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# Foreword

## Welcome from the Leader of the Council

The 2023/2024 budget is the first I have presented as Leader of the Council and my plan is to make sure we develop our vision, ambitions and priorities and deliver a better and brighter future for Trafford. I know nobody likes receiving their Council Tax bill, especially in the current economic climate; however, I wanted to highlight to you the increasing importance of Council Tax in funding local services.

### **Financial Pressures**

In a normal period, the financial strain caused by inflationary costs on budgets covering pay and contracts, the cost of the National Living Wage and increasing demand for social care services outstrip any funding increases available to the Council each year. In 2023/24 we needed to address a budget gap of £24.86m, which is on top of £171.1m of savings and efficiencies delivered over the last 12 years. This has been no mean task for an authority like Trafford who already provide value for money services and are one of the lowest spending authorities in the country and with a council tax level in 2022/23 some £205 per property lower than the average for our neighbouring districts.

Despite some very welcome grants in 2023, to cover the extraordinary pressures being faced in our social care sector, the government has set out an expectation that councils will raise Council Tax and the adult social care precept by the maximum amount available to cover the growing cost pressures. We are faced with a difficult choice to increase Council Tax by 2.99% and use the 2% adult social care precept increase to help towards the rising cost of caring for older people and some of the most vulnerable in Trafford Council.

As a Council we continue to deliver innovative solutions to generate alternative funding and income streams rather than to make cuts to vital local services. The Council's Asset Investment Strategy is continuing to support the achievement of a balanced budget and is providing invaluable revenue streams to support the budget. Some of the acquisitions involved some key regeneration sites in the Borough, such as Stretford Mall and Stamford Quarter in Altrincham, and will provide a real opportunity to develop them into assets we can be proud of in the future.

Whilst the economic forecasts remains uncertain, we must continue to look to the future. In this regard, the Council, remains confident that we can improve services, facilities and the environment. Our Corporate Plan and budget proposals contain commitments to tackle health inequality, support people out of poverty and push forward with our ambitious climate change initiatives through the net zero action plan.

### **Additional Investment**

Despite the budget challenge there are some key areas of investment within our 2023/2024 budget including £8.83m net investment in our social care services; safeguarding vulnerable children, young people and adults and supporting a sustainable care market.

In addition, as part of our plan to be a carbon neutral borough by 2038, we have a carbon neutral action plan which is delivering some notable successes including a range of energy efficiency measures across our council buildings and leisure estate.

We are also investing in services which affect the look and feel of the borough, as we know how important the environment is for our residents. These include additional capital investment of £92m in 2023/24, including £11.8m in our highways, modernisation of our leisure centres £16.3m, improving schools and provision of additional places £14m, town centre regeneration schemes £13.6m and investment in our parks and green spaces £0.5m.

### **Future Outlook**

The Government's Autumn Statement in 2022, brought welcome news of additional funding for local government over the next two years, but at a local level there remains significant uncertainty over the distribution and certainty of that funding beyond 2024/25. The lack of a long-term settlement, the postponement of the review of how the Government allocates resources known as the Fair Funding Review and reset of the business rates retention scheme, have added yet further uncertainty surrounding local government finance.

Trafford Council is no exception to these pressures and our medium-term budget plans are showing a gap of over £17.0m for the two financial years 2024 to 2026. It is therefore imperative that the Council continues with its bold and ambitious Innovation and Change Programme and invests in further transformational delivery of our services.

We will face difficult choices, and we must decide how we best cut our cloth in these trying times. But, as ever, our commitment to maintaining Trafford as a place where residents, communities and business prosper remains our overriding vision.

Thanks for taking the time to read this leaflet and we look forward to 2023/2024.

**Councillor Tom Ross**

**Leader of Trafford Council**

# 1 - Council Tax helps pay for the following

- Supports over 4,810 residents with a care package
- Provides over 7,645 services to service users
- Provides over 879,708 hours of external home care support
- Supports over 1,575 residents through Stabilise and Make Safe (reablement)
- Supports over 514 residents through Discharge to Assess (preventing Delayed Transfers from Acute Beds)
- 2,945 children in receipt of children's safeguarding services
- 478 periods of children being in the care of the local authority
- 405 Child Protection plans
- Maintains over 830km of roads and 1,190km of footpaths and cycle lanes
- Maintains over 27,500 lampposts and 4,500 items of illuminated street furniture
- Responsible for 18,000 highway trees and 50,000 trees within public parks and open spaces
- Collects approximately 86,000 tonnes of waste from more than 100,000 households, undertaking over 10 million collections every year
- Maintains 60 parks and green space, including 11 at Green Flag standard
- Supports and regulates over 5,000 premises for food, health and safety, trading standards, pollution and licensing
- Manages parking restrictions on street and off street across the borough
- Carries out over 1,500 pest control treatments in homes, schools and businesses across the borough
- Supports 844 business with Business Relief Grants
- Supports approximately 300 people in Trafford into employment via the Trafford Pledge, Working Well, and other employment programmes
- A laptop loan scheme which has seen almost 208 laptops provided to residents who don't have access to their own equipment
- Provision of ESOL assessments for over 800 people in the borough to help them access work and training
- Provides housing advice and assistance to over 71,776 households
- Prevents over 311 households from becoming homeless
- Assists over 466 households to find and secure affordable housing through the Council's Housing Register
- Enables the development of 219 new affordable homes across the borough
- Determines over 3,500 planning applications

- The Council continues to collect 97 per cent of Council Tax remaining the highest collection rate in GM which supports the Council's financial resources
- The Council's customer contact service receives approximately 180,000 telephone enquiries a year. In 2022/23, the Contact Centre target is to answer 70 per cent of telephone calls within 30 seconds
- The Catering Service serves on average 14,088 meals per day, over 2.68 million meals per year
- The authority has one crematorium and five cemeteries, and the service undertakes approximately 1,700 cremations and 600 burials per year
- Waterside, Trafford's award-winning destination for performance, culture and events, welcomed over 49,000 visitors in 2021/22
- 170 professional and 34 local non- professional productions took place at the venue
- Over 1,000 residents attended our participatory and creative learning events
- 22,301 people attended our ticketed performances
- Trafford Music Service engage over 5,600 primary age pupils per year through the whole class First Access programme
- Over 10,000 people visited our Postman Pat: Welcome to Greendale free exhibition
- Creative Industries Trafford; our professional development project for artists and creatives engaged with 80 artists and saw over 400 people participate in our professional development events
- Provision of the Council's in-house professional services of HR, Legal, IT & Finance

**We cover all these services in our spending plans**

## 2 - Our spending plans

	2022/23			2023/24		
	Gross spending £million	Income £million	Net spending £million	Gross spending £million	Income £million	Net spending £million
Children's Services and Schools	224.6	179.0	45.6	242.3	191.9	50.4
Adult Social Services (incl. Public Health)	117.9	48.0	69.9	130.5	56.7	73.8
Highways	9.7	3.7	6.0	12.3	3.9	8.4
Economic Growth and Planning	15.5	20.2	-4.7	20.1	22.9	-2.8
Environment and Infrastructure	8.0	1.6	6.4	9.2	1.6	7.6
Collecting and Getting Rid of Waste	20.8	0.4	20.4	22.2	0.3	21.9
Recreation and Tourism	8.0	3.1	4.9	8.7	3.3	5.4
Corporate Support Costs/Other	25.0	8.0	17.0	28.1	8.1	20.0
Benefit Payments and Other Services	86.5	59.4	27.1	83.6	58.9	24.7
<b>Net spending</b>	<b>516.0</b>	<b>323.4</b>	<b>192.6</b>	<b>557.0</b>	<b>347.6</b>	<b>209.4</b>

## Why spending has changed

We estimate that our spending before the use of reserves will increase from £192.6 million in 2022/23 to £209.4 million in 2023/24 – an increase of £16.8 million:

	<b>£million</b>
Demographic pressures and investment in social care	10.6
Increase in levy charges (incl. Waste Disposal and Transport Levy)	1.5
Inflation and other increases	8.1
Increase due to fair price for care	8.6
Increase in Government Grants	-5.5
Reduction in Covid Contingency	-1.5
Income Generation and Service Delivery Savings	-11.9
Reduction in Investment Income and additional borrowing	2.7
Other	4.2
<b>Total</b>	<b>16.8</b>

## 3 - How your Council services are paid for

Our total planned spending on services is £557.0m. This is paid for from specific grants, local fees and charges of £347.6m. The largest grants are Dedicated Schools Grant £173.0m, and Housing Benefit subsidy grant £46.0m. The remaining £209.4m comes from retained business rates of £82.3m and Council Tax of £119.7m, including £2.3m Adult Social Care Precept and £7.4m use of reserves.



## 4 - How we work out your Council Tax

The Localism Act 2011 abolished Council Tax capping and replaced it with a requirement to hold a Council Tax Referendum if an authority wishes to increase its “**Relevant Basic Amount of Council Tax**” by an amount equal to or exceeding a level set out by the Government annually. For 2023/24 the Government has set a figure of 5%, which is a combination of the core principle of 3% and the ‘Adult Social Care precept’ of 2%.

Trafford agreed to raise the total level of Council Tax in 2022/23 by 4.99% at the Council meeting on 15 February 2023, made up of 2.99% general increase and 2.0% for the ‘Adult Social Care’ precept. The calculation of the 2023/24 percentage change in each of the two elements of “**Relevant Basic Amount of Council Tax**” for Trafford Services is shown below:

	<b>2022/23 Band D Council Tax Precept £</b>	<b>2023/24 Band D Council Tax Precept £</b>	<b>Precept increase £</b>	<b>Precept increase on previous year’s Relevant Basic Amount (*)</b>
Trafford Council	1,280.74	1,324.18	43.44	2.99%
Adult Social Care	172.27	201.33	29.06	2.00%
<b>Trafford Council 'Relevant Basic Amount'</b>	<b>1,453.01</b>	<b>1,525.51</b>	<b>72.50</b>	<b>4.99%</b>
Mayoral Police and Crime Commissioner	228.30	243.30	15.00	6.57%
Mayoral General (including Fire services)	102.95	107.95	5.00	4.86%
<b>Total (including Mayoral Precepts)</b>	<b>1,784.26</b>	<b>1,876.76</b>	<b>92.50</b>	<b>5.18%</b>

(\*) - General increase of 2.99% is calculated as  $\text{£}43.44/\text{£}1,453.01 = 2.99\%$  (Rounded to 3.0%, i.e., one decimal place, on the face of the Council Tax Bill).

Adult Social Care increase of 2% is calculated as  $\text{£}29.06/\text{£}1,453.01 = 2.0\%$

Council Tax pays for our spending plans that are not covered by government grants, and fees and charges.

We also add on the net spending plans of the Mayoral Police and Crime Commissioner and the Mayoral General (including Fire Services) before we work out how much Council Tax each household must pay.

	<b>2023/24 £million</b>	<b>Amount for each person £</b>
Our spending plans	209.376	888.90
Council Tax collection fund	(1.223)	(5.19)
-surplus/+deficit previous year		
Contribution from Business rates	<u>(81,052)</u>	<u>(344.10)</u>
	127,101	539.61
<b>Less:</b>		
Contribution from Reserves (business as usual)	(7.404)	(31.43)
<b>Council Tax Requirement Trafford's own purposes</b>	<u>119.697</u>	<u>508.18</u>
<b>Add:</b>		
Mayoral Police and Crime Commissioner	19.090	81.05
Mayoral General (including Fire Services)	<u>8.470</u>	<u>35.96</u>
<b>Total Council Tax Requirement</b>	<b><u>147.257</u></b>	<b><u>625.19</u></b>

The amount shown against Trafford Council's own purposes includes a figure of £2.28m (a two per cent increase) to cover a precept to help finance the cost of adult social care (see Section 5 for further details of the adult social care precept).

The estimated equivalent number of properties in valuation Band D is 78,464, so the Council Tax for a property in Band D is £1,876.76. We work out the Council Tax for each property band as a specific proportion of the Band D tax. The relevant tax levels for 2023/24 are as follows:

<b>Band</b>	<b>Fraction</b>	<b>Council Tax £</b>
A	6/9	1,251.16
B	7/9	1,459.70
C	8/9	1,668.21
D	9/9	1,876.76
E	11/9	2,293.79
F	13/9	2,710.85
G	15/9	3,127.92
H	18/9	3,753.52

Taxpayers in the following Parish areas will pay extra because of the addition of a local parish precept.

Parish	Parish Precept £
Partington	90,810
Warburton	8,500
Carrington	4,440

In 2021/22, we worked out the money we needed to raise from Council Tax as follows:

	2022/23 £million	Amount for each person £
Our spending plans	192.572	810.56
Council Tax collection fund	0.154	0.65
-surplus/+deficit previous year		
Contribution from Business rates	(68.540)	(288.50)
	<u>124.186</u>	<u>522.71</u>
<b>Less:</b>		
Contribution from Reserves (business as usual)	(4.334)	(18.24)
Contribution from Reserves (COVID-19 pressures)	(7.097)	(29.87)
<b>Council Tax Requirement Trafford's own purposes</b>	<u>112.755</u>	<u>474.60</u>
<b>Add:</b>		
Mayoral Police and Crime Commissioner	17.716	74.57
Mayoral General (including Fire Services)	7.989	33.63
<b>Total Council Tax Requirement</b>	<u><b>138.460</b></u>	<u><b>582.80</b></u>

The estimated equivalent number of properties in valuation Band D was 77,601, so the Council Tax for a property in Band D was £1,784.26.

## **5 - Statement concerning adult social care funding**

In each of the financial years since 2016/17 the Secretary of State offered authorities with adult social care responsibilities the option of increasing their 'relevant basic amount' of council tax to help pay for adult social care costs without breaching the referendum threshold.

In relation to the financial year 2023/24, the Secretary of State has determined a referendum principle of five per cent (comprising two per cent for expenditure on adult social care and three per cent for other expenditure), for adult social care authorities, such as Trafford. These authorities may therefore set council tax up to this percentage in 2023/24 without holding a referendum.

In each of the years between 2016/17 and 2023/24, the Council accepted the offer made by the Secretary of State to charge the additional Adult Social Care Precept (two per cent for 2016/17, three per cent for 2017/18, two per cent for 2018/19, one per cent for 2019/20, two per cent for 2020/21, three per cent for 2021/22, one per cent for 2022/23 and two per cent for 2023/24). An accumulated figure of £201.33 is included in the Council Tax figure of £1,876.76 for a Band D equivalent property.

## **6 - Charges for other public services**

Our net spending plans include charges for public services the Council does not directly provide but collects the levies on behalf of other organisations who provide the required services in Trafford, including waste, transport and flood and water management.

### **Environment Agency**

The Environment Agency provides the following information about its flood defences for the North West (how it will protect the area from flooding).

The Environment Agency is a levying body for its Flood and Coastal Erosion Risk Management Functions under the Flood and Water Management Act 2010 and the Environment Agency (Levies) (England and Wales) Regulations 2011.

The Environment Agency has powers in respect of flood and coastal erosion risk management for 6500 kilometres of main river and along tidal and sea defences in the area of the North West Regional Flood and Coastal Committee. Money is spent on the construction of new flood defence schemes, the maintenance of the river system and existing flood defences together with the operation of a flood warning system and management of the risk of coastal erosion.

The financial details are:

	<b>2022/23 thousands</b>	<b>2023/24 thousands</b>
Gross expenditure	£103,714	£125,035
Levies raised	£4,283	£4,412
<b>Total Council Tax Base</b>	<b>2,208</b>	<b>2,248</b>

The majority of funding for flood defence comes directly from the Department for the Environment, Food and Rural Affairs (Defra). However, under the new Partnership Funding rule not all schemes will attract full central funding. To provide local funding for local priorities and contributions for partnership funding, the Regional Flood and Coastal Committees recommend through the Environment Agency a local levy.

The Local Levy is shared on the basis of Band D Equivalents between all contributing bodies within the Committee Area. The levy to be paid by Trafford Council to the Agency in 2023/24 is £0.154m (£0.151m in 2022/23).

A change in the gross budgeted expenditure between years reflects the programme of works for both capital and revenue needed by the Regional Flood and Coastal Committee. The total Local Levy raised has increased by 3.0 per cent from £4.283 million in 2022/23 to £4.412 million for 2023/24.

## **Waste and transport**

The Greater Manchester Combined Authority also charge us for services they provide:

	<b>2022/23 £ thousands</b>	<b>2023/24 £ thousands</b>
GM Combined Authority (Transport)	16,055	16,697
GM Combined Authority (Waste)	<u>15,275</u>	<u>15,748</u>
	<u>31,330</u>	<u>32,445</u>

## **7 - Staffing**

The number of full-time equivalent staff working for us in February 2023 was 3,894.

## 8 - Capital spending and loan debt

We have a continuing capital programme reflecting the investment we are planning to make in our assets (buildings, highways and so on) to support the achievement of Council's objectives and key priorities. The money to pay for this spending comes from loans, capital grants and contributions and money we make from selling assets. In 2023/24, we plan to spend £200.58 million.

	<b>£million</b>
Schools	17.52
Children's and Adults Social Care	4.69
Highways & Transport	21.64
Leisure Facilities Development	21.94
Regeneration and Economic Development	122.66 *
Other services	12.13
<b>Total</b>	<b>200.58</b>

\* Includes £109.09million on Asset Investment Fund.

As of 15 February 2023, the Council's external debt was £322.0 million which amounts to £1,367 for each person in the borough.