated Rating</b>	Neutral
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## 5d. Impact on apprenticeships i

<b>Impact *</b>	Continuing to “grow our own social workers” as well as inhouse training for other posts means we will continue to support the recruitment of school leavers and develop skills in-house, so our workforce is ready for their career development as vacancies arise in the Council.  The council actively considers apprenticeships to fulfil roles, creating opportunities to develop skills and for progression
<b>Impact Rating *</b>	Good
<b>Mitigation</b>	We continue to increase funding to Welsh Government for the Apprenticeship Levy a further £32k has been set aside for next year
<b>Mitigated Rating</b>	Good

## 5e. Evidence i

The Sustainable Powys programme has several workstreams with all members of the Corporate Leadership Team engaged to ensure all service change plans are considered and driven forward in a consistent and timely manner. Changes will be implemented over the medium term to support the delivery of the MTFs rather than just focusing on the short term one year budget. Time for consultation with stakeholders will be factored in ensuring those findings will form part of any final decision making.

## 6. Likelihood and risks i

\* Required

### Risk 1

<b>Risk 1</b>
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Next year's budget must be fully balanced, deliverable and affordable, risk of not agreeing the proposed savings and an 8.9% level of council tax increase would mean that service pressures are not funded and there would be insufficient budget to deliver services and meet statutory responsibilities in line with service plans.

Council tax collection levels (we budget at 98.5% collection rate) may reduce due to the level of council tax increase. This could be high for some households to afford, and other households may not know that they can claim benefits.

<b>Likelihood score</b>	4	<b>Impact score</b>	5	<b>Risk rating</b>	The risk rating will be automatically calculated when the document is completed
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### Mitigation

The budget has been prepared by Cabinet, Corporate Leadership Team and Senior Leadership Team with engagement and consultation with the public and the wider council membership. The proposals (pressures and reductions) have been subject to scrutiny and challenge and provide a balanced budget within the funding envelope from Welsh Government, with an affordable increase in Council Tax. Service Heads have taken full ownership of Council budgets and how they can deliver services within the proposed changes next year.

Council Tax Reduction Schemes and certain discounts are available, additional funding is proposed to be made available for these schemes, in addition there are flexible ways to pay the bill over 12 months. The council have trained money advice officers and financial assessment officers to support those most vulnerable.

<b>Residual likelihood score</b>	2	<b>Residual impact score</b>	3	<b>Residual risk rating</b>	The residual risk rating will be automatically calculated when the document is completed
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## Risk 2

### Risk 2

Click or tap here to enter text.

<b>Likelihood score</b>	Choose an item.	<b>Impact score</b>	Choose an item.	<b>Risk rating</b>	The risk rating will be automatically calculated when the document is completed
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### Mitigation

Click or tap here to enter text.

<b>Residual likelihood score</b>	Choose an item.	<b>Residual impact score</b>	Choose an item.	<b>Residual risk rating</b>	The residual risk rating will be automatically calculated when the document is completed
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## Risk 3

### Risk 3

Click or tap here to enter text.

<b>Likelihood score</b>	Choose an item.	<b>Impact score</b>	Choose an item.	<b>Risk rating</b>	The risk rating will be automatically calculated when the document is completed
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### Mitigation

Click or tap here to enter text.

<b>Residual likelihood score</b>	Choose an item.	<b>Residual impact score</b>	Choose an item.	<b>Residual risk rating</b>	The residual risk rating will be automatically calculated when the document is completed
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## Risk 4

### Risk 4

Click or tap here to enter text.

<b>Likelihood score</b>	Choose an item.	<b>Impact score</b>	Choose an item.	<b>Risk rating</b>	The risk rating will be automatically calculated when the document is completed
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### Mitigation

Click or tap here to enter text.

<b>Residual likelihood score</b>	Choose an item.	<b>Residual impact score</b>	Choose an item.	<b>Residual risk rating</b>	The residual risk rating will be automatically calculated when the document is completed
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## Risk 5

### Risk 5

Click or tap here to enter text.

<b>Likelihood score</b>	Choose an item.	<b>Impact score</b>	Choose an item.	<b>Risk rating</b>	The risk rating will be automatically calculated when the document is completed
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**Mitigation**

Click or tap here to enter text.

<b>Residual likelihood score</b>	Choose an item.	<b>Residual impact score</b>	Choose an item.	<b>Residual risk rating</b>	The residual risk rating will be automatically calculated when the document is completed
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## 7. Overall summary and judgement

### Outline assessment \*

Low risk.

There are 5 individual impact assessments for some cost reduction proposals contained in the budget which shows they are deliverable within an acceptable level of risk and impact on residents. Some of these proposals will not be implemented until consultation is completed with stakeholders. The IAs are included as part of the budget pack.

This overarching impact assessment gives due regard to the equality, environmental, sustainable and economic, etc. impacts associated with the overall budget proposal and level of council tax required, as well as discussing £11,177k of budget savings that can be delivered without a major impact on stakeholders. Mitigations have been highlighted to address negative impacts or promote the benefits.

The need for individual IAs will continue to be assessed as savings plans take shape and published at a later date alongside wider consultation.

## 8. Additional evidence ⓘ

## Conclusion

The Council's financial position and outlook continue to be challenging over the medium term. Although the financial settlement from Welsh Government provides additional funding which supports pressures such as pay and price inflation, there have been additional obligations that are being considered such as funding the increase in Real Living Wage £2.9m for all care workers and changes to employer contributions to National Insurance (costing £3.2 million on top of pay and price inflation and other contract and demographic pressures).

Next year's settlement (2026-27) has been modelled at 1.3% (based on the UK Government indication of growth funding in their budget) this is likely to be significantly below forecast inflation levels and will leave the Council facing tougher decisions in the future. As the net budget is only financed by the settlement and Council Tax, the only other way the Council can balance its budget is by making cost reductions OR increasing fees and charges. Maintaining a sensible level of Council Tax increase protects the base budget for future years that can be built upon.

The Council has made more than £136 million cost reductions in the last 13 years making it harder year on year to find more. A further £12.2 million of savings proposals are proposed for 2025-26, leaving a £9.8 million budget gap. It is proposed that this should be met by an increase in Council Tax. In future years we will continue to consider and re-design services in line with the Sustainable Powys Principles.

Although an increase in Council Tax is likely to impact on many residents, not all residents pay Council Tax, as there are several discounts and exemptions in place which mean that only 47% of households in Powys pay full Council Tax, whilst 53% of households will receive a reduction to their bill due to being in receipt of a Council tax discount. This is summarised below:

- 3,756 households will get a 25% discount a cost of £12.3 million.
- 2,121 Households will get an exemption of 100% at a cost of £4.9 million.
- 629 Households get a disabled band reduction of one band at a cost of £0.3 million.
- And 9095 Households get means tested council tax reduction which costs the council £12.1 million.

Despite the average Band D Council Tax Bill in Powys being £30 per year higher than the Wales average (and the average Council Tax per dwelling is £226 above the average), these figures need to be considered against the fact that in Powys only 70% of the net budget is funded from AEF which means 30% of the net budget has to come from Council Tax which is higher than all but three other council in Wales.

In terms of affordability a 8.9%% increase in Council Tax for a Band D property would be £2.80 per week £12.15 per month which represents a modest increase against the average weekly wage and in view of the means tested reductions, discounts and exemptions that are available to residents this is considered to be in the realms of affordability for residents and is recommended to support the overall budget strategy and affordability.

This increase has to be considered against a broader assessment of the availability of services to meet the needs of our residents, businesses, pupils and service users, particularly those most vulnerable in our communities.

The Local Government Act 2003 requires the Chief Finance Officer, Section 151 Officer (the Director of Corporate Services), to make a report to the Council when it is considering its budget and Council Tax. The report must provide assurance on the robustness of the estimates, highlighting the risks associated with its deliverability and the adequacy of the reserves allowed for in the budget proposals, and fundamentally a balanced budget must be set each year. Council can propose and consider alternative budget suggestions, these would have to be fully costed with identified funding to maintain a balanced budget, this is likely to mean other service reductions and changes to Council Tax.

Council Tax is agreed at Council, and is a political decision based on an assessment, not only between balancing council tax and service reductions, but also making spending choices that meet the immediate population needs and future generation's needs.

### Appendix A summarises the savings proposals that do not require a separate Impact Assessment.

	2025-26	2026/27	2027/28	2028/29	2029/30
Brief Description	2025-26	2026/27	2027/28	2028/29	2029/30
	£	£	£	£	£
<b>Budgets that can be Reduced</b>					
Utilities/ running costs	-371,172	-43,160	-25,000	-25,000	-25,000
Travel	-62,500	0	0	0	0
Contracts/ supplies	-451,000	-134,000	-170,000	0	0
Inflation	-346,540	-4,740	-4,830	-4,930	-5,030
Insurance Excess	-100,000	0	0	0	0
	<b>-1,331,212</b>	<b>-181,900</b>	<b>-199,830</b>	<b>-29,930</b>	<b>-30,030</b>
<b>Managing Contracts Better</b>					
Voided and care beds	-74,000	-22,000	0	0	0
Assessing need and alternative provision	-1,319,000	-145,600	-270,400	0	0
Reducing agency and consultancy	-104,000	-86,000	0	0	0
Contract terms	-315,716	-78,417	-247,350	-181,553	0
	<b>-1,812,716</b>	<b>-332,017</b>	<b>-517,750</b>	<b>-181,553</b>	<b>0</b>
<b>Income Increases</b>					
Charging partners	-1,500,000	-200,000	-200,000	0	0
Grant and other funding utilisation	-3,882,468	2,067,390	0	0	0
Inflation uplifts on fees and charges	-232,490	-50,000	0	0	0
Budget upped to Actual delivery level	-103,290	-71,060	0	0	0
	<b>-5,718,248</b>	<b>1,746,330</b>	<b>-200,000</b>	<b>0</b>	<b>0</b>
<b>Workforce Changes</b>					
Redesign/restructure	-1,495,870	-91,140	-238,140	0	0
Vacancies	-139,440	0	0	0	0
Pension actuarial <sup>2</sup>	-350,000	-1,500,000	-1,500,000	-1,500,000	0
	<b>-1,985,310</b>	<b>-1,591,140</b>	<b>-1,738,140</b>	<b>-1,500,000</b>	<b>0</b>
<b>Other/Transformation/Borrowing</b>					
	-329,712	-167,370	-733,130	-309,000	0
<b>Total</b>	<b>-11,177,198</b>	<b>-526,097</b>	<b>-3,388,850</b>	<b>-2,020,483</b>	<b>-30,030</b>



## 9. Monitoring arrangements \*

The council has a robust budget monitoring, risk management and performance reporting process. Each quarter these detailed updates are presented to Cabinet and other Council Committees and are reported in the public domain. Detailed explanations and forecasts set out delivery against the objectives and budget set by the Council. These act as an effective early warning system in identifying potential problems and for managing potential areas of risk. This ongoing regular review highlights problems and risks early so that corrective action can be put in place, and this is supported by a clear budget virement process which provides some flexibility to adapt expenditure patterns to meet changing needs and objectives.

Our monitoring arrangements will commence for quarter 1 in June 2025 when we review the budget forecast against the actual financial projections.

Review date *	30/06/2025
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## 10. Signoff

**You can now close this word document down and return to the app or re-open the app by clicking [here](#). From the app you need to sign off the Impact Assessment. You can do this in the 'Manage Assessments' section. Select the Impact assessment you want to mark as complete, and the app will then send to the named Head of Service automatically.**

You can view the current signoff status of the document below, but signoff can only be done in the app.

Author signoff	Not signed off by author
Head of Service signoff	Not signed off by head of service
Portfolio Holder signoff	Not signed off by portfolio holder