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Date: Tuesday, 26 November 2024

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Dear Member

CABINET - TUESDAY, 26 NOVEMBER 2024

I am now able to enclose, for consideration at the Tuesday, 26 November 2024 meeting of the Cabinet, the following reports that were unavailable when the agenda was printed.

Agenda No	Item	Page
6.	Revenue and Capital Budget 2025-2026 Launch for Consultation	(Pages 3 - 184)

Yours sincerely

Lisa Antrobus
Clerk

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Budget Overview

November 2024

Budget 2025-2026



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Statement from the Leader of the Council and Cabinet Member for Finance

As we present our second set of budget proposals, our approach follows the same fundamentals as last year – focusing on the ongoing revenue pressures and delivering against our financial sustainability plans and our Capital Investment Plan. All the while ensuring we concentrate on the things that residents have told us matter to them.

As councils locally and across the country continue to report their financial difficulties and the need to reduce services, thankfully Torbay Council is in a secure financial position. We have achieved this through careful financial management. We have a strong grasp on our finances and are committed to delivering the best services that we can within our means.

Once again there are no significant changes to services proposed within this draft Budget. The Financial Sustainability Plans which we introduced last year are helping to make sure that our high-cost budget items remain on track, innovative solutions are explored and delivered, and we provide the best outcomes within the financial envelope we work within.

Everyone knows that the cost of everything is increasing, and this is no different for us as a Council. We have seen an increase in our wage bill which is our biggest cost, and the costs associated with our regeneration and building schemes, for things like building materials and labour, continue to rise exponentially. Despite all the circumstances we are working within, we are committed to keep Council Tax as low as we can, hence we are proposing an increase which is below the cap set by the Government for the second year running.

We provided new investment last year to two projects – Operation Brighter Bay and Operation Town Centres – these respond directly to what our residents have told us mattered to them. Operation Brighter Bay aims to make our Bay more attractive and safer, and Operation Town Centres seeks to address anti-social behaviour and its sources, so that everyone can once again enjoy rejuvenated town centres. We are proposing a continued focus on these two areas with a further £400,000 of investment for these two Operations being made available.

These new monies will enable us to continue our focus on the Town Centres – there is still much to do. We are investigating additional Taxi Marshalls, widening of the enforcement team plus the employment of a Town Centre manager. Under the Brighter Bay initiative, line-marking remains a priority as well as having a team of lengthsmen who will be able to carry out one-off repairs and maintenance outside of our usual cycle of works.

Most people don't realise we spend around 80% of our Revenue Budget providing services for Children and Adults. If you don't need to use these services, you won't recognise how much we need to spend protecting and supporting the most vulnerable people within our community. We're proud that those services are there when you need them – whether that is our Family Hubs which provide all the support a family may need from pregnancy through to young people turning 19 (or 25 if they experience SEND) or our adult social care services which are provided through Torbay and South Devon NHS Foundation Trust.

We continue to deliver our Capital Investment Programme and, whilst we all want to see projects come forward quicker than they are, we still have viability gaps for the reasons stated earlier on. Over the past 12-months, our partnership with Willmott Dixon and Milligan has made significant strides forward in reviewing, developing and evaluating the Bay-wide schemes that will revolutionise how Torbay's town centres work in the future.

During the course of this consultation, we will see the opening of The Strand with it being central to our Bay of Lights Illumination Trail. We know that undertaking the works has caused disruption, but the new space and layout will be a vibrant, modern and high-quality space which will provide more dining, seating and planted areas.

The Paignton and Preston Promenade scheme, including the new sea defences, will start in the new year. This is a £17 million investment which we could complete within 18 months. However, we know how important the promenade and greens are to our residents, visitors and tourism businesses and therefore the scheme will take longer to complete so that access to these important spaces can be maintained across the summer months.

The wider Council Tax Support Scheme which has been simplified and made easier to understand was introduced in April 2024 will continue. Furthermore, we have also allocated £170,000 from the Household Support Scheme to provide payments to pension aged households who are in receipt of Council Tax Support but not receiving Pension Credit. This payment will help to offset the loss of monies caused by the changes to the Winter Fuel Allowances introduced by the Government.

MyBay, our resident discount scheme, will start on 1 January 2025. 1391 people took advantage of the early bird offer, including 520 who as registered carers were eligible to join for free. They will be able to use their card to have extra parking time, free toilet visits and special offers at local businesses and attractions. For those who missed out on the early bird offer, the scheme will be open to join from January 2025 with cards being valid from 1 April 2025.

Despite the challenges we have described above, we believe we are delivering for the people of Torbay as we promised to do. With you, our residents, at the heart of everything we do, we want to hear your thoughts and look forward to hearing from you during this consultation period. We believe that our proposals to set a balanced budget for 2025/2026 will provide a sustainable financial future for Torbay Council.



Councillor David Thomas
Leader of Torbay Council



Councillor Alan Tyerman
Cabinet Member for Housing, Finance and
Corporate Services

Introduction

This document provides an overview of the Cabinet's proposals for the Revenue and Capital Budgets for 2025/2026.

Alongside this document the following will also be published and will be available on the Council's website:

- **Chief Finance Officer's Report**

This provides more details in relation to the future funding of Torbay Council in light of the draft Local Government Finance Settlement.

- **Proposed Fees and Charges**

The amount that the Council proposes to charge for its services over the next year.

- **Draft Capital Investment Plan 2025/2026**

This explains the outcomes that we are seeking to achieve from our Capital Plan and which capital schemes the Council plans to fund over the coming year.

Other documents, which will be updated and published on the Council's website, will include the draft Council's Revenue Reserves Policy, the Capital Strategy, and the Treasury Management Strategy.

We will also publish a full copy of our Revenue Budget Digest for 2025/2026 after the final budget has been set. This provides a description of what each Council service does and how much it is expected to spend next year and how much income they will receive.

The Cabinet's Proposed Budget

Context

As has been the case in recent years, this proposed budget has been prepared during a period of continued financial uncertainty. Whilst the Government's Autumn Budget at the end of October appears to provide positive news for local government, further detail is awaited, not least in the provision Local Government Finance Settlement in December 2024. This uncertainty makes setting a draft budget challenging, but we welcome the Government's recognition that councils need greater funding certainty through multi-year settlements.

Inflation has reduced significantly from the highs of 2022 but we know that our residents are struggling with the cost of living. This continues to increase the demand for our services as well as reducing the levels of income we collect. Recent pay increases have exceeded the rate of inflation, with the recent local government pay award resulting in an average increase of around 4% and the National Living Wage increasing by closer to 10%.

We know that local authorities across the country are struggling to set balanced budgets. The prudent, and sometimes difficult, decisions and financial savings made over the last 13 years mean that we are not in that position. But it is vital that those prudent decisions continue to be made to protect the Council into the future. Our income needs to be optimised through appropriate rises in Council Tax and local fees and charges, and we need to make sure that our reserves are retained and used appropriately.

Strong grip on finance

In last year's budget we introduced revenue savings plans – longer term plans which focused, in the main, on specific service areas where budgets were under significant pressures. These service areas are also the ones where actions can make the biggest difference, both in terms of outcomes for our community and on our financial sustainability. For that reason, during the course of the year, the plans have been renamed as financial sustainability plans reflecting the need to ensure our effective service delivery over the long term.

Successful, ongoing delivery against these financial sustainability plans has meant that budget pressures within those areas have been contained. Four of the plans agreed last year will remain in place throughout 2025/26:

- Children's social care placements
- Home to school transport
- Housing needs
- Legal services

During the course of the year a new plan was put in place for the proposed Locality Model for children and young people and it is proposed that a further plan is developed to review the Council's support to, and long-term sustainability of, the cultural assets of Torre Abbey, Cockington Court and Torbay Coast and Countryside Trust.

Integrated health and social care creates better outcomes for our residents and our partners. Following the extension of our integrated arrangements for the delivery of adult social care by Torbay and South Devon NHS Foundation Trust in March 2022, we are working closely with health colleagues on a joint adult social care transformation programme (rather than through a financial sustainability plan). We are focussing on elements such as reablement, learning disability support and extra care provision.

The contract fee includes an increase by the value of the Adult Social Care Council Tax Precept of 2%, which is currently estimated as £1.785m for 2025/26. Recognising that spend is currently well in excess of budget, the Council has also committed a further increase in 2025/26 and 2026/27, equivalent to an additional 1% Council Tax precept for each year. This increase, together with the transformation programme, will seek to address the significant gap between the amount that the Council pays for adult social care and what the Trust spends on the integrated services.

These pressures, together with the ageing profile of our population, mean that we must optimise all of the adult social care funding we have available. We are awaiting details of the Social Care Grant (which we will allocate equally between adult and children's social care) and any other specific adult social care grants continuing into 2025/26. We will continue to work closely with our Trust colleagues to ensure they are used effectively to meet the needs of our communities.

The level of homelessness in Torbay and the subsequent need for temporary accommodation was particularly impacted by the Covid-19 pandemic and the increased cost of living. We have taken a range of mitigating actions and invested £10m to directly purchase property. This is helping to stabilise costs and allow more work to be done to prevent homelessness and support families to find more permanent housing. The actions within the associated Financial Sustainability Plan are expected to manage any additional spending pressures within the service. Therefore it is proposed to only increase the budget for temporary accommodation by £50,000 to recognise inflationary price increases. It is also proposed to add a further £100,000 to the homelessness prevention budget to support this critical work.

Our continuous improvement journey within Children's Services remains crucial to the Council's medium term financial stability. As a result of significant improvements to the service, it is far more financially stable than in previous years.

However, Children's Services remains vulnerable to changes in demand, particularly around residential care where relatively small changes in numbers can have a significant financial impact. The high cost of weekly residential and unregulated placements remains a concern and risk to the budget. Therefore it is proposed that the 2025/2026 budget is increased by £1m which is in line with inflation at the higher rate of 5% of placement costs. An increase of £100,000 for Section 17 costs is also proposed which recognises the increased costs of support those children and families in need and safeguarding or promoting the child's welfare.

Whilst the Financial Sustainability Plan remains in place for Legal Services, the recruitment of legal professionals in the public sector remains a national issue. We are starting to improve our success in recruitment, but demand for legal support remains high. It is proposed that a further £100,000 is added to the Legal Services' budget to help fund this.

Services within the Pride in Place directorate have had two challenging financial years with some areas projecting a shortfall in income. It is prudent to reset these budgets, alongside some expenditure budgets, to avoid overspends in the future. The proposed changes are listed below:

- Reduce the planning income target by £200,000 to reduce the risk of future overspends
- Increase the Pride in Place budget by £300,000 to reflect the existing demand levels for the TDA services which are now fully integrated into the Council's operations.
- Reduce the income target for those Council assets held in Torbay by £300,000 creating an on-going reserve to manage the peaks and troughs between financial years and mitigating the shortfall in income as a result of voids.

Both the Cabinet and the Directors regularly review the financial performance of the Council and decisions are taken throughout the year to ensure services are delivered in the best way possible for our residents, whilst ensuring the organisation remains financially sustainable.

Proposed investment

We are in a position to invest in some of our services to address both things which are important to our community and to our organisational resilience.

It is proposed that Operation Town Centres and Operation Brighter Bay, which were both established last year, will see further investment in 2025/2026. £200,000 is proposed for Operation Town Centres to further support the enforcement work against those who engage in anti-social behaviour and environmental crime. This Operation also seeks to provide greater assistance to individuals needing our help and support.

It is proposed that a further £200,000 is provided to Operation Brighter Bay as we work to make our Bay more attractive and safer. We want to improve the overall look and feel of the streets and general environment around Torbay, benefiting both residents and visitors to the Bay.

An additional £100,000 is proposed to be made available to increase the number of planning Enforcement Officers. Additional staff will ensure caseloads are more appropriate and the number of open cases can be reduced and maintained at reasonable levels, especially in the light of changes introduced by the Levelling Up and Regeneration Act.

We know that the budget we have allocated to maintain our significant portfolio of Council-owned assets is not enough compared to the need identified in our condition surveys. Building on the £200,000 increase to the current year's base budget, it is proposed that a further £400,000 is added to the 2025/2026 budget to help stabilise the current condition of our assets and make some progress to address the identified backlog in repairs and maintenance.

It is proposed that £110,000 is included within the budget to meet the higher-than-average inflationary cost increases in both insurance and IT licence budgets. It is proposed that there is an inflationary increase to the SWISCo contract of £375,000. This is separate from the additional funding for Operation Brighter Bay.

There is also an allowance of £200,000 in the proposed 2025/26 Council budget to reflect the additional cost of implementing the National Living Wage. Some of this funding will be passported to SWISCo.

We are proposing that in general, fees and charges across Council services will increase by an average of 3.5% for 2025/2026 to help offset pay cost and price inflation.

Delivering our Capital Programme

The introduction of our streamlined Capital Investment Plan last year has meant that there is far more clarity and assurance over the delivery, funding and spend of our critical capital projects.

Over the course of 2025/2026 the Paignton and Preston Promenade scheme will be started, as will Phase 1 works at Oldway Mansion. Our Hotels to Homes programme and the redevelopment of St Kilda's at Brixham will deliver more affordable housing for our communities.

Our Schools and Transport Capital Programme will continue to be delivered.

Council Tax

As agreed by the Council in December 2023, from 1 April 2025 the Council will be increasing the amount of Council Tax payable on second homes by 100%. This increase, taken with the review of Single Person Discounts that we have completed during the year and the changes to the Working Age Council Tax Reduction, means that there is an increase to our base budget of £2.596m for 2025/26.

In preparing this draft budget, we have assumed that the Government will continue to cap Council Tax increases at 2.99% with an additional 2% increase for the adult social care precept. In previous years, when determining the funding settlement for local authorities, the Government has assumed that councils would increase council tax by these amounts. We expect this to remain the position, pending further announcements from the Government.

As explained above, our agreed contract fee with the Torbay and South Devon NHS Foundation Trust includes the value of the 2% adult social care precept and therefore it is proposed that this is charged in 2025/2026.

Each 1% increase in Council Tax generates £840,000 of income, which supports the services that we deliver and that our community value so much. This funding also forms part of our base budget in each subsequent financial year. Council Tax is the only means that the Council has to raise additional funding for place-based and housing services.

However we want to keep the Council Tax increase below the cap set by the Government and are therefore proposing an increase of 2.75% rather than the 2.99% cap. This is the same increase as last year.

The proposals put forward in this draft budget leave a relatively small current savings gap of £400k for 2025/2026, but given that we still await further Government announcements we are confident that a balanced budget can be proposed when Council considers it in February 2025.

Proposed Budget

The 2025/2026 budget that is being proposed is set out in the table below.

2024/25 Net £m	Re-presented 2024/25 Net £m	Directorate/Service	2025/26 Net £m
55.9	55.9	Adult Services (Inc. Community & Customer Services)	58.3
	(9.3)	(Adults share of Social Care Grant)	(9.3)
54.6	54.6	Children's Services	56.3
	(9.3)	(Children's share of Social Care Grant)	(9.3)
10.7	10.7	Public Health	11.0
	(10.7)	(Public Health Grant)	(11.0)
13.8	14.0	Corporate Services (inc. Chief Executive's Unit)	14.8
(16.6)	7.1	Finance	7.4
0	5.6	Treasury Management	5.6
(4.1)	(4.1)	Investment Properties	(4.1)
24.9	24.9	Place Services	27.7
139.2	139.4	TOTAL	147.3
		Sources of Funding	
88.4	88.4	Council Tax	95.2
0	0.2	Services Grant	0
8.2	8.2	Revenue Support Grant	8.4
42.4	42.4	Business Rates (National Non-Domestic Rates)	43.1
0.2	0.2	New Homes Bonus	0.2
139.2	139.4	TOTAL	146.9

Timetable

Consultation on the budget proposals, both for the public and partner organisations, will commence on 28 November 2024 until 12 January 2025 so as much feedback as possible can be gathered. The consultation questionnaire can be found at www.torbay.gov.uk/consultation.

The Council's Overview and Scrutiny Board will be holding its Priorities and Resources Review Panels during the consultation period when the Cabinet's proposals will be discussed in detail. These meetings will take place during the week commencing 9 December 2024.

Having considered the feedback from the consultation (including from the Overview and Scrutiny Board), the Cabinet will agree its final budget proposals at its meeting on 18 February 2025. This meeting is open to the public.

The Council will meet on 27 February 2025 (open to the public at the Riviera International Conference Centre, Torquay) to agree the revenue and capital budgets and set the overall Council Tax for Torbay, having received notifications from the Fire and Rescue Authority, the Police Authority and Brixham Town Council about their Council Tax requirements.

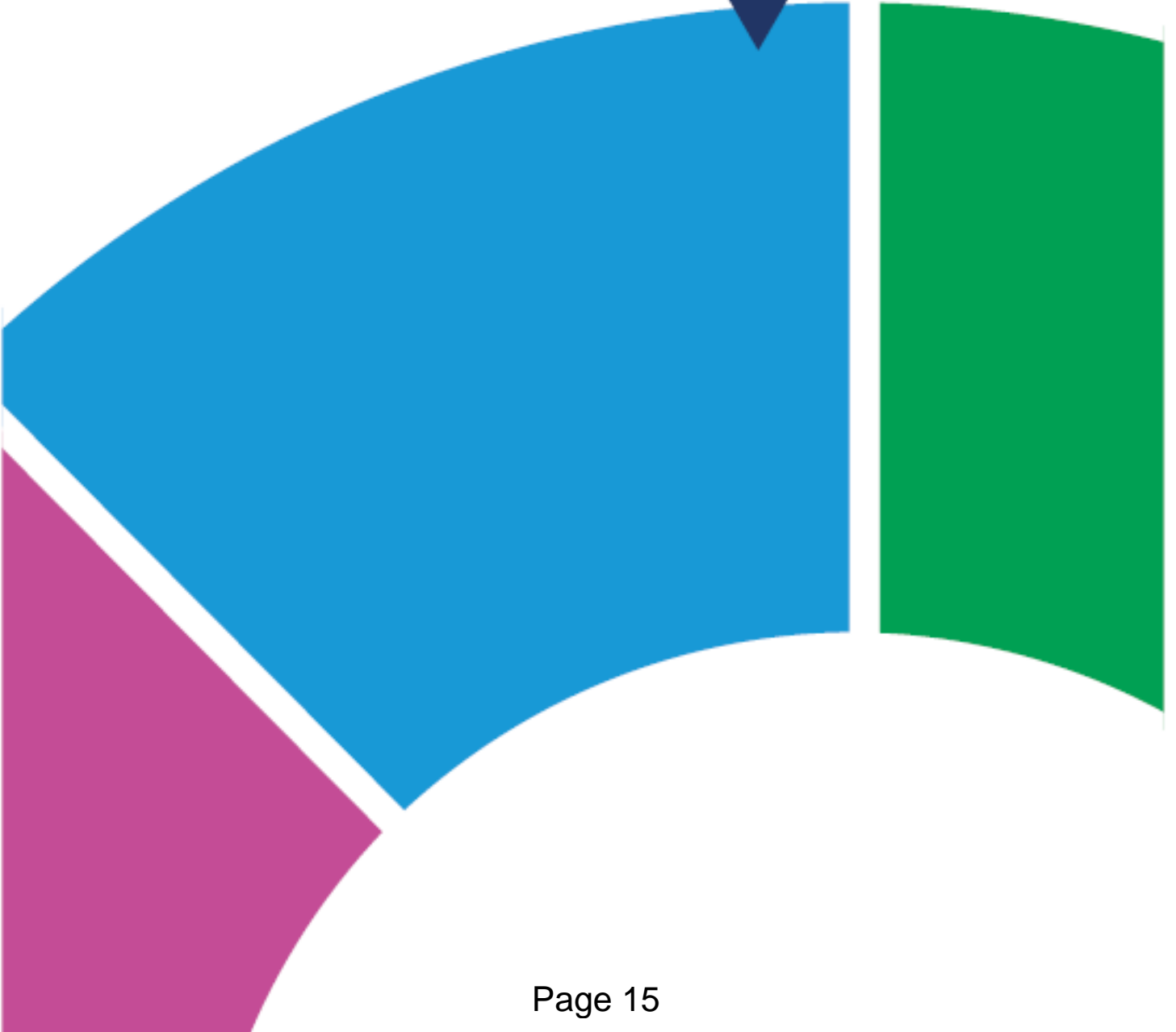
Details of the meetings when the budget proposals will be discussed are available on the Council's website: www.torbay.gov.uk/meetings-and-decisions

This document can be made available in other languages and formats.
For more information, please contact consultation@torbay.gov.uk

Chief Finance Officer's Report

November 2024

Budget 2025-2026



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Introduction

1. This report by the Council's Chief Finance Officer provides further information to support the Cabinet's draft budget for 2025/26.
2. It provides an overview of key factors that have influenced the 2025/26 budget as well as considering the financial outlook for future years.

Budget Overview

3. These budget proposals are presented in the light of continued financial uncertainty following the Government's Autumn Budget on 30 October 2024. The headlines appear positive, with the promise of £1.3b extra funding and a real-terms increase in total core spending power for councils in 2025/26 of 3.2%. However, we know that the 'devil is always in the detail' which won't be known for some time. At the time of writing, we await further detail within the Finance Policy Statement, expected later in November, the provisional Local Government Finance Settlement, which will be issued during the week commencing 16 December and the Final Settlement, which is not expected until the end of January, or even early February, 2025.
4. This makes budget setting challenging and we welcome the Government's recognition of the need for greater funding certainty through multi-year settlements and more clarity on financial reforms.
5. Inflation has reduced significantly from the highs of 2022, with a figure of 1.7%, (CPI), reported in Sept 2024. We do however continue to see residents struggling with the cost of living and this continues to have a consequential effect on the demand for council support services and reducing council income levels. Recent pay increases across sectors have exceeded this inflation figure with the recent Local Government pay award resulting in an average increase of around 4% and National Living wage increases closer to 10%.
6. Financial stress remains across the sector, with many local authorities struggling to set balanced budgets and publicly indicating they might need to issue S114 notices over the coming months. Whilst this is not a current concern for the Council, it is vital that prudent decisions continue to be made to protect the Council into the future; ensuring that income is optimised through appropriate rises in Council Tax and local fees and charges. Council reserves need to be retained and used strategically.
7. The impact on the Council's income, expenditure and funding is detailed in the Medium-Term Resource Plan and the 2025/26 budget proposals. Clearly the financial impact in future years can only be a forecast and officers will continue to update estimates and aim to mitigate as far as possible any medium term financial impacts.
8. It is proposed by the Cabinet that the Council increases its Council Tax requirement in 2025/26 by 2.75% (below the allowable capped rate of 2.99%). In addition, it is proposed to increase Council Tax specifically for Adult Social Care by a further 2%

9. Members of the Overview and Scrutiny Board, (through the Priorities and Resources Review Panel), will examine the proposals in detail and stakeholders and residents will have the opportunity to make representations on the proposals through the consultation, commencing on 25 November 2024. The Cabinet will review the responses received and the final budget proposals will be drawn up after consideration of responses received.
10. This report supports the proposed Revenue Budget 2025/26. Alongside this report, other relevant budget documents that will be presented to Council in February 2025 are:
 - a. 2025/26 Capital Strategy and Capital Receipts Strategy,
 - b. 2025/26 Treasury Management Strategy, including Investment Policy and Minimum Revenue Provision Policy,
 - c. 2025/26 Review of Reserves,
11. Also relevant are:
 - d. Medium Term Resource Plan (on website),
 - e. Corporate Asset Management Plan,
 - f. 2024/25 Revenue and Capital Budget Monitoring Reports.
12. Fees and Charges and Financial Sustainability Plans are detailed as appendices along with an overarching Equalities Impact Assessment.
13. A summary of the current proposed 2025/26 budget by service area is detailed below and **shows an overall funding gap of £400k. This will be considered further once we have received final details of Government Funding for 2025/26.** To improve transparency and understanding, this year we are showing the Social Care Grant income within Children's and Adults Services rather than within Finance and a similar approach for the Public Health Grant. We have also taken the Service Grant out of Finance and this is now within our Sources of Funding.

Proposed Net budget for 2025/26			
2024/25 Net £m	Re-presented 2024-25 Net £m	Directorate/Service	2025/26 Net £m
55.9	55.9	Adult Services (Inc. Community & Customer Services)	58.3
	-9.3	- (Adults share of Social Care Grant)	-9.3
54.6	54.6	Children's Services	56.3
	-9.3	- (Childrens share of Social Care Grant)	-9.3
10.7	10.7	Public Health	11.0
	-10.7	- (Public Heallth Grant)	-11.0
13.8	14.0	Corporate Services and Chief Executive	14.8
-16.6	7.1	Finance	7.4
0	5.6	Treasury Management	5.6
-4.1	-4.1	Investment Properties	-4.1
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139.2	139.4	TOTAL	147.3
		Sources of Funding	
88.4	88.4	Council Tax	95.2
0	0.2	Services Grant	0.0
8.2	8.2	Revenue Support Grant	8.4
42.4	42.4	Business Rates (National Non-Domestic Rates)	43.1
0.2	0.2	New Homes Bonus	0.2
139.2	139.4	TOTAL	146.9

A detailed Budget Digest will be produced after approval of a final budget in February 2025. For reference, the 2024/25 Budget Digest can be accessed through the following link: [budget-digest-2024-2025-v2.pdf](#)

Capital Investment Plan 2025/26

14. As required by the Council's Constitution, the draft Capital Investment Plan for 2025/26 has been published as part of the 2025/26 Capital Strategy.
15. The level of cost inflation on construction contracts remains high with significant cost increases on many projects. This has often required original business cases for capital projects to be reassessed to ensure financial viability. Stronger governance and controls have been implemented throughout 2024/25 with a staged 'gateway' approach being adopted with oversight through the Capital Growth Board (with Cabinet representation).

Local Government Finance Settlement for 2025/26

16. For Local Government, the allocation passported to councils is determined through the Local Government Finance Settlement (LGFS). The Autumn 2024 budget statement confirmed that the 2025/26 settlement will once again be a one year “roll over” from 2024/25 with commitment made for multiple year settlements in the future. We are expecting the Spending Review to conclude in the late spring and deliver a new settlement for public services, marking a fundamental change in how the government approaches public spending, supports growth, and delivers public services.
17. The Budget statement on 30 October 2024 announced a total of £1.3 billion of extra funding for Local Government, providing a real-terms increase in total core spending power in 2025/26 of around 3.2%. This would include:
 - At least £600 million in new grant funding for social care
 - Core schools’ budget to increase by £2.3 billion, £1 billion of which will go towards supporting the Special Educational Needs, (SEN), and disabilities system.
 - £1.1 billion of new funding in 2025/26 through the implementation of the Extended Producer Responsibility scheme to improve recycling outcomes from January 2025.
 - Over £1 billion funding to support local areas and bus operators
 - An extension to the Household Support Fund and Discretionary Housing Payments
 - £233 million of additional spending in 2025/26 to prevent homelessness.
 - The Shared Prosperity Fund will continue for a further year and be worth £900 million, in advance of wider funding reforms.
 - Commitment to reforming the approach to funding allocations within Local Government starting with a targeted approach for allocating additional funding in 2025/26.
 - Employer’s National Insurance contributions will increase from 13.8% to 15.0% from April 2025, with a reduction to the per-employee threshold at which employers become liable to pay National Insurance to £5,000
 - An increase to the National Living Wage of 6.7% from April 2025. In addition, the National Minimum Wage for 18-20 year olds will be set at £10.00 an hour from April 2025 (a 16.3% increase).
18. Further detail is required to understand the full financial impact for 2025/26 and it is hoped that this will appear in the pending Policy Statement, issued in advance of the provisional local government settlement at the end of December 2024. Questions that require further detail include:

- Will the existing Council Tax referendum limits be maintained, or new flexibilities be announced?
- Will there remain a Council Tax precept arrangement for funding increasing Adult Social Care demand and costs?
- How different will the distribution of funding to Local Councils be? Will this include Social Care funding?
- How much funding will be set aside for the additional NI costs and how will this be provided to Councils?
- What will happen to the funding not mentioned and not guaranteed beyond 2024/25? e.g. New Homes Bonus and Services Grant.
- How will the £1.1b of Extended Produced Responsibility funding be distributed to Councils.

19. The table below provides an estimate of the various funding streams (incl. key grants) for Torbay Council in 2025/26 and the comparison against 2024/25.

Torbay Council Budget 2025/26	Base	Estimate	Est. change in
	2024/25	2025/26	2025/26
FUNDING	£m	£m	£m
Total for Council Tax	88.353	95.189	6.836
New Homes Bonus	0.225	0.225	0.000
Revenue Support Grant	8.219	8.359	0.140
* Business Rates	42.407	43.128	0.721
TOTAL - Sources of Funding	139.204	146.901	7.697
Services Grant	0.227	0.020	-0.207
* Social Care Grant	18.685	18.685	0.000
ASC Market Sustainability and Improvement Funding	3.625	3.625	0.000
ASC Discharge Fund	2.065	0.000	-2.065
Improved Better Care Fund	8.838	8.838	0.000
Total - incl Grant funding used in core spending power	172.644	178.069	5.425
Public Health Grant	10.697	10.697	0.000
TOTAL ESTIMATED FUNDING (inc Grants)	183.341	188.766	5.425

Dedicated Schools Grant

20. We have not yet received details of Torbay's 2025/26 Dedicated Schools Grant (DSG) allocation and the split between the Schools Block, Early Years Block, Central Schools Block and High Needs Block. The Council will, as usual, direct the entire grant received in respect of Dedicated Schools Funding through to those areas defined in the School Finance Regulations. The value of the Dedicated Schools Grant (DSG) before academy school recoupment in 2024/25 was £143.257m, with £57.155m retained in the Council's budget for expenditure related to maintained Schools and other residual functions.

21. In the Autumn budget the Government announced that the national core schools' budget will increase by an additional £2.3 billion next year, including a £1 billion increase to Special Educational Needs and Disabilities (SEND) and alternative provision funding. Although the additional funding for Torbay is clearly welcome, there will still be a deficit budget for 2025/26 as significant demand within the High Needs block continues.
22. The pressures on the High Needs Block arise from the level of demand and referrals from schools and other agencies for support to pupils with additional needs. In recognition of this pressure, Local Authorities, in consultation with Schools Forum, can agree a 0.5% virement of funding from Schools Block to help fund the increased demand within the High Needs Block (Torbay has, to date, chosen not to action this virement). The overspend on the DSG in 2024/25 is estimated to be £1.271m, resulting in a cumulative forecast deficit of £14.027m.
23. The Council is part of the Safety Valve programme with the Department for Education (DFE). In this arrangement the Council and its partners have produced, and achieved thus far, a deficit recovery plan that leads to a balanced High Needs Block position by 2026/27. DFE have agreed to fund the cumulative deficit of, up to, £12.910m, as long as milestones are met during the process. To date we have received £7.930m from the DfE towards the deficit.
24. Following a full Needs Analysis and Review of the Special Educational Needs and/or Disabilities (SEND) provision within Torbay, alongside the increasing demand for specialist education support, we are currently consulting the proposal to implement a locality model across the area. A financial sustainability plan has been prepared summarising the actions planned. The model is based on an analysis of need and will make better and more effective commissioning arrangements and therefore develop a more financially sustainable educational system
25. It aims to bring services together to support the children and young people of Torbay in their local community, reduce the requirement for an Education, Health and Care Plan (EHCP) to receive support and therefore reduce the delays that families are experiencing in receiving the support that their children need. The model will allow the support to be received more rapidly and in their own communities. Along with other benefits, the process will be needs led, with localised decisions by local stakeholders about how children and young people's needs can be best met.

Adult Social Care

26. In Adult Social Care (ASC), we have a long and successful history of integration, which continues with Torbay and South Devon NHS Foundation Trust delivering statutory adult social care services on our behalf. Integrated health and social care creates better outcomes for our residents and all partners. In 2024 we signed a new 5 year contract, commencing from April 2025, extending our integrated arrangements with an increase in budget to recognise the demands and cost pressures.

27. The Council's commitment is an increase in contract fee each year by the value **equivalent to 2% ASC Council Tax precept, currently estimated at £1.785m for 2025/26**. Recognising that spend is currently well in excess of budget, the Council has also committed a **further increase in 2025/26 and 2026/27, equivalent to an additional 1% Council Tax precept** for each year. These financial commitments have had to be made by the Council without the certainty of future government funding models for Social Care over the five year period of the new contract.
28. There remains a significant gap between the amount that the Council pays for adult social care and what the Trust spends on the integrated services. We are working closely with Health colleagues on a joint ASC transformation programme (using earmarked reserves), to identify savings and efficiencies, focussing on areas such as reablement, learning disability support and extra care provision.
29. Financial pressures, together with the ageing profile of our population, mean that we must optimise all of the adult social care funding we have available. The Government's Autumn budget announced further increases to the Social Care Grant for 2025/26 but we await further detail on this and any impact on other funding streams. Once confirmed, we will allocate increases in Social Care Grant equally between adult social care and children's social care to help meet cost and inflationary pressures and demands in both services. It should be noted that the announced increases to the National Living Wage and employers' National Insurance contributions will result in increased costs for care providers, who will expect to see an element of the additional Social Care grant allocated to help mitigate their increased cost pressures.
30. We await confirmation of other specific adult social care grants continuing into 2025/26 and where these grants are confirmed, we will continue to work closely with Trust colleagues to ensure they are used effectively to meet the needs of our local communities.

Community Services

31. The level of homelessness and the need for temporary accommodation was particularly impacted by COVID and has continued to be impacted by the increased cost of living. Despite all the mitigating actions taken by the Council, the level of increased demand and cost far outweighed the associated funding and an additional £900k was added to the 2024/25 budget to meet the increased costs of temporary accommodation, Hostel operational costs and support for the prevention of homelessness.
32. Homelessness and temporary accommodation is one of the Council's set Financial Sustainability plans as announced in the 2024/25 budget. A continued focus in this area has resulted in a much more stable budget position, with recent 2024/25 budget monitoring reports demonstrating that current levels of demand and costs being much more aligned with set budgets.

33. The £10m investment undertaken throughout 2023/24 to directly purchase property and reduce the reliance on spot purchasing of temporary accommodation has helped reduce costs and increase accommodation options available to the Housing team. This is helping to stabilise costs and allow more work to be done to prevent homelessness and support households to find more permanent housing.
34. The Council's insourcing of the Homeless Hostel contract has also helped the financial position, improving throughput and availability of cost neutral accommodation for single people
35. The Financial Sustainability plan remains in place with the service continuing their strategic work to improve accommodation pathways and commissioning plans. This includes reviewing homelessness preventative work, arrangements around Housing Management subsidy and opportunities to lever in further grant funding from Homes England.
36. The impact from the actions as detailed within the Financial Sustainable plan are expected to manage additional spending pressures across the service into the medium term. Therefore, it is proposed to only increase the **2025/26 budget for Temporary Accommodation by £50k** to recognise inflationary price increases. However a further proposal is made for **an additional £100k to be added to the homelessness prevention budget** to support this critical work.
37. Last year £300k was added to base budgets to support Operation Town Centres - a collaboration between our Police and additional Council staff on the streets in our Town Centres with the objective of providing more enforcement against those who engage in anti-social behaviour as well as providing greater assistance to individuals needing our help and support. **A further £200k is proposed within the 2025/26 budget** to further support this work and respond to anti-social behaviour and environmental crime.

Children's Services

38. Our continuous improvement journey within Children's Services remains crucial to the Council's medium term financial stability. As a result of the significant improvements in this service (now rated Good by Ofsted), along with additional investment, there is far greater financial stability than in previous years.
39. However, the service remains vulnerable to changes in demand, in particular residential care where a relatively small change in numbers could have a significant financial impact. The overall numbers of cared for children are lower than previous years, but the significant shortage of suitable available placements is driving up costs within the market. The high cost of weekly residential and unregulated placements remains a concern and risk to the budget.

40. The legislation on unregulated placements changed in September 2022 and has resulted in further budget pressure. This is exacerbated by the demand arising from the cases allocated to Torbay through the National and Regional allocation of Unaccompanied Asylum Seeking Children (UASC), where costs of placement and support exceed the levels of Home Office funding.
41. Recruitment and retention within the service remains a challenge with cost pressures within our agency budgets. These costs reduced significantly in 2023/24, but we are seeing increased salary expectations within the agency market and stiff competition from other Councils, offering increased hourly rates to stabilise their own workforces. Work is continuing to control these costs wherever possible.
42. A total of £2.1 million was added to Children's Services placement budgets in 2024/25 to meet service demand and inflationary increases in pay and provider costs. Financial Sustainability plans have been developed for key risk areas, identifying actions planned to manage spending pressures across these areas.
 - a. Home to School Transport –focuses on route planning/optimisation, more robust control over contracts, increasing transport options and improving the independence of our young people.
 - b. Children's Social Care placements - focusses on early help, prevention and the development of a sustainable Family Hub model to help reduce the number of children who become cared for and identify less expensive accommodation for our Care Experienced young people. Targeted support in relation to learning disability placements and associated joint work with Health is also being reviewed.
43. The latest budget monitoring in 2024/25 is evidencing total spend for children services is more in line with budgets, with a projected overspend of circa £200k which is much lower than previous years. With the support of continuing Financial Sustainability plans, we are proposing to limit budget increases in 2025/26 to:
 - (a) **£1m allocation for an uplift in placement costs.** This is calculated at 5% of our current spend on placements in recognition of the market challenges in this area
 - (b) **£100k for Section 17 costs,** recognising the increased costs of supporting those children and families in need and safeguarding or promoting the child's welfare.
44. We await details of any additional funding in Social Care Grant, as announced within the Autumn budget statement and would aim to allocated 50% of this increase into Children's Services – to fund the inflationary budget increases highlighted above.

Corporate Services

45. Despite £300k being added to the budget in 2025/26, we are currently forecasting an overspend in 2024/25 of a further £350k in respect of Legal Services. This is a result

of increasing demand for the service and the difficulties in recruiting permanent staff which has meant the service have had to use more expensive agency staff to continue delivering the required legal support.

46. The recruitment of legal professionals in the public sector is a national issue and the Council has struggled to compete with the salaries paid by other organisations – both within the private and public sector. The application of increased additional market factors is starting to have an impact and improve the success in recruitment, but demand levels has meant that spend levels remain high.
47. A Financial Sustainability plan has been developed to identify actions to mitigate the risk of future spending pressures, however, **it is proposed that a further £100k is added to the service budget in 2025/26** to help fund the continuing and increasing demand for legal support.
48. The draft budget **proposes an increase of £110k to our Insurance and IT licence budgets** to address higher than average inflationary cost increases across both these areas of spend which reflects market conditions.

Finance and Investment Budgets

49. Throughout the 2024/25 financial year, we have achieved a surplus from our financial returns on cash balances held. Although interest rates have fallen over the last year, we have secured high interest rates on our investments, alongside the holding of reserves and grant funding in advance of drawdown of associated spend. We are currently projecting an underspend of £1.2m for the 2024/25 financial year.
50. However, due to the volatility in rates, and anticipated reduction in cash held, the base Treasury Management income budget has not been increased for 2025/26, ensuring a prudent approach of not relying on one-year monies to balance on-going spend commitments within the budget.
51. To provide an element of stability, in November 2023, we took the opportunity to utilise some of our cash balances to repay, and reprofile, our long-term debt portfolio. We also entered into some longer term secure bond investments in 2024 to reduce reliance on short term interest rates. We continue to look at further Treasury Management opportunities to improve the stability of our investment and borrowing portfolio leaving us less exposed to fluctuations in rates over the coming years.
52. The income we receive from our Commercial Investment portfolio continues to remain strong which helps to contribute circa. £4m to the annual revenue budget. To ensure this continues, and the financial benefits are optimised from the portfolio, there will be a strategic review of the Council's holding of commercial assets forming a clear strategy and criteria for holding / investing / or disposing of assets over the medium term. Such a review is essential alongside the Council considering any future borrowing requirement in support of our Regeneration and Capital Investment

Plan as Government now requires Local Authorities to review their 'out of area' asset holdings in advance of approving any borrowing from the Public Works Loan Board, (PWLB).

53. It is proposed that Fees and Charges across Council services will generally increase by an average of 3.5% for 2025/26 to help offset increased pay cost and price inflation. There will be some exceptions, particularly where the rates are set nationally. The proposed Fees and Charges schedule for 2024/25 are detailed in **Appendix 1**.

Place based services

54. Several services within the Pride of Place Directorate had a challenging year financially in 2023/24 and this has continued into 2024/25, with a number of areas projecting a shortfall of income compared with the levels budgeted. Several of these budgets now need to be reset, along with some expenditures budgets, to avoid overspend in future years.
55. Planning fee income was well below budgeted levels in 2023/24, resulting in a year end overspend which is replicated in 2024/25 budget monitoring reporting. This is mainly due to a drop in application numbers over the last few years. Work continues with key stakeholders to determine planning pipelines and there is active encouragement of the pre-application submission, new planning applications and the use of Planning Performance Agreements. National Planning Application Fees were increased in October 2023, which will partially help re-address income levels when volumes increase. **It is proposed to reduce the planning income budget by £200k in 2025/26**, to reduce the risk of future overspends.
56. It is **proposed to increase the Planning enforcement budget by £100k** in order to increase Enforcement Officer resource. The ongoing level of open cases is no longer manageable and has become more challenging due to recent planning enforcement changes introduced by the Levelling Up and Regeneration Act. Additional staff will ensure caseloads are more appropriate and the number of open cases can be reduced and maintained at reasonable levels.
57. For the last few years, the services commissioned by the Council from Torbay Development Agency, (TDA), have exceeded the set £1m 'management fee' budget by circa £300k per annum. Now that the TDA services have been fully integrated into the Council's operations the budgets need to reflect the existing demand levels and hence it is proposed to **increase the Pride in Place budget by £300k**.
58. In recent years, the Council has expanded its holding of income generating assets within the Torbay area, acquiring sites such as Fleet Walk, Union Square and the Victoria Centre, predominantly for regeneration purposes. Progress is being made on re-purposing such sites over the next few years and whilst development is progressing there will inevitably be a downward trend in rental income.

59. Our total income generated through numerous assets held in Torbay amounts to circa £6.1m per annum. With known, and predicted, volatility of income streams it is essential that we provide some stability of base revenue budgets over the medium term. We are therefore **proposing a reduction in income targets of £300k for 2025/26** which represents circa 5% of total income achievable. This will help to create an on-going reserve to manage the peaks and troughs between financial years, mitigating the shortfall in income through voids and meeting the costs of 'carrying' assets, such as security and business rates, whilst pending capital investment and development.
60. Last year £300k was added to base budgets to support Operation Brighter Bay - to make our Bay more attractive and safer, through additional cuts to grass verges, enhanced street cleaning and a programme of replacing white lines and yellow box markings across the whole of the Bay. **This budget proposes a further £200k to continue this work** and improve the overall look and feel of the streets and general environment around Torbay, benefiting both residents and visitors to the Bay.
61. The base budget held to repair and maintain the significant portfolio of Council owned assets continues to be significantly short compared with the need as identified in condition surveys (which indicates an overall backlog maintenance cost of circa £50m). The revenue budget was increased by £200k in 2024/25 and **it is proposed to increase the budget by a further £400k in 2025/26**. This will help to stabilise the current condition of the assets held and make some progress to address the identified backlog. Alongside this, the Council will review, and put forward proposals for, a number of potential asset disposals in 2025 with the intention of reinvesting any capital receipts generated to improve the core Council estate.

Wholly Owned Companies

62. The budget proposals include a **base inflationary increase in the SWISCo contract for 2025/26 of £375k**. This is separate to the additional funding to improve service levels as part of Operation Brighter Bay. **There is also an allowance of £200k in the 2025/26 (Council) budget to reflect the additional cost of implementing the National Living Wage** – when fully worked through, some of this funding will be passported on to SWISCo. The company continues to review commercial activities with the aim of optimising income generation and increasing efficiencies.
63. Torbay Council made the decision in September 2023 to dissolve Torbay Economic Development Company (TEDC), in order to organise Torbay's resources in a more efficient and effective way, focussing limited staff resource on the Bay's key strategic priorities. The Council made a further decision in December 2023 that TorVista Homes (TVH) would also be dissolved. Work has continued throughout 2024/25 on the transfer of assets to the Council with the majority of transition work and associated costs being incurred in 2024/25, (as previously reported). Any one-off

residual costs within 2025/26 will be funded through reserves and detailed through quarterly budget monitoring reports.

Estimation of Council Tax Surplus/Deficit

64. The Council makes an estimate of the surplus or deficit on the Collection Fund at year end, arising from under or overachieving the estimated Council Tax collection rate. COVID-19 had a significant ongoing impact on the collection of Council Tax, but rates have increased over recent years and are now only marginally lower than pre COVID levels, with the Council assuming a **96% in-year collection rate**.
65. The ongoing economic impact on Torbay residents linked to “cost of living” pressures could result in more Torbay residents facing financial hardship. In December 2023, Full Council approved a revised Council Tax Support Scheme for 2024/25 which has raised the cap on the level of support provided from 70% to 75% and significantly simplified the scheme using a banded application approach. It is proposed that the 75% cap remains in place for the Working Age Council Tax Reduction, (WACTR), Scheme that will be applied in 2025/26 with some minor amendments to the scheme to reflect national guidance.
66. As a local precepting authority, as defined in the Local Government Finance Act 2012, Brixham Town Council will not be required to fund any Council Tax deficit, nor will they be entitled to a share of any surplus on the Collection Fund.

National Non-Domestic Rates (NNDR)

67. The Council’s NNDR income comprises of three parts:
 - a 49% share of NNDR income;
 - a “s31” grant to reflect the loss of NNDR income to the council from central government changes to the NNDR (e.g. Small Business Rate Relief); and
 - a Top Up grant that reflects the difference in the Council’s assessed “need” for funding compared to its actual ability to raise NNDR income.
68. The Council’s NNDR funding baseline was established in 2013. Each year as part of the funding settlement the Ministry of Housing, Communities and Local Government (MHCLG) assumes a level of growth in business rates for councils which may be more or less than the actual NNDR income received by a council.
69. Since the introduction of the Business Rates Retention Scheme in April 2013, the Council is required to declare a surplus or deficit for NNDR in a similar way as set out for Council Tax. The forecasting of NNDR involves a wide range of complex variables and influences such as forecasted business rate appeals and anticipated reliefs making medium term financial planning difficult. The **proposed 2025/26 budget**

assumes an increase in overall NNDR funding of 1.7% - in line with the September 2024 Consumer Price Index, (CPI), inflation figure. Due to the significant uncertainty around the impact of economic conditions on business' ability to pay NNDR, the council will also continue to budget for a contingency for non-collection.

70. The Council, along with other Devon Councils, will continue to be part of an NNDR pool for 2025/26 with an estimated on-going gain to Torbay of £0.9m. The future of 'pools' and the resulting financial gains are not certain in the event of any new National NNDR system being introduced by Government.

Council Tax and Referendum Limits and Council Tax Base

71. To control the level by which local authorities can increase Council Tax, the Government has set limits at which point a referendum would be required. This continued to be at 3% for 2024/25. Although these limits and flexibilities have not yet been confirmed by Government for 25/26 this budget assume that the rate remains at 3%.
72. This draft budget assumes the same approach taken last year, which was for a **2.75% increase** - below the Government cap. In addition, MHCLG provide upper tier Councils the flexibility to **increase Council Tax by a further 2% for Adult Social care** and the 2025/26 budget proposals assumed that this levy will be applied.
73. The Council Tax base is adjusted each year based on the net number of properties that we are able to levy charges against across the Bay. During 2024/25, the Council undertook a comprehensive review of circa 26,000 residents who were claiming 'Single Person (Council Tax) Discount', (SPD), the result of which being an overall reduction in the number of eligible discounts applied in 2025/26.
74. In addition, the Council announced its intention in January 2024 to levy a Council Tax premium of an additional 100% in relation to second homes held within the Bay (where there is no identified resident in a specific furnished dwelling). This charge will come in effect from 1 April 2025. Both **the SPD review and Second Homes increase in charging will result in a significant increase to the Council Tax base figure applied for 2025/26.**
75. The Council Tax bill that is sent out to residents is made up of three main component parts, namely:
- Torbay Council (including Brixham Town Council);
 - Devon and Cornwall Police Authority; and
 - Devon and Somerset Fire and Rescue Authority.

Once these have been declared by the respective bodies they will be included in the final Council Tax setting report which will be presented to the Council in February 2025.

76. In 2024/25, Torbay had the second lowest Band D Council Tax in Devon at £2,232.85 including the Fire and Police precepts (but excluding Parish and Town Council precepts). The differential between Torbay and the other Councils increases further when Town and parish precepts are added.

Pay, Pensions and National Insurance

77. The 2024/25 pay award for staff has been agreed which provides certainty for the current year. This is structured in a similar way to the previous year but with a lower fixed amount of £1,290 and a minimum increase of 2.5%. **The 2025/26 budget assumes an average 3.5% pay award from April 2025**, assuming a similarly structured but slightly lower pay award for next year.
78. In 2022 there was the triennial valuation of the Devon County Pension Fund to ensure that employer contribution rates are set for the following three financial years to meet the long-term employee pension benefits requirements. This, from 2023/24, for three years, resulted in an increase in Torbay's "primary" rate to 18.4% (from 16.7%).
79. The Government Autumn Budget statement announced an increase to employers National Insurance Contributions from 13.8% to 15% and reducing the per-employee threshold at which employers become liable to pay National Insurance, (the Secondary Threshold), from 6 April 2025 to £5,000. This is **estimated to be an additional cost of circa £2m for the Council**. These figures are not currently included within this draft budget as the Government have indicated that Councils will receive relevant funding for this change – with further details to be announced over coming weeks.
80. In addition to the cost of living increases the Council is finding it increasingly hard to attract and retain suitably experienced staff due in part to increased competition for staff (especially across specialist areas such as legal services and Children Social Care). As a result, the Council is increasingly needing to pay market supplements to both recruit and retain staff and try to avoid further cost increases from using agency staff. The use of such supplements is carefully controlled and are kept under regular review.

Reserve Levels

81. Following an internal review and rationalisation of reserves, the Council's General Fund Reserve has been increased to ensure it is over the level recommended by CIPFA. Based on 2025/26 estimates this reserve would be 5.1% of the net revenue budget at the commencement of the next financial year. It is recommended that we remain above the recommended level of 5%, increasing the reserve in line with increases to our net budget.

82. The Finance Director (Chief Finance Officer) has undertaken a thorough review of all Council Reserves held and subsequently updated the Financial Reserves Policy which is detailed as **Appendix 2**.
83. As detailed in the Policy, reserves will not be used to meet the costs of any on-going service provision or spend commitments and, as such, the 2025/26 budget proposals do not include any use of any earmarked reserves to fund “base budget” costs.

CIPFA Financial Resilience Index and Benchmarking

84. To provide more information and transparency on the Councils’ financial position, CIPFA issued a “Financial Resilience Index” as a comparative analytical tool.
85. The Index shows the Council's position on a range of measures associated with financial risk assessment. The tool shows the following for Torbay Council in relation to other Councils:
 - Adults and Children’s’ social care spend is high in relation to its net revenue expenditure;
 - Overall level of interest payable compared with its net revenue expenditure and the level of gross external debt is high.
 - The proportion of fees and charges against the total service expenditure is lower than average.
 - The level of reserves is good.

We continue to use this information to challenge our existing policies and practices and drive value for money through, for example, our published Finance Sustainability Plans and engagement with LGA Peer Reviews (the most recent being focused on Children’s Services in September 2024)

Medium Term Resource Plan

86. As mentioned previously, these budget proposals are presented in the light of continued financial uncertainty following the Governments Autumn budget statement on 30 October 2024. The government announced their commitment to pursuing a comprehensive set of reforms which would include changes to the way funds are allocated to Councils, ahead of a broader redistribution of funding through a multi-year settlement from 2026-27. We still await further detail within the Finance Policy Statement, (expected in November 2024) and the provisional Local Government Finance Settlement which will be issued w/c 16 December 2024.
87. Despite such uncertainty, the Council has forward projected anticipated income levels and spend commitments over the next three financial years as detailed in the

table below.

MEDIUM TERM RESOURCE PLAN				
Torbay Council 2025/26- 2027/29				
	Base	Est variance	Est variance	Est variance
	2024/25	2025/26	2026/27	2027/28
	£m	£m	£m	£m
FUNDING				
Sources of Finance	139.2	7.7	4.8	5.0
Other grant funding	44.1	0.0	0.2	0.2
Total estimated funding	183.3	7.7	5.0	5.2
PRESSURES				
Pay		2.1	1.7	1.7
Inflation		3.8	3.6	3.6
Demand		0.6	0.2	0.2
Rebase budgets		1.2	0.4	0.3
Investment in priority areas		0.5	0.2	0.0
Total estimated spending pressures		8.1	6.1	5.8
Estimated budget gap		-0.4	-1.0	-0.6

88. The budget gaps forecast in 2026/27 and 2027/28 have reduced from last year due to the 2024/25 financial settlement being better than originally estimated, plus the subsequent certainty provided through signing up to the new 5-year Adult Social Care contract with Health.
89. As per 2024/25, a strategic approach has been taken in agreeing Financial Sustainability Plans, which underpin the 2025/26 revenue budget and provide the basis for continued management of budget pressures through 2026/27 and 2027/28. These plans focus upon key areas of budget spend and pressures where relevant action can make the biggest difference, both in terms of outcomes and financial savings. There is an expectation that these plans manage the emerging pressures within budgets with definitive savings targets and budget reductions actioned, only where they are achievable and can be evidenced.
90. Details of the Financial Sustainability plans are shown in **Appendix 3** with **Appendix 4** providing the Equality Impact Assessments linked to the proposed actions.
91. The Medium-Term Resource Plan will continue to be reviewed and updated, pending further detail on the Local Government Finance settlement.

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FEES AND CHARGES PROPOSED FOR 2025/26

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Building Control Fees and Charges

<http://www.torbay.gov.uk/planning-and-building/building-control/bc-fees/>

Standard application charges for new dwellings and those created by conversion (Houses, flats and maisonettes not exceeding 300m ² in area and 3 storeys in height)	£ Current 2024/25	£ Proposed 2025/26	Category
VAT Rate SR			
1 dwelling	1070.00	1110.00	Traded
2 dwellings	1,335.00	1382.00	Traded
3 dwellings	1,500.00	1553.00	Traded
4 dwellings	1,665.00	1723.00	Traded
5 dwellings	1,820.00	1884.00	Traded
6 dwellings	1,976.00	2045.00	Traded

For developments in excess of 6 units, please contact the Building Control Division for details

Standard charges for small domestic buildings, extensions, rooms in the roof	£ Current 2024/25 Full Plans Charge	£ Current 2024/25 Building Notice Charge	£ Proposed 2025/26 Full Plans Charge	£ Proposed 2025/26 Building Notice Charge	Category
VAT Rate SR					
Extension not exceeding 10m ²	550.00	630.00	570.00	655.00	Traded
Exceeding 10m ² but not over 40m ²	820.00	890.00	850.00	925.00	Traded
Exceeding 40m ² but not over 100m ²	920.00	1,020.00	955.00	1060.00	Traded
Any non-exempt Garage/Carport	450.00	510.00	465.00	530.00	Traded
Loft Conversion	700.00	820.00	725.00	850.00	Traded
Conversion of domestic garage to habitable accommodation	430.00	500.00	445.00	520.00	Traded

(Areas are total floor areas of all storeys measured internally)

Where the total or the aggregation of the floor area of one or more extensions exceeds 40m², please contact the Building Control Department for

Standard charges for the Renovation of Thermal elements, Window replacement and Electrical/Controlled Installations for small domestic buildings VAT Rate SR	£	£	£	£	Category
	Current 2024/25 Full Plans Charge	Current 2023/24 Building Notice Charge	Proposed 2025/26 Full Plans Charge	Proposed 2025/26 Building Notice Charge	
Renovation of a thermal element to a single dwelling, (replacement roof covering, render, internal plaster or insulation)	250.00	250.00	260.00	260.00	Traded
Controllable electrical work to a domestic dwelling, (not competent persons)	180.00	180.00	190.00	190.00	Traded
Electrical work comprising of re- wiring a whole house (not competent persons)	270.00	270.00	285.00	285.00	Traded
Replacement of windows/doors (not competent persons) 1-4	155.00	155.00	165.00	165.00	Traded
Replacement of windows/doors (not competent persons) 5+	230.00	230.00	240.00	240.00	Traded
Installation of microgeneration systems or the installation of solid fuel, gas or oil fired appliances	200.00	200.00	210.00	210.00	Traded

Standard charges for all other building work (including renovation of thermal elements to Non Domestic Buildings) VAT Rate SR	£	£	£	£	Category
	Current 2024/25 Full Plans Charge	Current 2023/24 Building Notice Charge	Proposed 2025/26 Full Plans Charge	Proposed 2025/26 Building Notice Charge	
Under £2,000	240.00	300.00	250.00	310.00	Traded
£2,001 – £5,000	380.00	440.00	395.00	455.00	Traded
£5,001 – £10,000	470.00	560.00	485.00	585.00	Traded
£10,001 – £25,000	700.00	700.00	775.00	775.00	Traded
£25,001 – £50,000	840.00	840.00	925.00	925.00	Traded

For developments in excess of £50,000 please contact the Building Control Division for details

Regularisation Fees Domestic Extensions and Alterations VAT Rate OS	£ Current 2024/25	£ Proposed 2025/26	Category
Extension not exceeding 10m sq	835.00	865.00	Levy
Exceeding 10m sq but not over 40m sq	1,188.00	1230.00	Levy
Exceeding 40m sq and over	1,476.00	1528.00	Levy
Any garage/carport	710.00	735.00	Levy
Conversion of domestic garage to habitable accommodation	710.00	735.00	Levy
Loft conversion	1,344.00	1392.00	Levy
Renovation of a thermal element to a single dwelling, (replacement roof covering, render, internal plaster or insulation)	340.00	352.00	Levy
Installation of microgeneration systems or the installation of solid fuel, gas or oil fired appliances	290.00	300.00	Levy
Controllable electrical work to a domestic dwelling	260.00	270.00	Levy
Electrical work comprising of re- wiring a whole house	340.00	352.00	Levy
Replacement of windows 1-4	230.00	240.00	Levy
Replacement of windows 5+	312.00	323.00	Levy
Regularisation Fees The Building or Conversion of New Dwellings VAT Rate OS	£ Current 2024/25	£ Proposed 2025/26	Category
1 dwelling	1,280.00	1325.00	Levy
2 dwellings	1,600.00	1656.00	Levy
3 dwellings	1,820.00	1884.00	Levy
4 dwellings	1,996.80	2067.00	Levy

Regularisation Fees Calculation of Charges for all Other Building Work:	£ Current	£ Proposed	Category
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Estimated Cost of Work VAT Rate OS	2024/25
Under £2,000	400.00
£2,001 – £5,000	541.00
£5,001 – £10,000	805.00
£10,001 – £25,000	990.00
£25,001 – £50,000	1,200.00

2025/26
414.00
560.00
834.00
1025.00
1242.00

Levy
Levy
Levy
Levy
Levy

For works with an estimated value over £50,000 please contact

Parking - Off Street

Off Street Parking Places – Zone 1 (charges apply 7am to midnight)

VAT Rate SR

Brixham

Car Park	Up to 30 minutes	Up to 1 hour	Up to 2 hours	Up to 3 hours	Overnight ²
Brixham Central Car Park ¹	£0.90	£1.70	£2.90	£4.10	£4.90

¹ – Maximum stay of 3 hours permitted during the period 7am to 6pm every day.

² - Overnight is available 6pm to midnight

Paignton

Car Park	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 17 hours	Overnight ³
Churchward Road Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Crown & Anchor Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Great Western Car Park ¹	£1.70	£2.90	£4.10	n/a	n/a	£4.90
Hyde Road Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Preston Gardens Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Station Lane Car Park ²	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Victoria Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a

¹ – Maximum stay of 3 hours permitted during the period 7am to 6pm every day.

² – Long stay car park also has a section of parking bays that allow a maximum stay of 60 minutes.

³ - Overnight is available 6pm to midnight

Torquay

Car Park	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 17 hours	Overnight ⁵
Brunswick Square Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Chilcote Close Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Lower Union Lane Multi Storey Car Park ³	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Lower Union Lane Shoppers Car Park ⁴	£1.70	n/a	n/a	n/a	n/a	£4.90
Lymington Road Coach Station Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Melville Street Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
St Marychurch Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Town Hall Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a
Union Square Car Park	£1.70	£2.90	£4.10	£5.20	£9.60	n/a

³ – Pay on exit car park.

⁴ – Maximum stay of 1 hour permitted during the period 7am to 6pm every day.

⁵ - Overnight is available 6pm to midnight

Off Street Parking Places – Zone 2 (charges apply 7am to midnight)

VAT Rate SR

Brixham

Car Park	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 17 hours
Freshwater Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Oxen Cove Car Park	£1.80	£3.00	£4.20	£5.50	£10.50

Paignton

Car Park	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 17 hours
Cleaton Valley Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Roundham Car Park ¹	£1.80	£3.00	£4.20	£5.50	£10.50

12/01/20

¹ – Winter parking charges apply during the period 1st November to 20th March (dates inclusive), these charges are listed at end of this Schedule.

Torquay

Car Park	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 17 hours
Cockington Court Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Cockington Cycle Hub Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Cockington Village Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Hampton Avenue Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Harbour Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Meadfoot Road Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Princes Street Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Shedden Hill Car Park	£1.80	£3.00	£4.20	£5.50	£10.50
Torrey Valley Car Park ¹	£1.80	£3.00	£4.20	£5.50	£10.50
Walls Hill Car Park	£1.80	£3.00	£4.20	£5.50	£10.50

¹ – Winter parking charges apply during the period 1st November to 20th March (dates inclusive), these charges are listed at end of this Schedule.

Winter Tariff (only available during the period 1st November to 20th March – dates inclusive) – the above charges apply outside of

Car Park	Up to 1 hour	Up to 2 hours	Up to 4 hours	Up to 17 hours
Roundham Car Park	£1.10	£1.50	£2.40	£3.50
Torre Valley Car Park	£1.10	£1.50	£2.40	£3.50

Off Street Parking Places – Zone 3 (charges apply 7am to midnight)

VAT Rate SR

Brixham

Car Park	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 17 hours
Breadwater Car Park ¹	£1.90	£3.20	£4.70	£5.80	£11.00

¹ – Winter parking charges apply during the period 1st November to 20th March (dates inclusive), these charges are listed at end of this Schedule.

Paignton

Car Park	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 17 hours	Overnight ³
Broadsands Car Park ¹	£1.90	£3.20	£4.70	£5.80	£11.00	n/a
Cliff Park Road Car Park ¹	£1.90	£3.20	£4.70	£5.80	£11.00	n/a
Colin Road Car Park	n/a	£3.20	£4.70	£5.80	£11.00	n/a

Goodrington ²	n/a	£3.20	£4.70	n/a	n/a	£5.00
Quaywest Car Park	n/a	£3.20	£4.70	£5.80	£11.00	n/a
Youngs Park Car Park	n/a	£3.20	£4.70	£5.80	£11.00	n/a

¹ – Winter parking charges apply during the period 1st November to 20th March (dates inclusive), these charges are listed at end of Schedule 7.

² – Maximum stay of 3 hours permitted during the period 7am to 6pm every day.

³ - Overnight is available 6pm to midnight

Torquay

Car Park	Up to 1 hour	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 17 hours
Abbey Park Car Park	n/a	£3.20	£4.70	£5.80	£11.00
Beacon Quay Car Park	n/a	£3.20	£4.70	£5.80	£11.00
Kilmorie Car Park ¹	£1.90	£3.20	£4.70	£5.80	£11.00
Meadfoot Beach Car Park ¹	£1.90	£3.20	£4.70	£5.80	£11.00

¹ – Winter parking charges apply during the period 1st November to 20th March (dates inclusive), these charges are listed at end of this Schedule.

Winter Tariff (only available during the period 1st November to 20th March – dates inclusive) – the above charges apply outside of this period

Car Park	Up to 1 hour	Up to 2 hours	Up to 4 hours	Up to 17 hours
Breakwater	£1.10	£1.50	£2.40	£3.50
Broadsands	£1.10	£1.50	£2.40	£3.50

Cliff Park Road	£1.10	£1.50	£2.40	£3.50
Kilmorie	£1.10	£1.50	£2.40	£3.50
Meadfoot Beach	£1.10	£1.50	£2.40	£3.50

Off Street Parking Places – Commercial Vehicle Locations (Charges apply 7am to midnight)

VAT Rate SR

Brixham

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Car Park	Up to 1 hour	Up to 4 hours	Up to 17 hours
Freshwater Car Park	£6.20	£12.40	£18.90

Paignton

Car Park	Up to 1 hour	Up to 4 hours	Up to 17 hours
Clennon Valley Car Park	£6.20	£12.40	£18.90
Victoria Car Park	£6.20	£12.40	£18.90

Torquay

Car Park	Up to 1 hour	Up to 4 hours	Up to 17 hours
Hampton Avenue Car Park	£6.20	£12.40	£18.90
Lymington Road Coach Station Car Park	£6.20	£12.40	£18.90
Shedden Hill Car Park	£6.20	£12.40	£18.90

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Promotional Parking Charges

VAT Rate SR

Parking period up to:

Parking Promotion 1 – up to 6 hours

Parking Promotion 1 – up to 12 hours

Charge

50p

£1.00

Car Parking - Pay and Display Charges

Agreed charges for 2025/26

On Street Parking Places – Zone 1

VAT Rate OS

Paignton

Street	Charging Hours	Up to 4 hours	All day
Sands Road	8am to 6pm, daily	£2.00	£3.10
Stearfield Road	8am to 6pm, daily	£2.00	£3.10

Torquay

Street	Charging Hours	Up to 4 hours	All day
Lymington Road (commuter spaces)	9am to 5pm, Mon-Sat	£2.00	£3.10
Magdalene Road	9am to 5pm, Mon-Sat	£2.00	£3.10
Newton Road	8am to 6pm, daily	£2.00	£3.10

On Street Parking Places – Zone 2

VAT Rate OS

Paignton

Street	Charging Hours	Up to 30 minutes	Up to 1 hour	Up to 1.5 hours	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 5 hours	Up to 6 hours	All day
Adelphi Road	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Dendy Road	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Hyde Road	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Palace Avenue	9am to 6pm, Mon-Sat	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Queens Road	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Torbay Road	9am to 6pm, daily (one section is 10am to 6pm daily)	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Truquay Road	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40

Torquay

Street	Charging Hours	Up to 30 minutes	Up to 1 hour	Up to 1.5 hours	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 5 hours	Up to 6 hours	All day
Abbey Road	9am to 5pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Babbacombe Road	8am to 6pm, Mon-Sat (one section is 8am to 6pm, daily)	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Briary Lane	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Castle Road	8am to 6pm, Mon-Sat	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Lymington Road	8am to 6pm, Mon-Sat	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Market Street	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Parkhill Road	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Pemlico	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
The Terrace	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Torwood Gardens Road	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Torwood Street	8am to 6pm, daily	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40
Union Street	8am to 6pm, Mon-Sat	£1.30	£1.90	£2.90	£3.50	£4.60	£5.80	£6.90	£8.00	£11.40

On Street Parking Places – Zone 3

VAT Rate OS

Paignton

Street	Charging Hours	Up to 30 minutes	Up to 1 hour	Up to 1.5 hours	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 5 hours	Up to 6 hours	24 hours
Eastern Esplanade	24 hours a day, daily	£1.40	£2.10	£3.00	£3.70	£5.00	£6.10	£7.20	£8.30	£11.90
Marine Drive	24 hours a day, daily	£1.40	£2.10	£3.00	£3.70	£5.00	£6.10	£7.20	£8.30	£11.90

Torquay

Street	Charging Hours	Up to 30 minutes	Up to 1 hour	Up to 1.5 hours	Up to 2 hours	Up to 3 hours	Up to 4 hours	Up to 5 hours	Up to 6 hours	24 hours
Torbay Road	24 hours a day, daily	£1.40	£2.10	£3.00	£3.70	£5.00	£6.10	£7.20	£8.30	£11.90

On Street Parking Permits

VAT Rate OS

Permit Type	Current Charge	Proposed Charges	Category
Annual On Street Permit (up front)*	£700.00	£720.00	Traded
Monthly On Street Permit	£105.00	£108.00	Traded
Monthly Commuter On Street Permit	£63.00	£65.00	Traded
Healthcare and Emergency Badge	£15.00	£15.00	Cost recovery
Controlled Parking Zone	£30.00	£35.00	Cost recovery

* Note – Cost of Annual Permit increases to £770.00 if paid for using Direct Debit option

Parking Permits and Commercial Parking - Fees and Charges

Types of Parking Permits – Off-Street VAT Rate SR		Current Charges 2024/25	Charges 2025/26	Category
Permit Type	Coverage			
Annual (up front)	Covers use in all Torbay Council car parks	£455.00	£475.00	Traded
Monthly	Covers use in all Torbay Council car parks except Lower Union Lane	£75.00	£77.00	Traded
8 days	Covers use in all Torbay Council Car Parks except Lower Union Lane	£52.00	£54.00	Traded
4 days		£29.00	£30.00	Traded
Off Peak	Valid 3.00 p.m. to 10.00 a.m. and covers use in all Torbay Council car parks except Lower Union Lane	£75.00	£77.00	Traded
Disabled Persons Parking Permit	All Pay & Display Car Parks	£46.50	£48.00	Cost recovery
Administration fee to change vehicle registration details on car park permits	All car park permits	£25.00	£25.00	Cost recovery

Note – Cost of Annual Permit increases to £523.00 if paid for using Direct Debit option

Reserved Bays		Charges 2024/25	Charges 2025/26	Category
Beacon Quay	3 spaces	£680.00	£700.00	Traded
Breakwater	2 spaces	£680.00	£700.00	Traded
Chilcote Close	10 spaces	£680.00	£700.00	Traded
Freshwater	24 spaces	£680.00	£700.00	Traded
Harbour Car Park	Not specified	£680.00	£700.00	Traded
Harbour Car Park - Museum Road	Not specified	£680.00	£700.00	Traded
Lymington Road Coach Station	Innovation centre tenants only (28 spaces) Not for general public sale	N/A	N/A	Traded
St Dominics Close	4 spaces	£680.00	£700.00	Traded
Victoria	40 spaces	£680.00	£700.00	Traded
Shedden Hill Car Park	Torquay Lawn Tennis Club only (10 spaces)	N/A	N/A	Traded
Southern Quay	Residential	£740.00	£760.00	Traded
Southern Quay	Business	£1,545.00	£1,590.00	Traded
Reserved Bays	Notification of change of business	£50.00	£50.00	Cost recovery

Commercial Parking (includes coaches) Car Parks VAT Rate SR	£ Current Charges 2024/25	£ Proposed Charges 2025/26	Category
Time Period - All year round			
Up to 1 hour	£5.90	£6.20	Traded
Up to 4 hours	£11.90	£12.40	Traded
Up to 24 hours	£18.20	£18.90	Traded
Weekly	£74.00	£75.50	Traded

Community Safety Fees & Charges

Food, Health & Safety and Public Safety Discretionary Fees

Body alteration registrations http://www.torbay.gov.uk/business/licensing/skin-piercing/	£		Category	2025/26 % rise	
	Current	2024/25			Proposed 2025/26
VAT Rate OS					
Tattooing, Electrolysis and Body Piercing (excluding cartridge systems) – Premises	290.00		300.00	Cost Recovery	3.45%
Tattooing, Electrolysis and Body Piercing (excluding cartridge systems) – Practitioner	167.00		173.00	Cost Recovery	3.59%
Practitioner registration at reduced rate per person when completing a joint application (Premises and Practitioner)	100.00		104.00	Cost Recovery	4.00%
Tattooing, Electrolysis and Body Piercing : Amendment to registration (e.g change of name)	55.00		57.00	Cost Recovery	3.64%
Ear piercing using an approved cartridge system – Premises	155.00		165.00	Cost Recovery	6.45%
Ear piercing using an approved cartridge system – Practitioner	139.00		145.00	Cost Recovery	4.32%
Ear Piercing using an approved cartridge system - Practitioner registration at reduced rate per person when completing a joint application (Premises and Practitioner)	84.00		87.00	Cost Recovery	3.57%
Ear Piercing: Amendment to registration (e.g. change of name)	55.00		57.00	Cost Recovery	3.64%

Fish Export Certificates	£		Category	2025/26 % rise	
	Current	2024/25			Proposed 2025/26
VAT Rate OS					
*Export Support Attestation	135.00		140.00	Cost Recovery	3.70%
*Any Export Certificates (fish) – Advanced	135.00		140.00	Cost Recovery	3.70%
*Any Export Certificates (fish) – Advanced - Late Notice where notified after 1pm	180.00		187.00	Cost Recovery	
*Export Certificates (fish) – Advanced (where re-issued required due to error caused by business)	135.00		140.00	Cost Recovery	3.70%

* Charges applicable Monday-Friday

Factual reports to Solicitors following accidents	£		Category	2025/26 % rise	
	Current	2024/25			Proposed 2025/26
VAT Rate OS					
Factual report	239.00		248.00	Cost Recovery	3.77%
Photocopying per sheet	1.72		1.78	Cost Recovery	3.49%
Photographs			Actual costs	Cost Recovery	

Sports Grounds	£		Category	2025/26 % rise	
	Current	2024/25			Proposed 2025/26
VAT Rate OS					
General or Special Safety Certificate (Sports grounds) - new	3,640.00		3767.00	Cost Recovery	3.49%
General or Special Safety Certificate (Sports grounds) – alteration requested by sports grounds	1040.00		1076.00	Cost Recovery	3.46%
Regulated Stand (Sports grounds) - new	1040.00		1076.00	Cost Recovery	3.46%
Regulated Stand (Sports grounds) - alteration requested by sports grounds	520.00		538.00	Cost Recovery	3.46%

Licensing Discretionary Fees

Street Trading http://www.torbay.gov.uk/business/licensing/street-and-trading/street-trading/	£		Category	2025/26 % rise	
	Current	2024/25			Proposed 2025/26
VAT Rate OS					
Annual	1,178.00		1178.00	Cost Recovery	0.00%
3 months	525.00		525.00	Cost Recovery	0.00%
1 month	224.00		224.00	Cost Recovery	0.00%
Daily	172.00		172.00	Cost Recovery	0.00%
Replacement or amendment	40.00		40.00	Cost Recovery	0.00%
Small Traders 0-15 #					
1 day only	200.00		200.00	Cost Recovery	0.00%
2-3 days	354.00		354.00	Cost Recovery	0.00%
4-6 days	517.00		517.00	Cost Recovery	0.00%
7-9 days	678.00		678.00	Cost Recovery	0.00%
10-12 days	839.00		839.00	Cost Recovery	0.00%
13-15 days	1,000.00		1000.00	Cost Recovery	0.00%
16+ days	1,161.00		1161.00	Cost Recovery	0.00%
Medium Traders 16-30 #					
1 day only	400.00		400.00	Cost Recovery	0.00%
2-3 days	857.00		857.00	Cost Recovery	0.00%
4-6 days	1,259.00		1259.00	Cost Recovery	0.00%
7-9 days	1,661.00		1661.00	Cost Recovery	0.00%
10-12 days	2,068.00		2068.00	Cost Recovery	0.00%
13-15 days	2,469.00		2469.00	Cost Recovery	0.00%
16+ days	2,792.00		2792.00	Cost Recovery	0.00%
High Traders 31+ #					
1 day only	600.00		600.00	Cost Recovery	0.00%
2-3 days	1,373.00		1373.00	Cost Recovery	0.00%
4-6 days	2,024.00		2024.00	Cost Recovery	0.00%
7-9 days	2,666.00		2666.00	Cost Recovery	0.00%
10-12 days	3,311.00		3311.00	Cost Recovery	0.00%
13-15 days	3,949.00		3949.00	Cost Recovery	0.00%
16+ days	4,604.00		4604.00	Cost Recovery	0.00%
Annual Fee for Outdoor Torquay Town Centre Market Supported by Torbay Council (up to 15 stalls)	1,000.00		1000.00	Cost Recovery	0.00%
Annual Fee for Outdoor Torquay Town Centre Market Supported by Torbay Council (up to 30 stalls)	1,300.00		1300.00	Cost Recovery	0.00%
Annual Fee for Outdoor Torquay Town Centre Market Supported by Torbay Council (31 stalls plus)	1,600.00		1600.00	Cost Recovery	0.00%

If an applicant applying for an event/events, applies for a number of days within a given time period, even if those days are not consecutive or not at the same location

Local Community Street Trading Events (i.e. friend of park etc.) where the purpose is charitable, but where stall holders only pay a contribution for charitable purposes -
 # Council Event, run by the Events Team (as opposed to an event support by TBC) then fee will be half the fee listed in the trader fee table above.
 Charitable Street Trading Events, where ALL money raised is for charitable purposes - Free (with agreement from Council)

Zoo Licensing		£	£			
		Current	2024/25	Proposed 2025/26	Category	2025/26 % rise
http://www.torbay.gov.uk/business/licensing/animals/zoo/						
VAT Rate OS						
First ever licence		3000.00		3100.00	Cost Recovery	3.33%
Statutory six yearly inspection		2000.00		2060.00	Cost Recovery	3.00%
Periodic three year inspection		2000.00		2060.00	Cost Recovery	3.00%
Informal annual inspection		500.00		515.00	Cost Recovery	3.00%
Transfer of Licence		270.00		280.00	Cost Recovery	3.70%
Dangerous Wild Animal Licences		£	£			
		Current	2024/25	Proposed 2025/26	Category	2025/26 % rise
http://www.torbay.gov.uk/business/licensing/animals/						
VAT Rate OS						
Dangerous Wild Animals Act 1976**		600.00		621.00	Cost Recovery	3.50%
** Plus costs of vets fees as required						
All Animal Licences (except Zoo and DWA) (see Footnote)		£	£			
		Current	2024/25	Proposed 2025/26	Category	2025/26 % rise
http://www.torbay.gov.uk/business/licensing/animals/						
VAT Rate OS						
Home Boarding **		530.00		549.00	Cost Recovery	3.58%
Kennels inc Catteries **		600.00		621.00	Cost Recovery	3.50%
Pet Shops **		630.00		652.00	Cost Recovery	3.49%
Dog Breeding **		630.00		652.00	Cost Recovery	3.49%
Day Care **		550.00		569.00	Cost Recovery	3.45%
Horses (Riding Establishments) **		770.00		797.00	Cost Recovery	3.51%
Keeping or Training Animals for Exhibition ** (was Performing Animals)		550.00		569.00	Cost Recovery	3.45%
Rescore Visit		NEW		275.00	Cost Recovery	3.45%
Admin fee (change of circumstances such as change of name, add host to franchisee)		NEW		25.00	Cost Recovery	
Licence variation fee (e.g. request to add/remove species)		NEW		55.00	Cost Recovery	
** Plus costs of vets fees as required						
Footnote:						
In all cases where there is more than one activity per licence. The fee will be:						
- Highest Cost Activity - Full Fee, plus;						
- Second (or second Highest) Cost Activity - 30% of fee						
- Any third or subsequent activity add 10% of fee						
Sex Entertainment Premises		£	£			
		Current	2024/25	Proposed 2025/26	Category	2025/26 % rise
http://www.torbay.gov.uk/business/licensing/sex-entertainment-venue/						
VAT Rate OS						
Sex Shop Establishment: New Application		7,212.00		7000.00	Cost Recovery	-2.94%
Sex Shop Establishment: Annual Licence Fee		4,208.00		4050.00	Cost Recovery	-3.75%
Sex Shop Establishment: Transfer of Licence		640.00		665.00	Cost Recovery	3.91%
Sex Shop Establishment: Variation		640.00		665.00	Cost Recovery	3.91%
Sexual Entertainment Venue: New Application		7,212.00		7000.00	Cost Recovery	-2.94%
Sexual Entertainment Venue: Annual Licence Fee		4,208.00		4050.00	Cost Recovery	-3.75%
Sexual Entertainment Venue: Transfer of Licence		640.00		665.00	Cost Recovery	3.91%
Sexual Entertainment Venue: Variation		640.00		665.00	Cost Recovery	3.91%
Distribution of printed matter		£	£			
		Current	2024/25	Proposed 2025/26	Category	2025/26 % rise
http://www.torbay.gov.uk/business/licensing/street-and-trading/leaflets/						
VAT Rate OS						
Consent under CNEA to distribute free printed matter – one distributor		144.00		149.00	Cost Recovery	3.47%
For each additional distributor up to a maximum of six		27.00		28.00	Cost Recovery	3.70%
Park Homes		£	£			
		Current	2024/25	Proposed 2025/26	Category	2025/26 % rise
http://www.torbay.gov.uk/business/licensing/caravan-and-park-home-sites/						
VAT Rate OS						
Annual Licence Fee (Lower band)		166.00		171.00	Cost Recovery	3.01%
Annual Licence Fee (Higher band)		3,120.00		3230.00	Cost Recovery	3.53%
Application Fee for a Site Licence		806.00		835.00	Cost Recovery	3.60%
Application to Transfer a Site Licence		428.00		440.00	Cost Recovery	2.80%
Application to vary conditions on a Site Licence		428.00		440.00	Cost Recovery	2.80%
To post site conditions on Council website		100.00		103.00	Cost Recovery	3.00%
Compliance Notice – Cost of Notice*		100.00		103.00	Cost Recovery	3.00%
*The costs of enforcement will then be added to this figure						
Hackney Carriage		£	£			
		Current	2024/25	Proposed 2025/26	Category	2025/26 % rise
http://www.torbay.gov.uk/business/licensing/taxis/hackney-carriage/						
VAT Rate OS						
Vehicle Annual - New (Includes plate and bracket)		255.00		273.00	Cost Recovery	7.06%
Vehicle Annual Renewal		185.00		199.00	Cost Recovery	7.57%
Driver (New)		375.00		388.00	Cost Recovery	3.47%
Driver (Renewal)		270.00		279.50	Cost Recovery	3.52%
Drivers badge (replacement)		32.00		33.00	Cost Recovery	3.13%
Vehicle Licence Transfer Fee		73.00		74.00	Cost Recovery	
Change of vehicle registration (Cherished number plate)		73.00		74.00	Cost Recovery	1.37%

Betting Premises (Tracks)	950.00	950.00	National	0.00%
Betting Premises (Other)	1,200.00	1,200.00	National	0.00%
Adult Gaming Centres	1,200.00	1,200.00	National	0.00%
Licensed Family Entertainment Centre	950.00	950.00	National	0.00%
Application checking service for Licensing & Gambling applications*				
Premises Licence & Club Premises Certificate applications (Licensing Act 2003 & Gambling Act 2005)	55.00	57.00	Traded	3.64%
Transfer and Vary DPS application (Licensing Act 2003 & Gambling Act 2005)	22.00	23.00	Traded	4.55%
Personal Licence applications (Licensing Act 2003)	17.00	18.00	Traded	5.88%
Permits (Gambling Act 2005)	17.00	18.00	Traded	5.88%
TEN application, assistance and send	15.00	15.00	Traded	0.00%
Rate per hour for other application checks	75.00	80.00	Traded	6.67%

Advice and Support	£		Category	2025/26 % rise
	Current 2024/25	Proposed 2025/26		
VAT Rate SR				
Licensing advice and support visits for Businesses*				
Application licence advice (Up to 2 hours, including site visit & short report, identifying key issues)	180.00	225.00	Traded	25.00%
Food and Safety training, advice and support visits for Businesses*				
VAT Rate OS				
New Business Advice (Up to 2 hours, including site visit & short report, identifying key priorities)	180.00	225.00	Traded	25.00%
FHRS Rescore visit	200.00	210.00	Traded	5.00%

*These services are in the process of being developed and further notification will be given before the service and therefore

Pavement Licences	£		Category	2025/26 % rise
	Current 2024/25	Proposed 2025/26		
VAT Rate OS				
A Board application (PLEASE CONTACT HIGHWAYS TO UPDATE FEE) - JON SETTER TURNHAM				
New Application - Pavement Licence (issued for a maximum of 2 years)	500.00	500.00	National	0.00%
Renewal Application - Pavement Licence (issued for a maximum of 2 years)	350.00	350.00	National	0.00%

Environmental Protection Discretionary Fees	£		Category	2025/26 % rise
	Current 2024/25	Proposed 2025/26		
VAT Rate OS				
http://www.torbay.gov.uk/asb-environment-and-nuisance/				
Stray Dogs				
Carriage of Stray Dogs	83.00	86.00	Cost Recovery	3.61%
Carriage of Stray Dogs (Government Fine £25.00) plus dog warden transportation costs	117.00	122.00	Cost Recovery	4.27%
Out of hours call out (stray dogs)	108.00	110.00	Cost Recovery	1.85%
Payment Plan Arrangement Fee	18.00	19.00	Cost Recovery	5.56%
Private Water Supply Charges				
Risk Assessment	261.00	270.00	Cost recovery	3.45%
Sampling Visit	110.00	114.00	Cost recovery	3.64%
Investigation	137.00	142.00	Cost recovery	3.65%
Granting Authorisation	137.00	142.00	Cost recovery	3.65%
Missed Appointment	47.00	49.00	Cost recovery	4.26%
Scrap Metal Act				
Site Licence Application Fee (3 years)	976.00	1010.00	Cost recovery	3.48%
Collectors Licence Application Fee	499.00	517.00	Cost recovery	3.61%
Variation Cost	112.00	116.00	Cost recovery	3.57%
Renewal Fee - Site Licence	731.00	757.00	Cost recovery	3.56%
Renewal Fee - Collector	366.00	379.00	Cost recovery	3.55%

Environmental Crime - Fixed Penalty Notice Charges	£		Category	Comments	2025/26 % rise
	Current 2024/25	Proposed 2025/26			
VAT Rate OS					
PSPO Hopes Nose and Berrv Head	100.00	100.00	National		
PSPO (Dispersal)	80.00	80.00	National		
PSPO (Alcohol)	80.00	80.00	National		
Littering - with a £50 discount to £100 for early payment (within 10 days)	150.00	150.00	National	National Banding £65 min to £500 max. Payment within 10 days (beginning date of notice) discounted to £100 (minimum discount allowable £50)	
PSPO (Dog Fowling)	100.00	100.00	National	£100 maximum set by Torbay council PSPO. Payment within 10 days (beginning date of notice) discounted to £80 (minimum discount)	0.00%
PSPO (Dog off lead)	100.00	100.00	National	£100 maximum set by Torbay council PSPO. Payment within 10 days (beginning date of notice) discounted to £80 (minimum discount)	0.00%

Graffiti	150.00	150.00	National	National Banding £65 min to £500 max. Payment within 10 days (beginning date of notice) discounted to £100 (minimum discount allowable £50)	0.00%
Fly-posting	150.00	150.00	National	National Banding £65 min to £500 max. Payment within 10 days (beginning date of notice) discounted to £100 (minimum discount allowable £50)	0.00%
Abandoning a Vehicle	200.00	200.00	National	Nationally set at £200. No early repayment discount.	0.00%
Fly Tipping - Upper Offence	600.00	600.00	National	National Banding £150 min to £1000 max. Payment within 10 days (beginning date of notice) discounted to £300 (minimum discounted rate allowable £120)	0.00%
Fly Tipping - Lower Offence	400.00	400.00	National	National Banding £150 min to £1000 max. Payment within 10 days (beginning date of notice) discounted to £200 (minimum discounted rate allowable £120)	0.00%
Failure to Produce a Waste Transfer Note	300.00	300.00	National	Nationally set at £300.00. No early repayment discount.	0.00%
Domestic Waste Receptical Offences	60.00	60.00	National	National Banding £60 min to £80 max. Payment within 10 days (beginning date of notice) discounted to £40 (minimum discount allowable £40)	0.00%
Household Waste Duty of Care	400.00	400.00	National	National Banding £150 min to £600 max. Payment within 10 days discounted to £300 (minimum discounted rate allowable £180)	0.00%
Industrial and Commercial Waste Receptical Offences	110.00	110.00	National	National Banding £75min to £110 max. Payment within 10 days (beginning date of notice) discounted to £80 (minimum discount allowable £60)	0.00%
Nuisance Parking	100.00	100.00	National	Nationally set at £100. No early repayment discount	0.00%

Notes on Fixed Penalty Notices:

Littering: Dropping litter anywhere is an offence. Litter is everything from food packaging to cigarette butts and chewing gum. It can also include feeding birds. Urinating is an offence under various legislation to urinate on public surfaces, roads, pavements or streets and may be treated as littering when acted upon by the Council.

Dog fouling (PSPO): Dog fouling in a public place and failing to pick it up it is an offence.

Dogs not on lead (PSPO): Allowing a dog/s to be off a lead in an area designated that it must be on a lead, is an offence.

Flyposting: It is an offence to display advertising material on buildings and street furniture without the consent of the owner. We will remove any fly posting on the highway and issue an FPN for offences or prosecute in serious cases.

Fly-tipping: Fly-tipping is the illegal dumping of waste. It can vary in scale significantly, from a bin bag of rubbish, to larger bulky waste items being dumped, such as mattresses or white goods.

Domestic duty of care: Where fly-tipped waste or waste in the hands of a non registered waste holder is traced back to an individual who is found to have failed to take reasonable steps to ensure that they transferred the waste to an authorised person. An FPN can be offered in place of a prosecution.

Commercial waste duty of care: Businesses have a duty of care to ensure their waste is removed by a licensed waste carrier. If we suspect a business is not dealing with its waste responsibly, we can issue a notice requiring the production of waste transfer documents. Failure to produce the documents results in the issue of a fine.

Private Sector Housing <i>2025/26 % rise</i>	£		Category	2025/26 % rise
	Current 2024/25	Proposed 2025/26		
VAT Rate OS				
HMO Licensing - New application	1,617.00	1997.00	Cost Recovery	23.50%
HMO Licensing - New application (enforced)	2,128.00	2843.00	Levy	33.60%
HMO Licensing - Renewal	1,162.00	1701.00	Cost Recovery	46.39%
HMO Licensing - Renewal (enforced)	1,377.00	2043.00	Levy	48.37%
Charges for Housing Act Notices plus reasonable costs incurred by the Council	Variable from 124.00 to 622.50	Variable from 125.14 to 625.70	Cost Recovery	
Immigration Inspection Fee	197.60	204.52	Cost Recovery	3.50%
Administrative Charge for landlords who fail to submit documentation when requested	57.20	59.20	Levy	3.50%
Works in Default (minimum admin charge)	£119.60 or 30% of total works (whichever is greater)	£125.00 or 30% of total works (whichever is greater)	Levy	

General Fees for all services	£		Category	2025/26 % rise
	Current 2024/25	Proposed 2025/26		
VAT Rate SR				
Personal Search/Solicitor Enquiries	94.00	97.29	Traded	3.50%
Contaminated Land Searches (per hour)	109.00	112.82	Traded	3.50%
Repayment of fee where error was the applicant's	37.00	38.30	Traded	3.50%
Replacement licence certificates	44.00	45.54	Traded	3.50%

Note: Visits carried out partly or entirely outside normal office hours may incur a surcharge of 50% on the standard fee or on

Domestic Minimum Energy Efficiency Standard Regs (MEES)	£		Category	2025/26 % rise
	Current 2024/25	Proposed 2025/26		
VAT Rate OS				
Civil Penalty	From 1,000 to 5,000 as per policy	From 1,000 to 5,000 as per policy	Levy	

Disabled Facility Grant (Agreed via Housing Assistance Policy)	£		Category	2025/26 % rise
	Current 2024/25	Proposed 2025/26		
VAT Rate SR				
Project Management Fee	15% fee applied to the first £30,000.00 with 12% applied to discretionary element above £30,000.00	15% fee applied to the first £30,000.00 with 12% applied to discretionary element above £30,000.00	Traded	

Temporary Accommodation	£		Category
	Current 2024/25 weekly rate	Proposed 2025/26 weekly rate	
VAT Rate			
Council Tax	0	Variable - See note	
- Tenants are liable for full amounts, subject to valid housing and Council tax claim and amount of award given.			

Licence Fee - Tenants are liable for full amounts, subject to valid housing and Council tax claim and amount of award given. <i>*Note: Council Tax and weekly licence charges will vary depending on the size of the property and Council tax banding.</i>	0	Variable - See note		
Services Charges Utilities - Weekly Water Heating (Gas/Elec) Lighting Laundry/Bedding Cleaning Cooking Breakfast (per person) <i>* Note - These deductions are the amounts set by the DWP that are not included with any claim. If for example breakfast is provided, then the amount will not be deducted from the costs. Some accommodation provisions will have additional charges added to the property due to property maintenance being provided by Torbay Council. These costs are not covered by Housing Benefit and therefore the applicant will be liable for these costs.</i>			£4.10 £35.25 £2.85 £4.10 £2.85 £4.10 £4.30	
<i>*Note: Where the licensee has sole use of the property at an address, e.g. whole house of self contained flat, they will be liable for utilities through the utility provider.</i>				
Service Charge Management Fees - Weekly			£20	
<i>*1 Charges will include but not limited to communal lighting, Health and safety inspections and compliance checks</i>				
Service Charge Management and Furnishings - Weekly <i>*2 Charges will include areas but not limited to Windows, Gardens, Guttering, kitchen appliances, cleaning at the end of the tenancy, furniture provisions.</i>			£50	
NEW Removals and Storage of Personal Belongings Where assistance is provided full recovery of costs will be recovered from the applicant				
NEW Homeliness Assistance for Pets and Kenneling Where assistance is provided full recovery of costs will be recovered from the applicant				
NEW Damage to Emergency Accommodaion Where damage has been caused full recovery of costs will be recovered from the applicant				
NEW Hostel Service Charge			£17	
CCTV				
Third party requests from Insurance Companies for CCTV and/or still images of Road Traffic Collisions			£102	NEW

Council Tax & Business Rates Services Fees and Charges

	£		Category	2025/26 % rise
	Current	Proposed		
VAT Rate OS				
Court Costs - Issue of Summons	60.00	60.00	Cost Recovery	0.00%
- Issue of Liability order	25.00	25.00	Cost Recovery	0.00%
Penalty Charge for failure to provide information requested for Council Tax purposes	70.00	70.00	Levy	0.00%
Business Rates Statement of Accounts (Cost per rating list that the request covers. This would be for information relating to each of the following 1990-1994; 1995-1999; 2000-2004; 2005-2009 and 2010-2014 etc)	100.00	120.00	Cost Recovery	20.00%
For information where there is a request to check each rating list published prior to 2017. The charge will apply to each list checked.	100.00	100.00	Cost Recovery	0.00%

Culture & Sport

Outdoor Sport http://www.torbay.gov.uk/leisure-sports-and-community/sports/sports-facilities/	£ Current 2024/25	£ Proposed Charge 2025/26	Category
VAT Rate OS			
Soccer, Rugby, Hockey - Per Match			
Seniors: including showers/changing x 1 game	67.10	75.00	Subsidised
Seniors:excluding showers/changing x 1 game	32.30	37.00	Subsidised
Juniors (13 and under): including showers/changing x 1 game	26.00	30.00	Subsidised
Juniors (13 and under): excluding showers/changing x 1 game	16.10	18.00	Subsidised
Football League Clubs - Only League and Cup fixtures Season Fee x 12 games (2 hours) (including showers/changing and cutting/markings)			
Senior	572.00	630.00	Subsidised
Junior (13 and under)	135.20	150.00	Subsidised
Senior: Additional games	46.80	52.00	Subsidised
Junior: Additional games	11.50	13.00	Subsidised
Netball Courts - Upton park, Lymmington Road			
U18's per hour	14.50	16.00	Subsidised
seniors	20.80	23.00	Subsidised
Training Sessions			
Use of field x 2 hours (Not Pitch - there will be no cutting or marking) per session	20.80	23.00	Subsidised
Use of field x 2 hours including showers/changing (Not Pitch - there will be no cutting or marking) per session	46.80	52.00	Subsidised

Outdoor Sport <i>Continued</i> http://www.torbay.gov.uk/leisure-sports-and-community/sports/sports-facilities/	£ Current 2024/25	£ Proposed Charge 2025/26	Category
VAT Rate OS			
Schools			
Schools Sports Day: No marking or changing rooms	26.00	29.00	Subsidised
Schools Sports Day: With Changing rooms (no marking)	52.00	58.00	Subsidised
Cricket			
Weekend fixtures (full day) including changing rooms	94.60	105.00	Subsidised
Weekend fixtures (full day) excluding changing rooms	67.60	74.00	Subsidised

Afternoon or evening matches, excluding changing rooms: Excluding Saturday and Sunday	67.60	74.00	Subsidised
Athletics Training Session			
Torre Valley North, including marked track and changing facilities	53.10	75.00	Subsidised
Torre Valley North, including marked track. No changing rooms	41.60	37.00	Subsidised
Rounders			
Use of field based on a 2 hour session (No charge per pitch) No changing facilities	32.30	37.00	Subsidised
Use of field based on a day event (tournament/charity day) No changing facilities	67.60	74.00	Subsidised

Torre Abbey Mansion	£	£	
https://www.torre-abbey.org.uk/plan-your-visit/	Current 2024/25	Proposed Charge 2025/26	Category
VAT Rate SR			
Adults	11.00	11.50	Traded
Children - (5 - 18 yrs) (under 5's free)	4.00	4.00	Traded
Family 2 adults plus children	24.00	27.00	Traded
Family 1 adult plus children	15.00	16.00	Traded
Annual Ticket Adult	24.00	25.00	Traded
Joint Annual Ticket for 2 adults	38.00	40.00	Traded
Annual Family Ticket 2 adults plus children	42.00	45.00	Traded
Annual family ticket 1 adult plus children	28.00	30.00	Traded
Educational group membership for schools etc.	30.00	30.00	Traded
Groups	0.00	0.00	
Foreign language schools GROUPS of 15+ under 18's	5.00	5.50	Traded
Adult Group (10+) House and Gardens inc.	7.00	7.50	Traded
Adult Group (10+) House and Gardens including a tour	10.00	10.50	Traded
House and Garden Workshop/Activities			
VAT Rate EX			
Formal education activities (under 18s 10+) half day workshop per student	6.50	6.50	Traded
Formal education activities (under 18s 10+) full day workshop per student	10.00	10.00	Traded
Workshop/Activities for adults (including lectures)	12.00	12.45	Traded
Educational guided tour	0.00	3.75	Traded
Self guided with worksheets (must have EGM)	0.00	2.50	Traded
Lectures			
VAT Rate EX			
Lecture off site (flat rate)	58.00	60.00	Traded

Torre Abbey Mansion - Room Hire	£	£	
VAT Rate EX (unless additional facilities/services provided)	Current 2024/25	Proposed Charge 2025/26	Category
Spanish Barn (3 day) Friday to Sunday 1st April - 30th Sept	4,000.00	4,000.00	Traded
Spanish Barn (3 day) weekday & weekends 1st Oct - 31st March	2,500.00	2,500.00	Traded
Spanish Barn (3day) Monday to Thursday 1st April - 30th Sept	3,500.00	3,622.50	Traded
Spanish Barn 09.00 - 18.00 (1day)	1,250.00	1,293.75	Traded
Spanish Barn half day	650.00	672.75	Traded
Ballroom (1 day hire up 9:00- 18:00) 1st April - 30th Sept	600.00	625.00	Traded
Ballroom (1 day hire 9:00- 18:00) 1st Oct - 31st March	450.00	470.00	Traded
Gathering Space weekends 1st April -30th Sept (1 day hire 9:00-18:00)	450.00	470.00	Traded
Gathering Space weekends 1st Oct -31st March (1 day hire 9:00-18:00)	350.00	360.00	Traded

Room/Venue Hire - Ceremonies	£	£	
	Current	Proposed	
VAT Rate SR	2024/25	Charge	Category
		2025/26	
Spanish Barn (3 day) Friday to Sunday 1st April - 30th Sept	4,750.00	4,916.25	Traded
Spanish Barn (3 day) weekday & weekends 1st Oct - 31st March	2,600.00	2,691.00	Traded
Spanish Barn (3day) Monday to Thursday 1st April - 30th Sept	3,900.00	4,036.50	Traded
Spanish Barn wedding ceremony only up to 200 Sunday to Friday	1,150.00	1,190.25	Traded
Spanish Barn wedding ceremony only up to 200 Saturdays	1,300.00	1,345.50	Traded
Wedding ceremony only capacity 70 1st April - 30th Sept Mon-Fri	680.00	703.80	Traded
Wedding ceremony only capacity 70 1st April - 30th Sept Sat-Sun	850.00	879.75	Traded
Wedding ceremony only capacity 70 31st Oct -31st March Mon-Fri	575.00	595.15	Traded
Wedding ceremony only capacity 70 31st Oct -31st March Sat-Sun	750.00	776.25	Traded
[Closed] Chapel All Year	Closed	Closed	Traded
Palm House ceremony (max capacity 20)	350.00	362.25	Traded
Marquee land charge (per day)	1,000.00	1,035.00	Traded
Formal gardens and ruins (per hour) (photography)	125.00	129.40	Traded
Formal gardens and ruins (per hour) (receptions)	175.00	181.15	Traded
House after 6pm (per hour)	250.00	258.75	Traded
Spanish Barn extended hours (3 day hire past 12pm) (per hour)	350.00	362.25	Traded
Gathering space (only applicable for; Spanish Barn, Chapel, Palm House (per hour)	200.00	207.00	Traded
Room Hire - Learning Lab			
VAT Rate EX (unless additional facilities/services provided)			
Commercial Day Rate	260.00	270.00	Traded
Non-commercial day rate (This rate can also be applied to Undercroft & Ballroom - Undercroft & Ballroom hire - VAT Rate SR)	135.00	140.00	Traded

2025/26 % rise
11.77%
14.55%
15.38%
11.80%
10.14%
10.95%
11.11%
13.04%
10.34%
10.58%
10.58%
11.11%

2025/26 % rise
11.54%
11.54%
10.99%
10.36%

10.36%
41.24%
-10.00%
14.00%
10.36%

2025/26 % rise
4.55%
0.00%
12.50%
6.67%
4.17%
5.26%
7.14%
7.14%
0.00%
10.00%
7.14%
5.00%
0.00%
0.00%
3.75%
3.45%

2025/26 % rise
0.00%
0.00%
3.50%
3.50%
3.50%
4.17%
4.44%
4.44%
2.86%

2025/26 % rise
3.50%
3.50%
3.50%
3.50%
3.50%
3.50%
3.50%
3.50%
3.50%
3.50%
3.50%
3.50%
3.52%
3.51%
3.50%
3.50%
3.50%
3.85%
3.70%

Customer Services Fees and Charges

	£ Current 2024/25	£ Proposed 2025/26	Category
VAT Rate OS			
Copies of Housing Benefit payment schedules to Landlords & Agents –			
Requests for schedules less than 6 months	27.30	28.26	Cost Recovery
Requests for schedules over 6 months, per property	109.20	113.02	Cost Recovery

2025/26 % rise
3.50%
3.50%

Data Protection Subject Access Requests - Fees and Charges

	£ Current 2024/25	£ Proposed 2025/26	Category
VAT Rate OS			
Subject Access Request per person	No Charge	No Charge	
Repeated Subject Access request per person per hour (where we have already dealt with a request)	62.40	64.60	Cost Recovery

2025/26% increase
3.53%

Development Control Fees and Charges

http://ecab.planningportal.co.uk/uploads/english_application_fees.pdf

[A Guide to the Fees for Planning Applications in England \(planningportal.co.uk\)](#)

(2023/24 Fees Link)

(6 December 2023 Fees Link)

All Outline Applications	£ Current 2024/25	£ Proposed 2025/26	Category	Proposed increase
VAT Rate OS				
Sites up to and including 2.5 hectares (per 0.1 hectare or part thereof)	N/A subdivided see below		National	
Dwellinghouses not more than 0.5 hectares (per 0.1 hectare or part thereof)	£578.00	£587.83	National	1.70%
Dwellinghouses between 0.5 and 2.5 hectares (per 0.1 hectare or part thereof)	£624.00	£634.61	National	1.70%
Dwellinghouses more than 2.5 hectares (per 0.1 hectare or part thereof)	15,433+ £186 for each additional 0.1 hectare (or part thereof) in excess of 2.5 hectares Maximum fee of £202,500		National	
Buildings (Not Dwellinghouses) not more than 1 hectare (per 0.1 hectare or part thereof)	£578.00	£587.83		1.70%
Buildings (Not Dwellinghouses) between 1 hectare and 2.5 hectares (per 0.1 hectare or part thereof)	£624.00	£634.61	National	1.70%
Sites in excess of 2.5 hectares (Not Dwellinghouses)	15,433+ £186 for each additional 0.1 hectare (or part thereof) in excess of 2.5 hectares Maximum fee of £202,500		National	
Householder Applications	£ Current 2024/25	£ Proposed 2025/26	Category	Proposed 2025/26
VAT Rate OS				
Alterations/extensions to a single dwelling, including works within boundary	£258.00	£262.39	National	1.70%

Full Applications (and First Submissions of Reserved Matters)	£ Current 2024/25	£ Proposed 2025/26	Category	Proposed 2025/26
VAT Rate OS				
Alterations/extensions to a single dwelling, including works within boundary	£258.00	£262.39	National	1.70%
Alterations/extensions to two or more dwellings (inc flats), including works within boundaries	£509.00	£517.65	National	1.70%
New dwellings up to and including 50 (per dwelling)	N/A subdivided see below		National	
New dwellings up to and including 10 (per dwelling)	£578.00	£587.83		1.70%
New dwellings between 10 and 50 (per dwelling)	£624.00	£634.61		1.70%
New dwellings more than 50	£30,860 + £186 for each additional dwellinghouse in excess of 50 Maximum fee of £405,000		National	
Erection of buildings (not dwellings, agricultural, glasshouses, plant nor machinery):				
No increase in gross floor space or no more than 40m ² created by the development	£293.00	£297.98	National	1.70%
Increase in gross floor space of more than 40m ² but no more than 1,000 (formerly 75) m ² created by the development	£578.00	£587.83	National	1.70%
Increase in gross floor space of more than 1,000 (formerly 75) m ² but no more than 3,750m ² created by the development	£624 for each 75 square metres (or part thereof)		National	
Increase in gross floor space of more than 3,750m ² created by the development	£30,680 + £186 for each additional 75 square metres (or part thereof) in excess of 3,750 square metres Maximum fee of £405,000		National	

The erection of buildings (on land used for agriculture for agricultural purposes)	£ Current 2024/25	£ Proposed 2025/26	Category	Proposed 2025/26
VAT Rate OS				
Not more than 465m ² gross floor space to be created by the development	£120.00	£122.04	National	1.70%
More than 465m ² but not more than 540m ² gross floor space to be created by the development	£578.00	£587.83	National	1.70%
More than 540m ² but not more than 1,000m ² gross floor space to be created by the development	578 for first 540 square metres + £578 for each additional 75 square metres in excess of 540 square metres		National	
More than 1,000m ² but not more than 4,215m ² gross floor space to be created by the development	£624 for first 1,000 square metres + £624 for each additional 75 square metres in excess of 1,000 square metres.		National	
More than 4,215m ² gross floor space to be created by the development	£30,860 + £186 for each additional 75 square metres (or part thereof) in excess of 4,215 square metres Maximum fee of £405,000		National	
Erection of glasshouses (on land used for the purposes of agriculture)	£ Current 2024/25	£ Proposed 2025/26	Category	Proposed 2025/26
VAT Rate OS				
Not more than 465m ² gross floor space to be created by the development	£120.00	£122.04	National	1.70%
More than 465m ² but not more than 1,000m ²	£3,225.00	£3,279.83	National	1.70%
More than 1,000m ²	£3,483.00	£3,542.21	National	1.70%
Erection/alterations/replacement of plant and machinery	£ Current 2024/25	£ Proposed 2025/26	Category	Proposed 2025/26
VAT Rate OS				
Site area not more than 1 (formerly 5) hectares per 0.1 hectare (or part thereof)	£578.00	£587.83	National	1.70%
More than 1 hectare but not more than 5 hectares per 0.1 hectare (or part thereof)	£624.00	£634.61	National	1.70%
Site area more than 5 hectares	£30,860 + £186 for each additional 0.1 hectare (or part thereof) in excess of 5 hectares Maximum fee of £405,000		National	

Applications other than Building Works	£ Current 2024/25	£ Proposed 2025/26	Category	Proposed 2025/26
VAT Rate OS				
Car parks, service roads or other accesses (For existing uses)	£293.00	£297.98	National	1.70%
Waste (Use of land for disposal of refuse or waste materials or deposit of material remaining after extraction or storage of minerals)				
Site area Not more than 15 hectares For each 0.1 hectare (or part thereof)	£316.00	£321.37	National	1.70%
More than 15 hectares	£47,161 + £186 for each additional 0.1 hectare (or part thereof) in excess of 15 hectares Maximum fee of £105,300		National	
Operations connected with exploratory drilling for oil or natural gas				
Site area not more than 7.5 hectares for each 0.1 hectare (or part thereof)	£686.00	£697.66	National	1.70%
Site area more than 7.5 hectares	£51,395 + £204 for each additional 0.1 hectare (or part thereof) in excess of 7.5 hectares. Maximum fee of £405,000		National	
Operations (other than exploratory drilling) for the winning and working of oil or natural gas				
Site area not more than 15 hectares For each 0.1 hectare (or part thereof)	£347.00	£352.90	National	1.70%
Site area more than 15 hectares	£52,002 + additional £204 for each 0.1 hectare in excess of 15 hectares Maximum fee of £105,300		National	
Other operations (winning and working of minerals) excluding oil and natural gas				
Site area not more than 15 hectares For each 0.1 hectare (or part thereof)	£316.00	£321.37	National	1.70%
Site area More than 15 hectares	£47,161 + additional £186 for each 0.1 hectare in excess of 15 hectares Maximum fee of £105,300		National	

Other operations (not coming within any of the above categories)	£ Current 2024/25	£ Proposed 2025/26	Category	Proposed 2025/26
VAT Rate OS				
Any site area	£293 for each 0.1 hectare (or part thereof) up to a maximum of £2,535		National	
Change of Use of a building to use as one or more separate dwellinghouses, or other				
Not more than 50 dwellinghouses (per dwellinghouse)	N/A subdivided see below		National	
Not more than 10 dwellinghouses (per dwellinghouse)	£578.00	£587.83	National	1.70%
Between 10 and 50 dwellinghouses (per dwellinghouse)	£624.00	£634.61	National	1.70%
More than 50 dwellinghouses	£30,860 + £186 for each additional dwellinghouse in excess of 50 Maximum fee of £405,000		National	
Other changes of use of a building or Land	£578.00	£587.83	National	1.70%
Lawful Development Certificate				
LDC – Existing Use - in breach of a planning condition	Same as equivalent full application		National	
LDC – Existing Use LDC - lawful not to comply with a particular condition	£293.00	£297.98	National	1.70%
LDC – Proposed Use	Half the equivalent normal planning fee.		National	
Prior Approval				
VAT Rate OS				
Larger Home Extensions (from 19 August 19)	£120.00	£122.04	National	1.70%
Additional storeys on a home	£120.00	£122.04	National	1.70%
Agricultural and Forestry buildings & operations or demolition of buildings	£120.00	£122.04	National	1.70%
Demolition of Buildings	£120.00	£122.04	National	1.70%
Communications (Previously referred to as Telecommunications Code Systems Operators)	£578.00	£587.83	National	1.70%
Change of use from commercial/Business/Service (use Class E), or Betting office or Pay Day Loan Shop to mixed use including up to two flats (Use Class C3)	£120.00	£122.04	National	1.70%
Change of Use of a building and any land within its curtilage from Commercial/Business/Service (Use Class E), Hotels (Use Class C1), Residential Institutions (Use Class C2), Secure Residential Institutions (Use Class C2A) to a State Funded School	£120.00	£122.04	National	1.70%
Change of Use of a building and any land within its curtilage from an Agricultural Building to a State-Funded School	£120.00	£122.04	National	1.70%
Change of Use of a building and any land within its curtilage from an Agricultural Building to a flexible commercial use within Commercial/Business/Service (Use Class E), Storage or Distribution (Use Class B8), or Hotels (Use Class C1)	£120.00	£122.04	National	1.70%
Change of use from shops, financial services, takeaways, betting offices, pay day loan shops or launderettes to offices	NA		National	
Proposed Change of Use of Agricultural Building to a flexible use within Shops, Financial and Professional services, Restaurants and Cafes, Business, Storage or Distribution, Hotels, or Assembly or Leisure	£120.00	£122.04	National	1.70%
Proposed Change of Use of a building from Office (Use Class B1) Use to a use falling within Use Class C3 (Dwelling house)	NA		National	
Proposed Change of Use of Agricultural Building to a Dwelling house (Use Class C3), where there are no Associated Building Operations	£120.00	£122.04	National	1.70%

Proposed Change of Use of Agricultural Building to a Dwelling house (Use Class C3), and Associated Building Operations	£258.00	£262.39	National	1.70%
Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwelling house), where there are <u>no</u> Associated Building Operations	NA		National	
Proposed Change of Use of a building from a Retail (Use Class A1 or A2) Use or a Mixed Retail and Residential Use to a use falling within Use Class C3 (Dwelling house), and Associated Building Operations	NA		National	

Prior Approval continued...	£	£	Category	Proposed
	Current 2024/25	Proposed 2025/26		2025/26
Notification for Prior Approval for a Change of Use from light industrial (Class B1c) and any land within its curtilage to Dwelling houses (Class C3)	NA		National	
Change of use of a building and any land within its curtilage from Commercial/Business/Service (Use Class E) to Dwellinghouses (Class C3) for each dwellinghouse	£120.00	£122.04	National	1.70%
Notification for Prior Approval for a Change of Use from Amusement Arcades/Centres and Casinos, (Sui Generis Uses) and any land within its curtilage to Dwelling houses (Class C3)	£120.00	£122.04	National	1.70%
Notification for Prior Approval for a Change of Use from Amusement Arcades/Centres and Casinos, (Sui Generis Uses) and any land within its curtilage to Dwelling houses (Class C3) and Associated Building Operations	£258.00	£262.39	National	1.70%
Notification for Prior Approval for a Change of Use from Shops (Class A1), Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops and Casinos (Sui Genris Uses) to Restaurants and Cafes (Class A3)	NA		National	
Notification for Prior Approval for a Change of Use from Shops (Class A1), Financial and Professional Services (Class A2), Betting Offices, Pay Day Loan Shops and Casinos (Sui Genris Uses) to Restaurants and Cafes (Class A3) and Associated Building Operations	NA		National	
Notification for Prior Approval for a Change of Use from Shops (Class A1), Financial and Professional Services (Class A2) Betting Offices, Pay Day Loan Shops and Casinos (Sui Genris Uses) to Assembly and Leisure Uses (Class D2)	NA		National	
Notification for Prior Approval for a Development Consisting of the Erection or Construction of a Collection Facility within the Curtilage of a Shop	£120.00	£122.04	National	1.70%
Notification for Prior Approval for the Temporary Use of Buildings or Land for the Purpose of Commercial Film making and the Associated Temporary Structures, Works, Plant or Machinery required in Connection with the Use	£120.00	£122.04	National	1.70%
Provision of Temporary School Buildings on Vacant Commercial Land and the use of that land as a State-funded School for up to 3 Academic Years	£120.00	£122.04	National	1.70%
Notification for Prior Approval for Installation, Alteration or Replacement of other Solar Photovoltaics (PV) equipment on the Roofs of Non-domestic Buildings, up to a Capacity of 1 Megawatt	£120.00	£122.04	National	1.70%
Prior Approval for Construction of new dwellinghouses (from 2 September 2020) - not more than 50 for each dwellinghouse	N/A subdivided see below		National	
Prior Approval for Construction of new dwellinghouses (from 2 September 2020) - not more than 10 for each dwellinghouse	£418.00	£425.11	National	1.70%
Prior Approval for Construction of new dwellinghouses (from 2 September 2020) - between 10 and 50 for each dwellinghouse	£451.00	£458.67	National	1.70%
Prior Approval for Construction of new dwellinghouses (from 2 September 2020) - more than 50	£22,309 + £135 for each dwellinghouse in excess of 50 Maximum fee of £405,000		National	

Reserved Matters	£ Current 2024/25	£ Proposed 2025/26	Category	
VAT Rate OS				Proposed 2025/26
Application for approval of reserved matters following outline approval	Full fee due or if full fee already paid then £578.00 due		National	
				Proposed 2025/26
				1.70%
				1.70%
				1.70%
				Proposed 2025/26
				1.70%
				1.70%
				1.70%
				Proposed 2025/26
				1.70%
				1.70%
				Proposed 2025/26
				1.70%
				1.70%
				Proposed 2025/26
				1.70%

Governance Fees and Charges

Copies of Agendas, Reports, Minutes, Constitution, Forward Plan	£ Current 2024/25	£ Proposed 2025/26	Category
VAT Rate OS			
Electronic	FOC	FOC	N/A
Hardcopy: per A4 side	2.86	2.96	Cost recovery

2025/26 % rise
3.50%

Copies of Electoral Register			
Copies of the Electoral Roll per Ward (Calculated pro rata)	cost of request as set out in legislation	cost of request as set out in legislation	

Admission Appeals and Exclusion Reviews	£ Current 2024/25	£ Proposed 2025/26	Category
VAT Rate SR			
Cost per appeal in the circumstances where an appeal is arranged and heard	225.00	240.00	Subsidy
Cost if an appeal is withdrawn 2 weeks before the hearing date	160.00	210.00	Subsidy
Cost of exclusion review*	£950 per half day (based on one student) for the first 4 hours and then £400 per hour thereafter	£950 per half day (based on one student) for the first 4 hours and then £400 per hour thereafter	Subsidy

2025/26 % rise
6.67%
31.25%

* Note normal appeals increase by £15 and exclusions by £50 each year.

Green Space

Helicopter Landings	£ Current 2024/25	£ Proposed Charge 2025/26
http://www.torbay.gov.uk/roads/helicopters/ VAT Rate SR		
Week Days 09.00 - 17.00: Per landing - up to 2hrs	112.00	115.92
Additional hourly rate	39.47	40.85
Out of Hours inc 5pm till dusk: per landing - up to 2hrs	159.13	164.70
Additional hourly rate	57.20	59.20
Saturday: Per landing up to 2 hrs	159.13	164.70
Additional hourly rate	57.20	59.20
Sunday: Per landing up to 2hrs	207.08	214.33
Additional hourly rate	79.60	82.39

Allotments (Annual Charge)	£ Current 2024/25	£ Proposed Charge 2025/26
http://www.torbay.gov.uk/leisure-sports-and-community/parks/allotments/ VAT Rate OS		
Per 25 Square Metre with water	5.56	6.40
Per 25 Square Metre without water	3.49	4.02
Tool Lockers – Sherwell Valley	3.28	3.77

Category
Traded
Traded
Traded
Traded
Traded
Traded
Traded
Traded

2025/26 % rise
3.5%
3.5%
3.5%
3.5%
3.5%
3.5%
3.5%
3.5%

Category
Subsidised
Subsidised
Subsidised

2025/26 % rise
15.0%
15.0%
15.0%

The price dropped 2023 as we had to align the prices to those advertised on the Council website. The price of allotment plots has not kept pace with the price of water or inflation in recent years, I think this is justification for 15% rise. For information plots range from £4.50 - £55.00 per year.

Tor Bay Harbour Authority Fees and Charges

Tor Bay Harbour Authority Fees and Charges are being discussed at the Harbour Committee on 2nd December 2024

[Link to the agenda for Harbour Committee - Wednesday, 2 December 2024 5.30 pm](#)

[Agenda for Harbour Committee on Monday, 2 December 2024, 5.30 pm](#)

Highways Fees and Charges

<http://www.torbay.gov.uk/roads/highways-licenses/>

License	Chargeable Matter	£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS					
Permission to place skip on the public highway (Section 139) or Scaffolding and gantry licence (Section 169) or Consent to deposit building materials / make temporary excavation in the highway. (Section 171) or Consent not to erect hoarding or fence during building (Section 172)	Consideration and administration of application (10 days) Within H/A published notice period (more than 10 days) or renewal of existing licence (more than 5 days notice).	59.96	62.25	Traded	3.83%
	Consideration and administration of application (10 days) Outside H/A published notice period (10 days and less)	119.91	124.50	Traded	3.83%
	Where a site visit is required during consideration of application (per visit)	119.91	124.50	Traded	3.83%
	Where an inspection of the site reveals non-compliance (per visit)	119.91	124.50	Traded	3.83%
Inspection of hoarding or fence set up during building (Section 172 & 173)		£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS					
Inspections made by H/A to monitor compliance with statutory duties (per visit)		115.39	119.50	Traded	3.56%
Adopted Highway		58.24	60.50	Traded	3.88%
Control of construction of cellars under street		£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS					
(Section 179) Or (Section 180[1]) Or Control of light into cellars (Section 180 [2])	Consideration and administration of application	119.91	124.50	Traded	3.83%
	Where a site visit is required during consideration of application (per visit)	119.91	124.50	Traded	3.83%
	Where an inspection of the site reveals non-compliance of application (per visit)	119.91	124.50	Traded	3.83%
Vehicle crossings over footways and verges (Section 184)		£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS					
Consideration of a request to execute such works as are specified in the request for constructing a vehicle crossing when works executed by H/A contractor		179.61	185.90	Traded	3.50%
Consideration of a request to execute such works as are specified in the request for constructing a vehicle crossing when works executed by applicants contractor		59.96	62.25	Traded	3.83%
Where a site visit is required during consideration of application (per visit)		119.91	124.50	Traded	3.83%
Where an inspection of the site reveals non-compliance (per visit)		119.91	124.50	Traded	3.83%
Clearance of accident debris		£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate SR					
Requests which do not form part of the Council's service e.g. removal of items from gullies		At cost	At cost	Cost	
VAT Rate OS					
Clearance of accident debris under Section 41 /Section 130		At cost	At cost	Cost	

Road closure & traffic restrictions (Section 14[1] & [2])	£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS				
Anything done by traffic authority in connection with the making of an order				
Under section 14 (1)	1,772.99	1835.05	Traded	3.50%
	1,948.39	2016.60	Traded	3.50%
Under section 14 (2) (under 5 days)	348.71	360.95	Traded	3.51%
Additional exceptional administrative work by traffic authority See New Roads & Street Works Act, Co-Ordination Code of Practice S7.3.22				
	At cost	At cost	Cost	
Advertising	At cost	At cost	Cost	
Suspension of parking (Section 49 [4])				
VAT Rate OS				
Anything done by the local traffic authority in connection with or in consequence of a request to suspend the use of a parking place or part of it				
	At cost	At cost	Cost	
Route signs (Section 65 [1])				
VAT Rate OS				
Consideration of request to permit a traffic sign to indicate the route to specified land or premises				
	At cost	At cost	Cost Recovery	
The placing by the traffic authority of a sign in accordance with a request of the kind referred to in the previous				
	At cost	At cost	Cost Recovery	
Provision of Disabled Parking Bay (Anything done by the local traffic authority in connection with or in consequence of a request to provide a disabled parking bay)				
	104.00	107.65	Subsidised	3.51%
Disabled Bay Refresh	104.00	107.65	Subsidised	3.51%
Provision of access lines (Anything done by the local traffic authority in connection with or in consequence of a request to place access lines)				
	229.01	237.00	Traded	3.49%
Access Line Refresh	187.72	194.30	Traded	3.51%
Consideration of requests for Tourism Signage	93.86	97.15	Traded	3.50%
Street Naming & Numbering				
VAT Rate OS				
Amending House/Number change (Cost per address)				
	57.67	59.70	Traded	3.52%
New Development - Naming Street (Cost per street)				
	251.58	260.35	Traded	3.49%
New Development - Per plot (Cost per plot)				
	54.03	55.95	Traded	3.56%
Legislation reference Traffic Signs & General Directions Regs 1994				
VAT Rate SR				
Design consultancy				
	At cost	At cost	Cost Recovery	
VAT Rate OS				
Portable traffic signals (Reg 32 para 47 & TD 21/85)				
	At cost	At cost	Cost Recovery	
Damage to council property (Anything done by the authority to repair damage caused by others)				
	At cost	At cost	Cost Recovery	
Technical Information				
Basic Search	244.50	253.05	Traded	3.50%
Large Search	423.02	437.85	Traded	3.51%
Extra Large Search	784.47	811.95	Traded	3.50%
Traffic Data Request	321.83	333.10	Traded	3.50%

Street Works Regulation Made Under NRSWA 1991	£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS				
Random sample (Section 75). Fee per unit of inspection	48.90	50.00	national	2.25%
Investigatory work from routine inspection. Fee per unit of inspection	72.10	72.10	national	0.00%
Investigatory works from third party report (Section 72 [1]) Fee per unit of inspection	72.10	72.10	national	0.00%
Defect inspection (Section 72 [2]), Joint visit, remedial works in progress, remedial works complete - per unit of inspection	51.50		national	-100.00%
Defect Notice (per copy)	57.40	57.40	national	0.00%
Inspection checklist (per copy)	57.40	57.40	national	0.00%

Street Works Licence (Section 50)	£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS				
Licence for new apparatus				
1. Capitalised fee	248.98	257.70	Traded	3.50%
2. Administration fee	287.46	297.55	Traded	3.51%
3. Inspection fee (3 phases)	193.28	200.05	Traded	3.50%
Authorisation for works on existing apparatus				
1. Administration fee	163.23	168.95	Traded	3.51%
2. Inspection fee (3 phases)	193.28	200.05	Traded	3.50%

Overhead structures (including tower cranes, banners etc.)	£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS				
Consideration and administration of application Within H/A published notice period (3 days or less)	50.85		national	-100.00%
Consideration and administration of application Outside H/A published notice period (3 days or less)	101.70		national	-100.00%
Where a site visit is required during consideration of application (per visit)	101.70		national	-100.00%
Where an inspection of the site reveals non-compliance (per visit)	101.70		national	-100.00%

Street Works Permits	£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS				
Provisional Advance Authorisation				
Traffic Sensitive	105.00	105.00	national	0.00%
Non Traffic Sensitive	35.00	35.00	national	0.00%
Major Works (>10 Days)				
Traffic Sensitive	240.00	240.00	national	0.00%
Non Traffic Sensitive	75.00	75.00	national	0.00%
Major Works (4 to 10 Days)				
Traffic Sensitive	130.00	130.00	national	0.00%
Non Traffic Sensitive	40.00	40.00	national	0.00%
Standard Works (4 to 10 Days)				
Traffic Sensitive	130.00	130.00	national	0.00%
Non Traffic Sensitive	40.00	40.00	national	0.00%
Major Works (<3 days)				
Traffic Sensitive	65.00	65.00	national	0.00%
Non Traffic Sensitive	25.00	25.00	national	0.00%
Minor				
Traffic Sensitive	55.00	55.00	national	0.00%
Non Traffic Sensitive	25.00	25.00	national	0.00%
Intermediate				
Traffic Sensitive	55.00	55.00	national	0.00%
Non Traffic Sensitive	25.00	25.00	national	0.00%
Permit Variation				
Traffic Sensitive	45.00	45.00	national	0.00%
Non Traffic Sensitive	35.00	35.00	national	0.00%

Inspection fees for Agreements under Section 38 and Section 278 (Highways Act 1980)	£ Current 2024/25	£ Proposed 2025/26	Category	2025/26 % rise
VAT Rate OS				
Section 38 Agreement Fees				
Works Estimated by Highway Authority to be below £25,000 Value (fixed fee)	1,500.00		national	-100.00%
Works Estimated by Highway Authority to be between £25,000 to £50,000 Value (percentage of estimated works value)	10%		national	-100.00%
Works Estimated by Highway Authority to be between £50,000 to £150,000 Value (percentage of estimated works value)	8%		national	-100.00%
Works Estimated by Highway Authority to be between above £150,000 Value (percentage of estimated works value)	6%		national	-100.00%
Section 278 Agreement Fees				
Works Estimated by Highway Authority to be below £25,000 Value (fixed fee)	1,500.00		national	-100.00%
Works Estimated by Highway Authority to be between £25,000 to £50,000 Value (percentage of estimated works value)	10%		national	-100.00%
Works Estimated by Highway Authority to be between £50,000 to £150,000 Value (percentage of estimated works value)	8%		national	-100.00%
Works Estimated by Highway Authority to be between above £150,000 Value (percentage of estimated works value)	6%		national	-100.00%
Agreements which Include Public Realm or Town Centre Improvement Works				
Additional fee to be added to the Agreement Fees stated above (percentage of estimated works value)	1%		national	-100.00%

Household Waste and Recycling Centre

Chargeable Waste at the Household Waste and Recycling Centre (HWRC)	Unit	£ Current Minimum Charge 2024/25	£ Proposed Minimum Charge 2025/26	Category	2025/26 % rise
VAT Rate SR					
The following charges are applicable where the free allowance of DIY waste has been exceeded. For further details please see the website: https://www.torbay.gov.uk/recyclingcentre					
Soil and rubble: Includes bricks, blocks, slates, tiles, rubble, paving slabs, concrete, gravel, tarmac, stones, soil, sand, hardcore and sanitary ware (ceramic toilets, sinks, pedestals etc).	Per bag/item	£2.70	£2.80	Cost recovery	3.50%
Tyres: Commercial and agricultural vehicle tyres will not be accepted. No charge for bicycle tyres.	per tyre	£4.58	£4.74	Cost recovery	3.50%
Clean plasterboard: Includes plaster and gypsum related products.	per sheet/bag	£5.41	£5.60	Cost recovery	3.50%
Plasterboard (with other materials attached): such as tiles, foil insulation or any other materials	per sheet/bag	£9.88	£10.23	Cost recovery	3.50%
Plastic window: With or without glass. Single pane window only (double charge for multiple pane plastic windows).	each	£4.58	£4.74	Cost recovery	3.50%
Plastic door or door frame: With or without glass. Single door or door frame only (double charge for double door or door + frame combined).	each	£4.58	£4.74	Cost recovery	3.50%
Bath or shower tray (plastic, fibreglass or composite): Single bath or shower tray only.	each	£4.58	£4.74	Cost recovery	3.50%
Shower screen: Plastic or glass shower screen/enclosure.	each	£4.58	£4.74	Cost recovery	3.50%
Insulation materials: 1 sheet or 1 bag.	per sheet/bag	£4.58	£4.74	Cost recovery	3.50%
Roofing felt	per bag/roll	£4.58	£4.74	Cost recovery	3.50%
All DIY plastic: Plastic pipes, guttering, fascia, soffit, skirting, cladding, loose plastics etc.	for up to 5 lengths/ pieces	£4.58	£4.74	Cost recovery	3.50%
Water tanks, panels, roofing sheets, plastic sanitary ware etc.	each	£4.58	£4.74	Cost recovery	3.50%
Asbestos: bonded asbestos only. Please note that asbestos must be double wrapped in tough plastic and completely sealed. Site staff will not be able to assist with loading asbestos into the skip. There is a maximum sheet size of 10ft (3m) x 4.5ft (1.5m).	per sheet/bag	£12.17	£12.59	Cost recovery	3.50%
Sheet Glass	Per Pane	£2.57	£2.66	Cost recovery	3.50%
Carpet, Underlay and linoleum per bag	Per bag	£2.57	£2.66	Cost recovery	3.50%
Carpet, Underlay and linoleum per roll	Per roll	£10.40	£10.76	Cost recovery	3.50%

Chargeable waste collection	Unit	£ Current Charge 2024/25	£ Proposed Charge 2025/26	Category	2025/26 % rise
VAT Rate OS					
Household Garden Waste Collection	Per Bin	£50.00	£51.75	Traded	3.50%
Household Garden Waste Collection (CTSS discount)	Per Bin	£40.00	£41.75	Subsidised	4.38%
Bin delivery	Per Bin	£0.00	£0.00	Subsidised	
Initial sign up	Per Bin	£0.00	£0.00	Subsidised	

Local Land Charges Department Fees and Charges

<https://www.torbay.gov.uk/planning-and-building-control/local-land-charges/land-charges-fees/>

N.B. Due to IT technical issues previously advised 2024/25 price increases were not implemented 2025/26 increase therefore covers a 2 year increase.	£ Current 2024/25 Torbay Council Charge	£ Proposed Charge 2025/26
Official search in the whole or any one part of the Local Land Charges (LLC) Register (including the issue of an Official Certificate of Search): VAT Rate OS		
In respect of one parcel of land (a)	28.60	31.46
In respect of each additional parcel of land (subject to agreement) (c)	5.50	6.06
Personal search in the whole or any one part of the LLC Register (regardless of the number of parcels of land)	FOC	FOC
Replies to all Required Enquiries of Local Authorities (Form Con 29R): VAT Rate SR		
In respect of one parcel of land (b)	84.44	92.88
In respect of each additional parcel of land (subject to agreement) (d)	15.86	17.45
Total cost of providing 'Standard' (LLC1 and CON29) Search on one parcel of land. (a+b)	113.03	124.34
Total cost of providing 'Standard' (LLC1 and CON29) Search on each additional parcel of Land. (c+d)	21.37	23.50
Ask a question of your own	19.78	21.76

Replies to individual enquiries on Form Con 29R:	£ Current 2024/25 Torbay Council Charge	£ Proposed Charge 2025/26
VAT Rate SR		
Administration fee	13.20	14.52
Question 1.1 (a) to (i) - Planning decisions and pending applications	9.23	10.16
Question 1.1 (j) to (l) - Building regulation decisions and pending applications	6.62	7.29
Question 1.2 - Local development plans	FOC	FOC
Question 2.1 (a) - Roads, footways and footpaths	5.27	5.80
Question 2.1 (b) to (d) - Roads, footways and footpaths	3.97	4.36
CON29 Question 2.2 to 2.5 Public rights of way	5.27	5.80
Question 3.1 - Land required for public purposes	1.32	1.45
Question 3.2 - Land to be acquired for road works	1.32	1.45
Question 3.3 (a) to (c) - Sustainable drainage systems	FOC	FOC
Question 3.4 (a) to (f) - Nearby road schemes	1.32	1.45
Question 3.5 (a) to (b) - Nearby railway schemes	1.32	1.45
Question 3.6 (a) to (l) - Traffic schemes	7.93	8.72
Question 3.7 (a) to (g) - Outstanding notices	9.23	10.16
Question 3.8 - Contravention of building regulations	2.64	2.90
Question 3.9 - Notices, orders, directions & proceedings under Planning acts	5.27	5.80
Question 3.10 (a) to (h) - Community Infrastructure Levy	6.62	7.29
Question 3.11 - (a) to (b) - Conservation area	1.32	1.45
Question 3.12 - Compulsory purchase	1.32	1.45
CON29 Question 3.13 (a) to (c) - Contaminated land	1.32	1.45
Question 3.14 - Radon gas	FOC	FOC
Question 3.15 (a) to (b) - Assets of community value	FOC	FOC
Replies to Optional Enquiries of Local Authority (Con 290) – each enquiry	13.20	14.52
Additional enquiry – each (subject to agreement)	19.78	21.76

Category	2025/26 % rise
Cost Recovery	10.00%
Cost Recovery	10.00%
Cost Recovery	10.00%
Cost Recovery	10.00%
Cost Recovery	10.00%
Cost Recovery	10.00%
Cost Recovery	10.00%

Category	2025/26 % rise
Cost Recovery	10.00%
Cost Recovery	10.00%
Cost Recovery	10.00%
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Cost Recovery	10.00%
Cost Recovery	10.00%

Legal Services Fees and Charges

Type of Document	£ Current 2024/25	£ Proposed Charge 2025/26	Category	2025/26 % rise
VAT Rate SR				
A3 colour plan hardcopy	10.11	10.50	Cost Recovery	3.86%
A3 black and white plan hardcopy	4.74	4.90	Cost Recovery	3.38%
Plans larger than A3 (hardcopy)	POA	POA	Cost Recovery	
A4 black and white sheet (hardcopy per sheet)	0.31	0.35	Cost Recovery	12.90%
Admin Fee (minimum)	16.29	16.90	Cost Recovery	3.74%

If there is a requirement for significant research the administration charge will increase. The requestor will be advised prior to processing the request

Planning Pre-Application Fees and Charges

<http://www.torbay.gov.uk/planning-and-building/planning/pre-planning/>

Type	£ Current 2024/25	£ Proposed Charge 2025/26	Category
VAT Rate SR			
Householder development enquiry	115.00	116.96	Traded
Shaping Enquiry	230.00	233.91	Traded
Minor Residential: Single Dwelling	260.00	264.42	Traded
Minor Residential: 2 to 14 dwellings £217.00 for first dwelling then £93.00 per additional dwelling	260.00	264.42	Traded
Major Residential: 15 dwellings or more per 5,000 m2 (0.5 hectares) up to a maximum of £10,000	1,850.00	1,881.45	Traded
Commercial: No new floor space (per unit)	115.00	116.96	Traded
Commercial: Creation of new floor space (including change of use) per 100m ² up to a maximum of £5,000.	115.00	116.96	Traded
Waste, Minerals and Recycling Operations: Waste Management, mineral processing, extraction or storage	1,125.00	1,144.13	Traded

Please note:

Pre-application fees are non-refundable

Householder pre-applications are covered by our development enquiry service.

Any pre-application enquiry which involves a Listed Building will be subject to an additional charge of £115 (incl. VAT).

For mixed use development; please add the residential and commercial fees together as a cumulative fee will be applicable.

All other proposals will be charged at the hourly rate of £115 (incl. VAT) contact us for further information.

These charges cover the costs associated with an officer providing an initial response to a pre-application enquiry. One further written response will be charged at £115 per hour (or part thereof).

In some instances the Council will wish to refer development proposals to the independent Torbay Design Review Panel. A separate fee will be required to cover the cost of using the Site Visits and Meetings £115 per officer per hour (please contact us for details)

2023/24 % rise
1.70%
1.70%
1.70%
1.70%
1.70%
1.70%
1.70%
1.70%
1.70%

Registration Service Discretionary Fees and Charges

Due to the nature of ceremonies often being booked years in advance, the fees & charges for this service are shown for multiple years

<http://www.torbay.gov.uk/registrar/>

Marriage or Civil Partnership Ceremonies	£ Current 2024/25	£ Proposed 2025/26	£ Proposed 2026/27	£ Proposed 2027/28	Category	2025/26 % rise	2026/27 % rise	2027/28 % rise
VAT Rate OS								
Attending at Approved Premises in the Torbay District								
Monday to Thursday - up to 6pm	590.00	620.00	645.00	665.00	Traded	5.08%	4.03%	3.10%
Monday to Thursday - 6pm to 8pm	610.00	640.00	665.00	670.00	Traded	4.92%	3.91%	0.75%
Monday to Thursday - from 8pm	680.00	715.00	745.00	750.00	Traded	5.15%	4.20%	0.67%
Friday & Saturday - up to 6pm	610.00	640.00	665.00	670.00	Traded	4.92%	3.91%	0.75%
Friday & Saturday - after 6pm	640.00	680.00	680.00	710.00	Traded	6.25%	0.00%	4.41%
Sunday or Bank Holiday	750.00	750.00	750.00	780.00	Traded	0.00%	0.00%	4.00%
Cockington Court in the Ceremony Room(2 to 10 guests)								
Monday to Thursday	110.00	115.00	120.00	130.00	Traded	4.55%	4.35%	8.33%
Friday & Saturday	160.00	170.00	180.00	190.00	Traded	6.25%	5.88%	5.56%
Sunday or Bank Holiday	210.00	220.00	230.00	240.00	Traded	4.76%	4.55%	4.35%
Cockington Court in the Ceremony Room(11 to 25 guests)								
Monday to Thursday	210.00	220.00	230.00	240.00	Traded	4.76%	4.55%	4.35%
Friday & Saturday	320.00	335.00	350.00	360.00	Traded	4.69%	4.48%	2.86%
Sunday or Bank Holiday	400.00	420.00	440.00	450.00	Traded	5.00%	4.76%	2.27%
Cockington Court in the Ceremony Room(26 to 52 guests)								
Monday to Thursday	420.00	440.00	460.00	470.00	Traded	4.76%	4.55%	2.17%
Friday & Saturday	580.00	610.00	635.00	640.00	Traded	5.17%	4.10%	0.79%
Sunday or Bank Holiday	630.00	630.00	630.00	630.00	Traded	0.00%	0.00%	0.00%

Torbay Register Office, Paignton Library (Max 2 guests-statutory fee)	£ Current 2024/25	£ Proposed 2025/26	£ Proposed 2026/27	Proposed 2027/28	Category
Wednesday - up to 12.30 pm	56.00	56.00	56.00	56.00	National
At a registered building-statutory fee	104.00	104.00	104.00	104.00	National
Combination Ceremony (Statutory Ceremony + Celebration Ceremony)					
Monday - Sunday up to 6pm	700.00	730.00	760.00	760.00	Traded
Giving Notice (statutory fees)					
Giving a notice of intent to marry or form a civil partnership (each partner)	42.00	42.00	42.00	42.00	National
Giving a notice of intent to marry or form a civil partnership with Home Office Referral (each partner)	57.00	57.00	57.00	57.00	National
Attendance of a Registrar to verify the declaration of a house-bound person	57.00	57.00	57.00	57.00	National
Attendance of a Registrar to verify the declaration of a detained person	82.00	82.00	82.00	82.00	National

2025/26 % rise	2026/27 % rise	2027/28 % rise
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
2025/26 % rise	2026/27 % rise	2027/28 % rise
4.29%	4.11%	0.00%
2025/26 % rise	2026/27 % rise	2027/28 % rise
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%

Premises License					
Pre inspection meeting to discuss the process (deductible from licence fee when application is submitted)	130.00	135.00	140.00	145.00	Traded
License for Approved Premises to hold ceremonies - NEW (valid 3 years)	1,820.00	1,900.00	1,975.00	2,000.00	Traded
License for Approved Premises to hold ceremonies - RENEW (valid 3years)	1,320.00	1,370.00	1,425.00	1,460.00	Traded
Additional room to be added to a current licence	160.00	165.00	170.00	175.00	Traded

2025/26 % rise	2026/27 % rise	2027/28 % rise
3.85%	3.70%	3.57%
4.40%	3.95%	1.27%
3.79%	4.01%	2.46%
3.13%	3.03%	2.94%

Renewal of vows/celebration/naming ceremonies at Cockington Ceremony Room Note: fees listed excl VAT	£ Current 2024/25	£ Proposed 2025/26	£ Proposed 2026/27	Proposed 2027/28	Category
VAT Rate SR					
1 to 10 guests					
Monday to Thursday - up to 6pm	110.00	115.00	120.00	125.00	Traded
Monday to Thursday - 6pm to 8pm	POA	POA	POA	POA	Traded
Friday & Saturday up to 6pm	160.00	165.00	175.00	180.00	Traded
Friday & Saturday 6pm - 8pm	POA	POA	POA	POA	Traded

2025/26 % rise	2026/27 % rise	2027/28 % rise
4.55%	4.35%	4.17%
3.13%	6.06%	2.86%

Sunday and Bank Holidays up to 6pm	210.00	220.00	230.00	240.00	Traded
Renewal of vows/celebration/naming ceremonies at Cockington Ceremony Room Note: fees listed excl VAT					
VAT Rate SR					
Up to 11 to 25 guests					
Monday to Thursday - up to 6pm	210.00	220.00	230.00	240.00	Traded
Monday to Thursday - 6pm to 8pm	POA	POA	POA	POA	Traded
Friday & Saturday up to 6pm	320.00	335.00	350.00	360.00	Traded
Friday & Saturday 6pm - 8pm	POA	POA	POA	POA	Traded
Sunday and Bank Holidays up to 6pm	400.00	415.00	430.00	440.00	Traded
Renewal of vows/celebration/naming ceremonies at Cockington Ceremony Room Note: fees listed excl VAT					
VAT Rate SR					
26 to 52 guests					
Monday to Thursday - up to 6pm	420.00	420.00	420.00	420.00	Traded
Monday to Thursday - 6pm to 8pm	POA	POA	POA	POA	Traded
Friday & Saturday up to 6pm	580.00	580.00	580.00	580.00	Traded
Friday & Saturday 6pm - 8pm	POA	POA	POA	POA	Traded
Sunday and Bank Holidays up to 6pm	630.00	630.00	630.00	630.00	Traded
Renewal of Vows/Celebration/Naming Ceremony at Approved Premises					
Monday to Thursday - up to 6pm	420.00	420.00	420.00	420.00	Traded
Monday to Thursday - 6pm to 8pm	POA	POA	POA	POA	Traded
Friday & Saturday up to 6pm	570.00	570.00	570.00	570.00	Traded
Friday & Saturday 6pm - 8pm	POA	POA	POA	POA	Traded
Sunday and Bank Holidays up to 6pm	620.00	620.00	620.00	620.00	Traded
Ceremony run through discusion-face to face	25.00	25.00	25.00	25.00	Traded
Via E-mail	FOC	FOC	FOC	FOC	Traded
Ceremony Booking Fee	30.00	30.00	30.00	30.00	Traded
Citizenship					
VAT Rate OS					
Private Citizenship Ceremony	170.00	170.00	170.00	170.00	Traded

4.76%	4.55%	4.35%
2025/26 % rise	2026/27 % rise	2027/28 % rise
4.76%	4.55%	4.35%
4.69%	4.48%	2.86%
3.75%	3.61%	2.33%
2025/26 % rise	2026/27 % rise	2027/28 % rise
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
2025/26 % rise	2026/27 % rise	2027/28 % rise
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
0.00%	0.00%	0.00%
2025/26 % rise	2026/27 % rise	2027/28 % rise
0.00%	0.00%	0.00%

Resort Services Fees and Charges

4%

Chalets/Cabins	£		£			2025/26
	Charges	Category	Proposed	Category		% uplift
VAT Rate SR	2024/25		charge 2025/26			
Annual						
Meadfoot – Annual 1st Floor	2,165.00	Traded	2,241.00	Traded		3.51%
Meadfoot – Annual 1st Floor : Sun Terrace	3,313.00	Traded	3,429.00	Traded		3.50%
Meadfoot – Annual Ground	1,841.00	Traded	1,905.00	Traded		3.48%
Broadsands - Annual Charge 1-25 Sea facing	2,113.00	Traded	2,187.00	Traded		3.50%
Broadsands - Annual Charge 26 - 50 Green facing	2,071.00	Traded	2,143.00	Traded		3.48%
Oddicombe - Annual Charge	2,136.00	Traded	2,211.00	Traded		3.51%
Per Week						
Meadfoot - Per week - April to June and September	143.00	Traded	143.00	Traded	Market forces	0.00%
Meadfoot- Per week - July and August	167.00	Traded	167.00	Traded	Market forces	0.00%
Broadsands if available - Per week - April to June and September	143.00	Traded	143.00	Traded	Market forces	0.00%
Broadsands if available- Per week - July and August	167.00	Traded	167.00	Traded	Market forces	0.00%
Goodrington - Per week - April to June and September	109.00	Traded	109.00	Traded	Market forces	0.00%
Goodrington - Per week - July and August	126.00	Traded	126.00	Traded	Market forces	0.00%
Preston - Per week - April to June and September	109.00	Traded	109.00	Traded	Market forces	0.00%
Preston - Per week - July and August	126.00	Traded	126.00	Traded	Market forces	0.00%
Less than a week						
Goodrington - Per day - April to June and September	38.00	Traded	38.00	Traded	Market forces	0.00%
Goodrington - Per day - July and August	43.00	Traded	43.00	Traded	Market forces	0.00%
Beach Hut						
	£		£			2025/26
	Charges	Category	Proposed	Category		% uplift
VAT Rate SR	2024/25		charge 2025/26			
Annual						
Site Only - Broadsands	675.00	Traded	699.00	Traded		3.56%
Site Only - Breakwater	623.00	Traded	645.00	Traded		3.53%
Site Only – Summer Season						
	£		£			2025/26
	Charges	Category	Proposed	Category		% uplift
VAT Rate SR	2024/25		charge 2025/26			
Corbyn Head	503.00	Traded	521.00	Traded		3.58%
Broadsands, Goodrington North, Youngs Park, Oddicombe and Roundham	375.00	Traded	388.00	Traded		3.47%
Preston & Preston Marine Parade & Goodrington South	398.00	Traded	412.00	Traded		3.52%
Corbyn self-maintained	121.00	Traded	50.00	Traded	Reduction agreed with stakeholders	-58.68%

Council Beach Huts Winter Season	£	Category	£	Category		2025/26
	Charges 2023/24		Proposed charge 2025/26			% uplift
VAT Rate SR						
Beach Huts – Winter Storage						
Stored off site	252.00	Traded	261.00	Traded		3.57%
Store on site	246.00	Traded	255.00	Traded		3.66%
Beach Hut transfer charge	120.00	Traded	124.00	Traded		3.33%
Beach Hut scrappage charge	149.00	Traded	154.00	Traded		3.36%
Beach Hut List Charge	32.00	Traded	33.00	Traded		3.13%
Beach Hut Exchange Charge	26.00		27.00			3.85%
Beach Furniture						
	£	Category	£	Category		2025/26
	Charges 2023/24		Proposed charge 2025/26			% uplift
VAT Rate SR						
Deckchair per week	17.00	Traded	18.00	Traded		5.88%
Deckchair per day	5.00	Traded	5.00	Traded	Market forces	0.00%
Directors chair per week	23.00	Traded	24.00	Traded		4.35%
Directors chair per day	6.00	Traded	6.00	Traded	Market forces	0.00%
Sun lounger per week	23.00	Traded	24.00	Traded		4.35%
Sun lounger per day	6.00	Traded	6.00	Traded	Market forces	0.00%
Parasol per day	4.00	Traded	4.00	Traded	Market forces	0.00%
Windbreak per day	4.00	Traded	4.00	Traded	Market forces	0.00%
Event Deckchair Hire						
Deckchair per day	4.00	Traded	4.00	Traded	Market forces	0.00%
Delivery/Collection – prices on application but minimum charge	84.00	Traded	87.00	Traded		3.57%
Administration Charge - (To be applied following cancellation of facilities. It may also be applied in other instances at the discretion of the Harbour Master)						
	£57.00		59.00			3.50%

Libraries Fees and Charges

Link: <https://www.torbaylibraries.org.uk/>

Torbay Library Services are managed by Libraries Unlimited.

Assembly Hall Fees and Charges

Room Hire		£ Current 2024/25	£ Proposed 2025/26	Category	% uplift
VAT Rate EX					
BASIC HIRE (Minimum session hire 5 hours)	Full Rate Per Hour	37.00	38.00	Traded	2.70%
	Discounted Rate Per Hour	30.00	31.00	Traded	3.33%
Late surcharge (after 11pm)	Full Rate Per Hour	75.00	78.00	Traded	4.00%
Sunday surcharge	Full Rate Per Hour	18.00	19.00	Traded	5.56%
Kitchen - used for supply/sale of refreshments	Full Rate Per Hour	21.00	22.00	Traded	4.76%
Kitchen - access to water for cleaning only	Per Session	21.00	22.00	Traded	4.76%
Badminton charges	Per Court per hour	19.00	20.00	Traded	5.26%

Note: The above are basic charges for room hire and if additional services are required, the price is available on application.

Spatial Planning Fees and Charges

Type of Document	£ Current 2024/2025	£ Proposed 2025/26	Category	% uplift
VAT Rate SR				
Torbay Local Plan				
Hardcopy incl. pen drive	FOC	FOC	Subsidised	
Hardcopy postage	FOC	FOC	Subsidised	
Pen drive only	FOC	FOC	Subsidised	
Online	FOC	FOC	Subsidised	
View in Person	FOC	FOC	Subsidised	
Supplementary Planning Documents (SPDs) plus a wide range of documents forming the evidence base for the existing and emerging Torbay Local Plan (Hardcopy)	Prices vary depending on document. Cost can be obtained from the Strategy and Project Delivery Team	Prices vary depending on document. Cost can be obtained from the Strategy and Project Delivery Team	Cost Recovery	
Type of Document				
Hardcopy Decision Notices	28.96	29.98	Cost Recovery	3.50%
Hardcopy Tree Preservation Orders	57.93	59.95	Cost Recovery	3.50%
Hardcopy Section 106 Agreements	57.93	59.95	Cost Recovery	3.50%
Hardcopy Committee Reports	17.38	17.99	Cost Recovery	3.50%
Online	FOC	FOC	Subsidised	
Type of Document				
Other A4/A3 size documents up to 10 sheets	11.59	11.99	Cost Recovery	3.50%
Other A4/A3 size documents over 10 sheets (each sheet)	1.16	1.20	Cost Recovery	3.50%
A2 Plans per sheet	11.59	11.99	Cost Recovery	3.50%
A1 Plans per sheet	17.38	17.99	Cost Recovery	3.50%
A0 Plans per sheet	28.96	29.98	Cost Recovery	3.50%
Planning History Searches E-mail or Hardcopy (per site per hour)	86.89	89.93	Cost Recovery	3.50%

**Large quantities of documents may take a longer turnaround period.*

Enforcement Charges	£ Current 2024/2025	£ Proposed 2025/26	Category	% uplift
VAT Rate OS				
Withdrawal of an enforcement notice	91.11	94.30	Levy	3.50%
Confirmation of no enforcement action	91.11	94.30	Levy	3.50%

Section 106 / CIL	£ Current 2024/2025	£ Proposed 2025/26	Category	% uplift
VAT Rate OS				
Confirmation of compliance with an obligation	86.89	89.93	Cost recovery	3.50%

Town Diary Fees and Charges

	£ Current 2024/25	£ Proposed 2025/26	Category	% uplift
VAT Rate SR				
Admin Fee for charity, fundraising and information stands - price is per day	52.00	53.85	Cost Recovery	3.6%
Small Displays with a table and chairs/leaflets/information/gazebo/display stands - price is per day	85.00	88.00	Traded	3.5%
Commercial companies with a discount for block bookings - price is per day 3 months bookings - 5% discount 6 months bookings - 10% discount 9 months bookings - 12.5% discount 12 months (year) bookings - 15% discount	250.00	258.75	Traded	3.5%
VAT Rate SR				
Banner sites Victoria Park, Paignton (fences along Torquay Road) Kings Gardens Torquay only Banners advertising specific companies Fee is payable on the approval of the application for each site Organisations will be charged the same price for the removal of banners for non-compliance of terms and conditions Banners can be displayed for a minimum of two weeks at a time. Extension may be available subject to vacant space. They should be removed immediately after this agreed period by the advertising organisation.	52.00	60.00	Traded	15.4%
Banner sites Victoria Park, Paignton (fences along Torquay Road) Kings Gardens Torquay only Banner removal fee	42.00	60.00	Traded	42.9%
VAT Rate SR				
Event Notices - Removal fee if not taken down from site.	52.00	53.85	Levy	3.6%
Events Booking System Admin Fees Community /Charity Events	20.00	20.00	Cost Recovery	0.0%
Commercial/Major Events - booking system	20.00	20.00	Traded	0.0%
Commercial event fees over 1000 attendance - ticketed - £1 per person attending	£1p/p	£1p/p	Traded	
Poster sites 187 single poster sites around Torbay Fee is charged per poster per week.	3.70	3.85	Traded	4.1%

Revenue Reserves Policy

November 2024

1. Purpose of this Policy

- 1.1 The requirement for financial reserves is acknowledged in statute. Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 require billing and precepting authorities in England and Wales to have regard to the level of reserves needed for meeting estimated future expenditure.
- 1.2 It is the 'Chief Finance Officer's', (Finance Director), duty to report on robustness of estimates and adequacy of reserves (under Section 25 of the Local Government Act 2003) when the authority is considering its budget requirement.
- 1.3 However, there is no specified minimum level of reserves that an authority should hold and it is the responsibility of the Chief Financial Officer (CFO) to advise the Council about the level of reserves and to ensure that there are procedures for their creation, maintenance and use.
- 1.4 Torbay Council will hold reserves for the following main purposes:
 - Earmarked funds to meet known or predicted time limited spend or improvement projects;
 - Funds earmarked for statutory reasons (e.g. Elections and Insurance);
 - Funds being held on behalf of partner organisations and/or ring-fenced activity (e.g. Public Health, Harbours and Adult Social Care);
 - Holding of specific grant funding in advance of drawing down spend;
 - A General Reserve, (or Working Balance), to help cushion the impact of uneven cash flows, provide contingency, and avoid any unnecessary temporary borrowing.
- 1.5 This policy on the establishment, maintenance and adequacy of reserves and balances is reviewed annually.

2. General Fund Reserves

- 2.1 The use of general fund reserves is not restricted. They can be used to smooth the impact of uneven cash flows, offset the budget requirement, or can be used to respond to unexpected events or emergencies.
- 2.2 In line with CIPFA advice, it is recommended that the Council maintains its General Fund Reserve, (or 'Working Balance'), at 5% of the net revenue budget at the commencement of any given financial year. If any of the General Fund reserve is drawn down in any given year, replenishment should be provided for in the next annual budget setting process.
- 2.3 As the Council budget increases year on year, the objective is that the General Fund Reserve should also grow on a proportionate basis to remain at the desired level of at least 5%.

Comprehensive Spending Review Reserve

- 2.4 In addition to the General Fund Reserve the Council, for a number of years, has maintained a Comprehensive Spending Review (CSR) Reserve. Whereas this reserve acts as a 'buffer' for the General Fund, primarily, the CSR is utilised as an 'invest to save' reserve committing one off resources, based on clear business cases, to deliver on-going, sustainable financial savings (for example, transformational activities such as the automation of processes).
- 2.5 Wherever possible, the Council will strive to maintain a CSR Reserve of £3m at the commencement of each financial year in order to consider one-off investment plans which can 'smooth' and manage the Council's revenue budget over the medium to long term.

Financial Risks faced by the Council

- 2.6 Revenue budgets are set to reflect known and anticipated service demands and costs. However, there are a number of financial risks that the Council do not 'budget' for, but keep under constant review and scrutiny.
- 2.7 The major financial risks faced by the Council as at December 2024 include:
- Delivery of the Dedicated School Grant (DSG) 'Safety Valve' Improvement Plan (addressing a £12m legacy DSG deficit);
 - With Health colleagues, delivering the required transformation programme for Adult Social Care which is aimed at reducing annual spend by at least £15m. In March 2024 the Council entered a new, five year contract with the Integrated Care Organisation which will run from March 2025. Current annual spend against this contract is significantly more than the budget available;
 - High, and escalating, cost of Children Social Care placements and the potential impact of legislation that will require the Council to subscribe to a 'Regional Care Co-operative';
 - The high and rising costs, over and above budget levels, of tackling the housing crisis – supporting local residents through the 'cost of living crisis' and addressing homelessness across the Bay;
 - The viability and volatility of numerous capital investment projects that the Council is striving to deliver and the associated risk of abortive revenue costs for any potential undeliverable schemes;
 - Security and uncertainty regarding future revenue income streams. With a dwindling Revenue Support Grant from Government, emphasis is placed firmly on generating income through local sources but there is a significant risk that service demand, costs and pressure will outweigh our ability to raise additional income over the medium term

through extra Council Tax, Business Rates and/or local Fees and Charges (such as Planning and Car Parking)

- 2.8 At any point of time, any such risk could materialise which would significantly impact on the Council's ability to maintain a balanced revenue budget hence the requirement to maintain adequate and reasonable General Fund and CSR Reserves.

3. Procedure and Governance

- 3.1 The Council's Chief Finance Officer, (Section 151 Officer), holds responsibility for creating and reviewing a reserve with a requirement for regular reporting (at least annually) to Cabinet and Council. When instigating a new reserve, the following will always be considered:
- The reason for / purpose of the reserve;
 - How and when the reserve can be used;
 - Procedures for the reserve's management and control;
 - A process and timetable for a review of the reserve to ensure continuing relevance and adequacy.
- 3.2 A statement of all significant reserves held, with their anticipated balance at financial year end will be produced annually as part of the Council's budget setting papers. This statement will represent formal sign off from the Council's Section 151 Officer regarding the adequacy of reserves held and confirming that all reserves have been reviewed.
- 3.3 Any drawdown exceeding £100k, within year, from an earmarked reserve, or General Fund reserve, will require the Section 151 Officer to issue a formal 'Record of Decision' with the drawdown subsequently reported within the next scheduled budget monitoring report presented to Cabinet (and Council).
- 3.4 Any new reserve(s) exceeding £100k, created from approved budgeted funds, also requires the Section 151 Officer to issue a formal 'Record of Decision' (ROD). However, any reserve(s) created in year as a result of receiving new grant funding will be incorporated and reported in the next scheduled monitoring report to Committee without the need for a ROD.
- 3.5 The Section 151 Officer will maintain a detailed schedule of all reserves, as required, forming part of the statutory accounts process.

Principles applied to the holding of Reserves

- 3.6 The Council will adopt the following principles with regards to the holding of reserves:
- All Reserves must have a clearly defined purpose with evidence supporting its requirement and desired value of holding;

- The Council's Section 151 Officer maintains overall responsibility and management of the Council's reserves – but each specific earmarked reserve must have a designated Senior Officer who will maintain regular overview of the reserve's required drawdown and on-going adequacy;
 - Where possible, the Council will rationalise and simplify the holding of Reserves, holding a fewer number of strategic reserves supported by a clear rationale and purpose;
 - Reserves will be reviewed annually as part of the budget setting process. There will be specific challenge of the on-going need for any reserve that has not had financial movement in excess of two consecutive financial years;
 - Where reserves are identified as no longer needed, if feasible and allowable, (e.g. specific grant requirements), remaining funds will be absorbed back within the Council's General Fund and/or CSR Reserve;
 - Reserves can only be used to fund 'one-off', unforeseen, costs and not offset, or underpin, any on-going revenue service delivery or pressure;
 - Similarly, reserves will not be used to offset any future year Medium Term Resource Plan pressures (unless there are clear action plans to address any funding gaps and the reserve is used to smooth any implementation of such plans)
- 3.7 Reserves can be used to 'pump prime' and/or provide limited capacity to deliver future year efficiencies (invest to save) subject to the approval (from the Section 151 Officer), of a supporting business case.

4. Earmarked (Specific) Reserves

- 4.1 For statutory purposes, there is only the need to maintain a single revenue reserve, the 'General Fund' Reserve. However, the Chartered Institute of Public Finance and Accountancy, (CIPFA) Code of Practice states that when reviewing medium-term financial plans and preparing annual budgets, local authorities should consider the establishment of sub reserves (known as earmarked reserves).
- 4.2 Earmarked reserves may be reported separately but remain legally part of the General Fund. Separate reporting of earmarked reserves has no financial reporting or legislative necessity though they are used extensively by local authorities and as such the Code requires separate disclosure of material earmarked reserves.

4.3 The main 'earmarked reserves' that are held by the Council are detailed below:

(a) Collection Fund

For NNDR the Council bears a 49% share of the risk and reward of changes in the level of National Non-Domestic Rate income. In year changes in yield and collection of National Non-Domestic Rate will result in a Collection Fund surplus or deficit which will impact on the following financial year. The Council holds a Collection Fund reserve to help smooth the volatility of income. Estimates of future year surpluses or deficits are included in the Budget Setting process and reflected in the Medium-Term Resource Plan. Any shortfall incurred in a given year is made good through the Collection Fund Reserve with a corresponding adjustment made to the budgeted income levels in the following financial year.

Collection Fund income, (Council Tax and NNDR), has been volatile in recent years and is likely to continue to be volatile in future years both from changes in NNDR reliefs and from the collectability of the taxes due to the cost of living crisis and economic circumstances.

(b) Adult Social Care (ASC);

Under the existing Adult Social Care contract with the Integrated Care Organisation, (ICO), the Council has maintained an element of the Council Tax precept in order to invest in transformation activity and improve future sustainability of the service. From April 2025, the entire ASC precept will be passported to the ICO in compliance with the new, five year, Section 75 contract. The ASC reserve will be used to fund a number of 'invest to save' proposals and improvement activities, as agreed with Health, including targeted support for learning disabilities, increased capacity for the reablement service, improved governance and commissioning of services and capital investments to enable the building of extra care units.

In addition to the core ASC reserves as maintained and managed by the Council, there is also a designated Section 256 reserve which is passported Health funding held by the Council in advance of required drawdown.

(c) Childrens Social Care

As part of the 2022/23 budget, to mitigate against volatility of cost and demand for placements, an earmarked reserve was established with an initial level of £1.0m. Additional revenue was added to the base in 2023/24 and 2024/25 which has helped to partially stabilise budgets. However, the difficult provider market, with the associated high cost of placements, continues to be a regional and national issue and pending legislation, which could lead to a Regional Care Co-operative, provides another significant financial risk on the service moving forwards.

The main objective of this reserve is to focus on relevant 'invest to save' opportunities for the service whereby investment in one-off transformational activity can seek to drive efficiencies in relation to future on-going spend.

(d) Schools and Private Finance Initiative

The Council holds a revenue reserve which represents the end of year delegated Schools budget share balances across the Bay's Schools. Although this features within the Council's Reserve analysis, any drawdown, or top up, within this reserve is wholly reliant on, and managed by, the Schools.

In addition, the Council needs to account for the remaining time limited costs that will be incurred (above set revenue budget) for the Private Finance Initiative, (PFI), funding which expires in 2027.

(e) Reserves linked to specific funding streams

There are a number of reserves whereby the Council is required to hold funding, and account for spend, specific to the funding's required purpose. Two such reserves are the **Harbours Reserve** where a separate ring-fenced budget is maintained, reporting into the Harbour Committee, and the **Public Health Reserve** against which the Council has to evidence spend linked to identified public health outcomes, which has to be evidenced through annual reporting.

(f) Capital Reserves

This Capital reserve is maintained to cover the risk of higher construction costs, contractor instability and higher borrowing costs in relation to projects within the approved capital programme. For some projects, there is also a risk of abortive revenue costs in relation to projects that do not proceed to completion.

Capital funding is received for Highways capital investment works which can often be spread over more than one financial year. A reserve is maintained which holds the government funding received prior to drawdown of spend.

A separate, IT (Capital) Replacement Reserve, is also maintained to meet the costs of priority driven replacements, and required upgrades, to the Council's ICT infrastructure. Annual charges are made to the revenue account with subsequent drawdowns from the accumulated funding subject to business case approval.

(g) Investment Reserve

The Council has invested over £235m in investment property and capital loans. Following on from HM Treasury updated guidance, the Council is no longer able to purchase such assets, but it retains its previous investments.

The Investment Reserve mitigates any variations in income or costs associated with Investment Fund properties such as voids and rent-free periods. The reserve was created, and is maintained, through financial contributions through top-slicing the rental income received.

Variations in rent, either from market conditions, voids or rent-free periods are regularly monitored to ensure any potential issues are mitigated in advance. Annual valuations of Commercial Assets are undertaken and included in Treasury Management reports to Audit Committee and Council.

Alongside the Investment Reserve, the Council also maintains a specific 'retail reserve' in terms of the operations and required investment in Fleet Walk.

(h) Developer Contributions

Section 106 and Community Infrastructure Levy are funds received from developers towards the cost of providing the required infrastructure linked to the delivery of specific developments. A reserve is maintained which holds the funds prior to approved drawdown and spend.

(i) Service Transformation / Re-design

This is a specific reserve targeted at delivering significant re-design / efficiencies through different ways of working. Recent drawdowns have included the move to an integrated Customer Relationship Management system and funding transitional costs incurred through the integration of Torbay Development Agency and TorVista Homes back into the Council.

(j) Events Reserve (including Torbay airshow)

Major cultural events have previously been funded, at the rate of approximately £250k per annum, through the creation, and drawdown, of specific reserve funding. As reported in the January 2024 Reserves paper, a further top up of the Events Reserve was provided through the 2024/25 budget setting process. The Council continues to explore a different blend of commercial opportunities alongside public sector financial support to reduce the reliance on reserve funding over the medium term.

4.4 In addition to earmarked and general reserves the Council also holds provisions, where appropriate, for issues where the Council has a potential liability which is likely to result in a payment but the amount and timing of the potential payment is uncertain. The council also holds provisions where there is a risk of future claims being made in areas such as insurance and NNDR appeals.

5. 2025/26 Review of Reserves

5.1 Adopting the principles as detailed in this Policy, the Finance Director (Section 151 Officer) has undertaken a thorough review of all reserves held by the Council as at December 2024. This review has resulted in the following action:

- Any reserve showing no financial movement over a period of two years or more, without a clear future spend commitment, has been absorbed into the General Fund Reserve or Comprehensive Spending Review Reserve;
- The General Fund Reserve has been retained at a relevant level to represent 5% of the Council's indicative 2025/26 Revenue budget;
- The balance of the Comprehensive Spending Review Reserve has been retained at its recommended level of £3m;
- The Collection Fund has been thoroughly reviewed regarding the likelihood of future liabilities, (such as NNDR appeals), with a corresponding adjustment made;
- Known significant liabilities have been addressed, and accounted for within the proposed levels as detailed in Appendix 1

5.2 The 2023/24 revenue out-turn report was approved by Council in July 2024. The year end position was a surplus of £678k with the approved recommendations being to:

- a) transfer £400k into an earmarked reserve to be used to pump prime emerging capital projects through funding initial feasibility and development work and
- b) transfer £278k into the 'Operation Brighter Bay' reserve to invest further into this important initiative. Subsequently, in August 2024, there has been a drawdown of £100k to purchase a new street sweeping machine for SWISCo as detailed in a published Record of Decision (ROD)

5.3 As part of this years' review the Chief Finance Officer is aiming to create three new earmarked reserves:

- a) £300k to account for the remaining estimated costs of preparing the conclusion and smooth exit of the Schools Private Finance Initiative (PFI) which will expire in 2027. Such costs include condition surveys of the buildings and specialist legal and Human

Resources support to manage the transfer. We will fund this one-off reserve through any surplus holding, (above £3m), within the Comprehensive Funding Reserve – reviewing the overall reserve holding position at the end of the 2024/25 financial year as part of the out-turn;

- b) £300k to create an **Estates Reserve Fund**. This will operate in the same manner as the existing Commercial Investment Reserve, but will apply to the income generating assets that the Council holds within the Bay. The total annual income generated from such assets amounts to circa £6m per annum – hence maintaining a reserve level of 5% is relevant in terms of managing any peaks and troughs in income trends through events such as lease renewals and void premises over and above budget levels. Funding for this reserve is proposed within the 2025/26 revenue budget;
- c) £500k to create a **Capital Repairs Fund**. Whereas the Council has maintained a relatively modest revenue budget for Repairs and Maintenance of the estate, there is currently no provision for any major repairs required for significant spend items such as roof repairs or boiler replacements. The Council's entire estate holding consists of 2,328 separate assets with condition surveys indicating that the overall quality of assets declining with a growing backlog maintenance requirement. Funding for this reserve will be partially created through the 2025/26 revenue budget proposal to increase Repairs and Maintenance by £400k. Alongside this, the Estates team will review the Council's existing holdings with a view to bringing forward a list of, (non-income generating), assets for potential disposal with at least part of the proceeds being reinvested to address the backlog maintenance.

5.4 The Council's Reserve Statement, as at November 2024, accounting for the information contained within this paper, is detailed in Appendix 1. A number of reserve transactions were actioned in 2024/25 to align to the approved 2024/25 Reserves Statement. These include movement between, and establishment of new, reserves which are reflected in the Appendix.

5.5 With all relevant actions taken, and with the principles detailed in this paper consistently applied, as the Council's Section 151 Officer, I assess the retained reserve levels to be adequate.

Appendices

Appendix 1: Council Reserve Statement as at November 2024

Report clearance:	This Policy has been reviewed and approved by:	Date:
Director of Finance	Malcolm Coe	15 November 2024

Torbay Council Reserves Statement

Reserves	Balance as at at 1/4/24	Balance as at at 1/4/25	Balance as at at 1/4/26	Balance as at at 1/4/27	Balance as at at 1/4/28
	£'000	£'000	£'000	£'000	£'000
General Reserves					
General Fund Reserve	-6,454	-7,600	-7,600	-7,600	-7,600
Comprehensive Spending Review	-2,642	-3,200	-3,200	-3,200	-3,200
	-9,095	-10,800	-10,800	-10,800	-10,800
Earmarked Reserves					
Collection Fund	-5,281	-3,500	-3,500	-3,500	-3,500
Adult Social Care (Revenue)	-6,150	-2,500	-1,600	-1,000	-500
Adult Social Care (Health Funding)	-8,419	0	0	0	0
Childrens Services	-902	-700	-500	-500	-500
School Related Reserves	-3,570	-3,000	-3,000	-3,000	-3,000
(Schools) Private Finance Initiative	512	-2,700	-1,800	-900	0
Harbours (Ring-Fenced)	-1,311	-1,000	-700	-700	-700
Public Health(Ring-Fenced)	-3,245	-2,800	-2,000	-1,700	-1,300
Other Ring-fenced funding held	-493	-300	-200	-200	-200
Capital Funding Reserve	-2,727	-2,200	-1,700	-1,500	-1,500
ICT Replacement	-291	-500	-300	0	0
Investment (Commercial Assets)	-4,365	-3,500	-3,500	-3,500	-3,500
Estate Reserve Fund	-254	-300	-300	-300	-300
Developer Contributions	-1,015	-1,750	-1,750	-1,750	-1,750
Insurance Reserve / Provision	-3,445	-3,500	-3,500	-3,500	-3,500
Transformation / Service Re-design	-1,144	-1,000	-850	-700	-500
TorVista - Loan Write off Costs & 23/24 Costs	0	-1,500	0	0	0
TDA / TorVista transition	0	-50	0	0	0
Torbay Events	0	-750	-500	-250	0
Housing Support Services	-1,320	-1,100	-1,100	-800	-500
Highways	-957	-850	-450	-450	-450
Service Carry Forwards	-8,370	-3,000	-3,000	-3,000	-3,000
Treasury Management 2024/25 (Oldway)	0	-1,000	-700	-400	0
Grants Received Not Yet Spent	-7,628	-5,000	-4,000	-4,000	-4,000
Other Earmarked (Under 500k)	-3,107	-2,250	-1,250	-1,250	-1,250
Major Repairs and Maintenance reserve	0	-500	-500	-500	-500
Total (Earmarked Reserves)	-63,482	-45,250	-36,700	-33,400	-30,450
Total (All Reserves Held)	-72,577	-56,050	-47,500	-44,200	-41,250

Budget 2025/26 – Summary Financial Sustainability Plans

As part of Torbay Council's medium term financial planning and budget setting a more strategic approach has been taken focusing on key areas of budget spend and risk across the Council, many of which have identified as budget pressures as part of regular budget monitoring.

Financial Sustainability Plans have been prepared for these areas, focusing upon actions that can make the biggest difference to the Council, both in terms of outcomes and financial savings. The Plans underpin the 2025/26 revenue budget and provide the basis for continued management of these pressure through 2026/27 and 2027/28.

There is an expectation that these plans will manage emerging pressures within the corresponding budgets, with definitive savings targets and budget reductions actioned only if/when they are achievable and can be evidenced.

The Financial Sustainability Plans that we will be focussing on throughout 2025/26 are:

- Locality Model for children and young people
- Children's social care placements
- Home to school transport
- Housing needs
- Legal Services

Summaries of the above current Financial Sustainability Plans are shown in the table at the end of this document.

Adult Social Care is recognised as an area of significant spend and risk, but a Financial Sustainability Plan has not been prepared for this area in the same way as those above. This is part of a separate and joint transformation programme with health partners, supported by our transportation partners, focusing on a strength based and person/outcomes centred approach that helps people maintain their independence for longer. Although not purely financially driven, there is a clear need, and expectation, to reduce costs over the medium term in order to bring spend more in line with the funding available within the integrated care model of Adult Social Care delivery.

A Financial Sustainability Plan was in place during 2024/2025 on the optimisation of Council assets. Work has been completed during the year to better understand our ownership, condition and current costs and income from the Council's entire estate holding. A separate paper will be presented in 2025 to consider the disposal of a number of non-income generating assets with the objective of reinvesting the proceeds into maintained assets to improve overall condition and reduce identified backlog maintenance.

The three other Financial Sustainability Plans identified in 2024/2025 were:

- Livestreaming of Council meetings;
- The management and facilitation of events within the Bay;
- Further potential to expand the commercial activity of SWISCo.

These have now either been delivered or incorporated into 'business as usual' within their respective service areas.

A new Financial Sustainability Plan will be developed in advance of setting the final budget for 2025/26 to review the Council's support to, and long-term sustainability of, the cultural assets of Torre Abbey, Cockington Court and Torbay Coast and Countryside Trust.

Financial Sustainability Plan (Responsible Officer/Cabinet Member)	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact
<p><u>Locality Model for children and young people</u> (Nancy Meehan, Director of Children’s Services/Cllr Nick Bye, Cabinet Member for Children’s Services)</p> <p>Following a full Needs Analysis and Review of the Special Educational Needs and/or Disabilities (SEND) provision within Torbay, alongside the increasing demand for specialist education support, consultation is underway on the proposed implementation of a locality model across the area.</p>	<p>This is designed to bring services together to support the children and young people of Torbay in their local community. This will help children and young people to thrive at school, be valued, visible, and supported to feel that they are included in their local communities, and are better prepared for a happy, healthy, and productive adulthood.</p> <p>Along with other benefits, the proposed model will be Needs Led; providing support or specialist provision without an EHCP or medical diagnosis. There will be localised decisions by local stakeholders about how children and young people’s needs can be best met.</p> <p>This will reduce the delays that families are experiencing in receiving the support that their children need to thrive and will allow the support to be received more rapidly and in their own communities.</p> <p>The proposed model aims to repair the current fragmentation within the education and SEND system to bring all stakeholders within communities together in Clusters. The aim is to bring about the required improvements for children, young people and their families.</p> <p>The model will make better and more effective use of the money available and therefore develop a more financially sustainable school system.</p>	<p>The consultation is due to close in early December and there is a risk that there is not wide support for the proposal.</p> <p>Whilst the proposed model covers children and young people of statutory school age (5-18) there are associated risks at both pre 5 and post-18. We need to ensure that by starting this model at age 5 that a cohort of children with speech, language and communication needs are not excluded from being 'school ready', meaning they may enter their primary school with unmet need. There's a risk that much of the work of the Family Hubs (focusing on age 0-2) may be 'undone' by not having enhanced provision aged 3-5 and this being an age gap which falls between two systems.</p> <p>We need to ensure that there are processes in place for the continuation of placements post-16 to avoid the potential for young people becoming NEET – not in employment, education or training. The cost of bespoke provision at South Devon College is significant within the High Needs Block. Both of these risks are being mitigated through reviewing post-16 provision within specialist schools.</p> <p>There is also a risk that there will be a change in demand for provision for different need types. This will be mitigated through a review of funding arrangement for need types and placements.</p>	<p>Organising schools in geographical and phase clusters will reduce the need for children and young people to travel beyond their local communities. This will reduce the demand for home to school transport.</p>	<p>The proposal is aimed at supporting children and young people so that they are better prepared for a happy, healthy and productive adulthood. We want to ensure as few young people as possible are not in education, employment and training once they reach 16.</p>	<p>The proposal will positively impact those aged between 5 and 18 and those who are carers, children and young people with a disability.</p> <p>A Equality Impact Assessment has been prepared as part of the consultation on the proposed Locality Model and can be found on Torbay Council’s website: Locality Model for Special Educational Needs Appendix.pdf</p> <p>The Equality Impact Assessment will be updated with the results of the consultation and will be considered when decisions are made.</p>
<p><u>Children’s Social Care Placements</u> (Nancy Meehan, Director of Children’s Services/Cllr Nick Bye, Cabinet Member for Children’s Services)</p> <p>The cost of placing children in care, including Unaccompanied Asylum-Seeking Children, continues to be a significant pressure within Children’s Services – both with Torbay and nationally.</p> <p>Despite the overall numbers of cared for children being lower than previous years, significant shortages of suitable available placements are driving up costs within the market. The legislation on unregulated placements changed in September 2022</p>	<p>We want to see more children maintained within a family-based environment, including implementing robust and safe reunification models and early permanence through adoption.</p> <p>We are seeking appropriate accommodation for our children and young people (including those who are care experienced) which meets their needs, including working to increase the number of foster carers in Torbay.</p> <p>We are also continuing to focus on early help, prevention and the development of a sustainable Family Hub model to help</p>	<p>There remains a high financial risk to the Council as the Children’s Services budget has been impacted by national changes and the significant increase in cost for residential and unregulated/unregistered placements.</p>	<p>There will be no differential environmental impact.</p>	<p>Through having high aspirations for all of our children and young people, including those who have cared experienced, there will be a positive economic impact across Torbay</p>	<p>We would seek to see a positive impact on young people who are enabled to be maintained in family based placements wherever possible.</p> <p>Further details are included within the overarching Equality Impact Assessment for the Revenue Budget 2025/2026.</p>

Financial Sustainability Plan (Responsible Officer/Cabinet Member)	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact
<p>and continues to result in further pressure on this budget.</p> <p>The lack of fostering placements is putting pressure on the placements budget as we are aware there is a national reduction of 9.7% of fostering households.</p>	<p>reduce the number of children who become cared for.</p> <p>Further, there are plans to review the targeted support in relation to learning disability placements and associated joint work with health partners.</p>				
<p>Home to school transport (Nancy Meehan, Director of Children’s Services/Cllr Nick Bye, Cabinet Member for Children’s Services)</p> <p>The Home to School Transport budget has increased by 104% from a budget of circa £2.14m in 2018/19 to £4.34m in 2023/24, whereas during this period the number of children in receipt of Home to School Transport has decreased from 711 to 642</p> <p>A thorough review of provision is being undertaken and key areas for improvement have been identified, including:</p> <ul style="list-style-type: none"> • An increase transport options, including use of minibuses, less use of single occupancy taxis and the promotion of independent travel. • Route planning and route optimisation • More robust check and control over contracts and payments • More collaboration and integration with other children and young people teams • Redesign of the service as part of the “one Children’s Service” vision. 	<p>We will review and consider the appropriate alternatives to home to school transport for children and young people, including directing parents to free bus transport, the purchase of bikes or direct payments to families and/or children and young people who are eligible.</p> <p>We will support children to travel independently where this aligns to their needs. This will have a positive impact on children and young people with Special Educational Needs and/or Disabilities - promoting independence and life skills.</p> <p>We will consider whether there is a business case for an in-house fleet for some schools and routes. Route planning and route optimisation will be used to, where possible, amalgamate routes and the use of escorts.</p> <p>Robust oversight and governance will ensure decisions are taken in a consistent, transparent manner.</p>	<p>Without delivery of this Financial Sustainability Plan there remains a risk to the Council’s overall budget if the overspend on the home to school transport budget continues. The Council needs to be able to reasonably estimate and agree the budget for home to school transport. This is a statutory service and the Council needs to identify the means to ensure that the service is sustainable.</p>	<p>Promoting independent travel, have less single occupancy taxis and route planning and optimisation should reduce the level of carbon emissions associated with home to school transport.</p>	<p>Ensuring our children and young people have the skills, support and confidence to travel independently will have a positive economic impact across Torbay</p>	<p>We would seek to see a positive impact on children and young people with Special Educational Needs and/or Disabilities being provided with training and support to promote independence and life skills.</p> <p>Further details are included within the overarching Equality Impact Assessment for the Revenue Budget 2025/2026.</p>
<p>Housing Needs (Joanna Williams, Director of Adult and Community Services/Cllr Alan Tyerman, Cabinet Member for Housing and Finance)</p> <p>The current level of the cost of living and the increasing cost of accommodation costs means that the affordability of housing for residents in Torbay is challenging. Numbers accessing the Housing Needs service and the unit cost of accommodation have increased resulting in a rise in expenditure</p>	<p>We want to see a reduction in homelessness and improved outcomes for households.</p> <p>We will work to identify alternative accommodation models which are more cost effective and have better outcomes, including preventing re-occurrence of homelessness. We will consider the provision of specialist accommodation where the market will not meet the needs of our community.</p>	<p>There are risks associated with the capacity of officers within the Council to develop business cases and, if approved, to acquire property.</p> <p>There is also a risk that there is no increase in the level of subsidy received by the Council in relation to homelessness.</p>	<p>There will be no differential environmental impact.</p>	<p>Supporting individuals, and families, to remain in stable, sustainable housing provision will have a positive economic impact.</p>	<p>All individuals, and families, will continue to be assessed based on their identified needs without prejudice.</p>

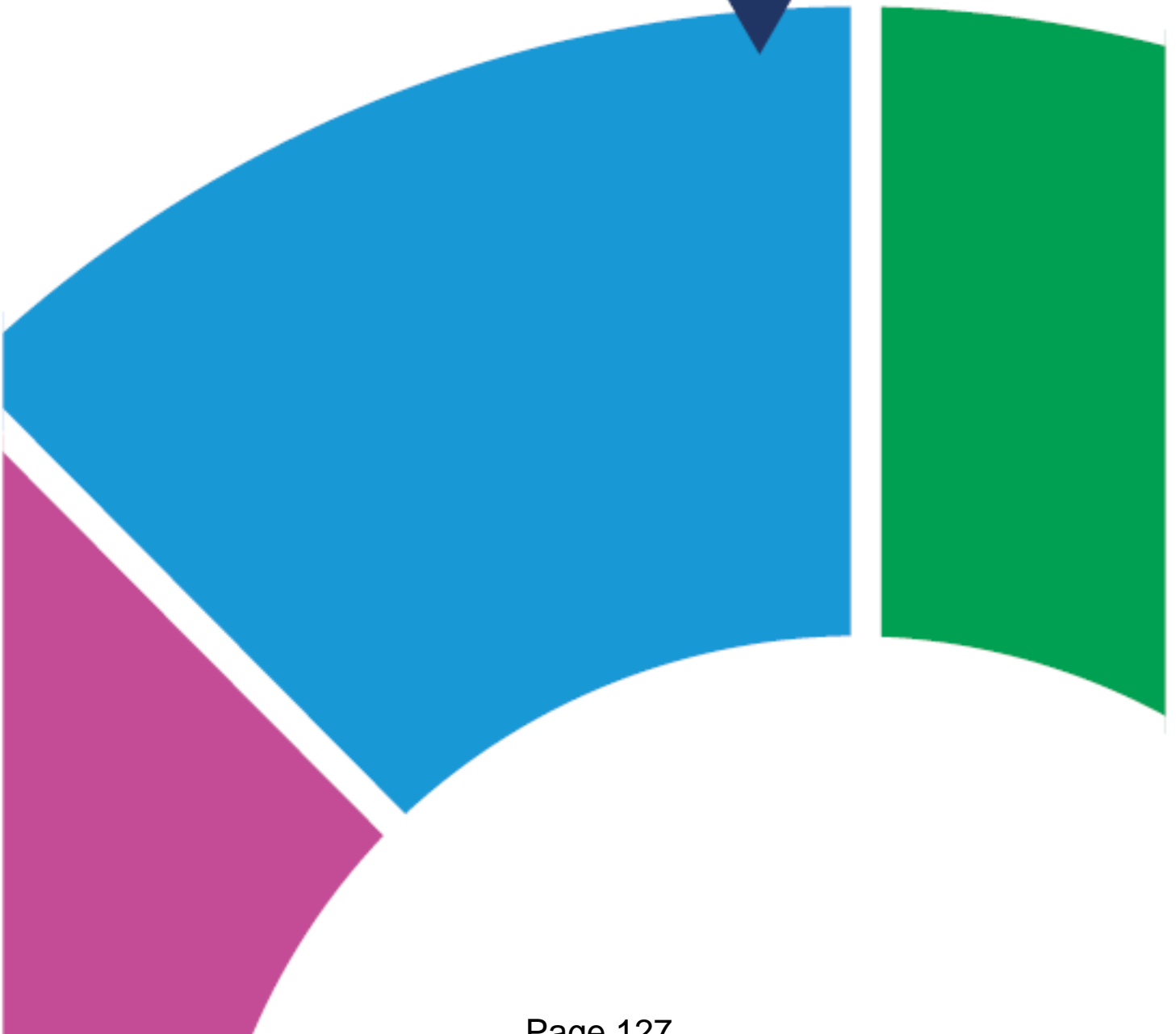
Financial Sustainability Plan (Responsible Officer/Cabinet Member)	Anticipated Outcomes	Associated Risks	Environmental Impact	Economic Impact	Equality Impact
<p>related to prevention activity and the provision of temporary accommodation.</p> <p>Nationally Torbay is an outlier for people losing their home through loss of a private tenancy. Those approaching the service also have higher support needs at almost double the England average. These two reasons alone impact on the requirement of the service and system to mitigate expenditure and improve outcomes for households.</p> <p>Due to the complex nature a series of strategic and operational interventions are being implemented with the following focus:</p> <ul style="list-style-type: none"> • Prevention of homelessness • Length of stay in temporary accommodation. • Cost effectiveness of temporary accommodation. • Improved access to permanent homes. 	<p>We will ensure the effective use of alternative funding streams to support service delivery and provision.</p>				
<p>Legal Services (Matthew Fairclough-Kay, Director of Corporate Services/Cllr Jacqueline Thomas, Cabinet Member for Tourism, Culture and Events, and Corporate Services)</p> <p>Legal Services deliver a professional support function, therefore its non-staff cost base is low with little scope for efficiencies. Moreover, some areas of budget provision are very modest, and consideration needs be given to adequately resource a professional service.</p> <p>The pressures experienced by the department over time have resulted in reliance on (i) locum staff and (ii) the requirement to outsource work to the private sector. This is due to insufficient capacity or specialism within the established staff structure and linked to the challenges in recruitment over a long period of time.</p> <p>This has impacted on both the Legal Services budget (locums) and client department spend, where project codes are identified to pay for external legal advice and representation.</p>	<p>We are seeking to recruit to Legal Services alongside an agreed remuneration increase to better compete with the market and allied other elements in our offer to make the posts attractive and competitive. Further successful staff recruitment is intended to deliver value for money, by enabling a further reduction in locum spend.</p> <p>Alternative delivery methods such as shared services or shared commissioning has been explored but proven difficult to achieve, as neighbouring and wider authorities are themselves working at capacity.</p>	<p>There is a risk that increased costs from market supplements might not result in successful recruitment.</p> <p>Further, demand for legal support is likely to continue to rise in excess of capacity available.</p>	<p>There will be no differential environmental impact.</p>	<p>There will be no differential economic impact although action will ensure that Value for Money is delivered by the service.</p>	<p>There will be no differential equality impact.</p>

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Capital Strategy

November 2024

Budget 2025-2026



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1. Introduction

The Council has a range of capital resources at its disposal, which are used to deliver services and to achieve strategic objectives. These resources include land and buildings, such as offices, schools, parks and open spaces, leisure centres and more.

The Council's ability to maintain these assets, in order to ensure and enhance their role in the delivery of services, is crucial to its financial resilience. If assets fall into disrepair, and are no longer able to fulfil their primary purpose, the Council's ability to deliver the associated services is impaired, and it has resources tied up in sub-optimal assets.

Planning and managing the use of the Council's capital resources is, therefore, vital. This includes understanding the role that these assets play in the delivery of services and ensuring that the authority's asset base remains fit for purpose.

The Capital Strategy provides a high-level overview of how capital expenditure, capital financing, investments, liabilities and treasury management activity contribute to the provision of services, together with an overview of how the associated risk is managed, and the implications for future financial sustainability.

The Strategic Asset Management Plan, and the Transport Asset Management Plan, provide information on the sustainability of these assets, and the efficient use of the asset portfolio to provide value for money. These Plans are available on the Council's website.

When incurring capital expenditure there is an element of risk that needs to be managed by the Council. This risk could be:

- the probability of whether an asset will deliver the projected outcomes;
- the accuracy of development and build cost for a Council led project;
- the accuracy of the forecasted future running costs and income at the time of acquisition;
- whether it is prudent to borrow for this expenditure

Like other authorities, the Council previously purchased property to provide multiple benefits, including an investment return. This investment return has provided an income stream to the revenue budget and helped to offset some of the budget pressures arising from increased demand and reduced funding from central government. The Council, whilst no longer acquiring such assets, manages existing assets which will have different characteristics and risks.

In recent years HM Treasury have taken actions to prohibit the purchase of investment assets bought primarily for yield. Torbay Council removed any further such purchases ('debt for yield') from its capital plans. In May 2022, the HM Treasury Public Works Loan Board, (PWLB), Borrowing guidance was further updated by reinforcing its expectation that Councils do not engage in any more commercial activity such as the purchase of investment property, and avoid activity that is "primarily for yield". The Council has to submit information to Treasury on an annual basis to demonstrate compliance with the guidance. The guidance further defines "regeneration" with a list of characteristics of what HM Treasury would regard as a permissible regeneration project. In summary the Council can only undertake regeneration projects to address

market failure, acting only when the private sector cannot deliver and the Council is making a change to the asset by significant investment or significant change. These regulations apply to all types of borrowing (not just from PWLB).

Economic Conditions

During 2023/24 the Council's capital programme experienced further significant increases in costs owing to instability in the contractor market, and to rises in borrowing costs; the impact of these market challenges is likely to continue over the next few years. These changes reduce the financial viability of capital projects, including those being funded by grants, where the grants have not increased to meet the increased costs.

Where it is considered necessary to proceed with a capital project, (say to secure grant funding or to complete a project already started), the Council can approve allocation of additional borrowing to that project; however, the impact of the additional borrowing costs will need to be assessed and funded in future year revenue budgets.

These additional costs do not alter the Capital Strategy, but rather focus attention that compliance with both the Capital Strategy and the Prudential Code is vital to ensure that capital expenditure and investment decisions are "prudent, affordable and sustainable".

Regulation

Authorities are required by regulation to have regard to the Prudential Code for Capital Finance in Local Authorities (2021) when carrying out their duties in England and Wales under Part 1 of the Local Government Act 2003. The key message from the Code is, in relation to capital expenditure, the consideration of Prudence, Affordability and Sustainability.

CIPFA's Prudential Code provides a framework for the self-regulation of the authority's capital financing arrangements. It requires local authorities to set limits on the amount they can afford to borrow in the context of wider capital and revenue planning.

A Capital Strategy is part of the Prudential Code requirements and sets out the long-term context in which capital expenditure and investment decisions are made; the strategy must give due consideration to both risk and reward and to the impact of the strategy on the achievement of the authority's priority outcomes.

The Financial Management Code of Practice has been issued by CIPFA 'to provide guidance for good and sustainable financial management in local authorities and will provide assurance that authorities are managing resources effectively'. The Financial Management Code applies to all local authorities and brings together statutory requirements and Codes of Practice into one document.

The Capital Strategy therefore reflects the standards outlined in the CIPFA Financial Management Code of Practice.

Objectives of the Capital Strategy

The Capital Strategy is one of the Council's key documents; it provides a medium/long term plan, consistent with the plans and strategies shown below, to provide a fully-integrated and transparent Plan for the Council:

- Strategic Asset Management Plan;
- Transport Asset Management Plan;
- Medium Term Resource Plan;
- Capital Investment Plan;
- Revenue Budget;
- Treasury Management Strategy;

The Capital Strategy is therefore the policy framework document that sets out the principles to be used to guide the allocation of capital investment across all the Council's services. It informs decisions on capital spending priorities within the Council's 4-year Capital Investment Plan. In addition, as part of the Strategy, the Director of Finance, (Chief Finance Officer), reports on the affordability and risk associated with the Capital Strategy.

The full picture of the control system around the Council's wide range of capital expenditure, and its funding, is reflected in a range of documents, monitoring and management arrangements.

Capital investment is defined as:

“Expenditure on the acquisition, creation, or enhancement of ‘non-current assets’ i.e., items of land, property and plant which have a useful life of more than 1 year”. Expenditure outside of this definition will therefore be classified as revenue expenditure.

Most non-current assets are properties that are used in service delivery. The Council's land, buildings and infrastructure asset base has a Balance Sheet value as at 31/03/24 of approx. £625m million (£608m as at 31/03/23), of which £190m million (£182m as at 31/03/23) are Investment Properties. The outstanding borrowing as at 31/03/24 was £359m (£383m at 31/03/23) with £14m of long-term liabilities in relation to PFI schemes.

The Capital Strategy is presented to Council as a Policy Framework document, and links with both the Treasury Management Strategy, Medium Term Resource Plan and the Corporate Asset Management Plan (the latter being the key operational asset plan covering repairs and maintenance).

This Strategy focuses on the key policies for the allocation of capital resources to schemes in line with Council priorities and statutory responsibilities.

2. Guiding Principles

Approach to Borrowing

The Council is able to borrow money on the money market or from the Public Works Loans Board (PWLB) to fund capital schemes or, on a short-term basis, is able to use its own internal resources

(i.e. cash flow). However, for all capital schemes initially funded from borrowing, the Council will have to fund the principal repayment and interest costs within its revenue budget.

All schemes funded from prudential borrowing are approved by Full Council, although in some cases approval of individual schemes within an overall allocation by Council have an alternative approval process (such as by Cabinet).

The Prudential Code requires authorities to ensure that decisions for capital expenditure are made with sufficient regard to the long-term financing implications, and potential risks, to the authority - including effective due diligence.

Based on the Council's latest Capital Investment Plan there is a need to take an additional £4m of borrowing by the end of 2027/28 to support capital projects, however the value of external borrowing reduces to £340m by the end of 2027/28, (excluding PFI), due to some external debt maturing in this period.

Due to the high level of existing Council borrowing, and viability and affordability issues across a number of approved capital projects, the Council renewed its approach to setting a Capital Investment Plan from 2024/25, only detailing the specific stages, (gateways), of individual projects based on the corresponding funding available. Various grants received, or due to be received, by the Council are held within a 'project pending' list awaiting drawdown subject to robust and realistic business cases. By taking this approach the specified need for future Council borrowing has been significantly reduced with any new borrowing required being closely scrutinised in terms of security of repayment and fit within the Council's overall debt portfolio.

The Council takes a prudent approach to new borrowing, paying particular regard to the robustness of the business case, include forward projections of affordability; the aim is for projects to be self-funding (i.e. create a revenue stream so that the cost of borrowing is cost neutral). As at 31 March 2024, the Council had accrued long term borrowing amounting to £383m. With the unusually high interest rates encountered over the last 12 months, the Finance Director, (Section 151 Officer), took the decision to repay £19m of this debt in order to reduce the overall level of long term liability.

Following the changes to PWLB the Council no longer acquires commercial properties using 'debt for yield'; however the risks around income on the properties previously purchased, and the ongoing cost of the borrowing, will still need to be managed. All new proposals for a self-funding or invest-to-save scheme supported by borrowing, must have a robust business case that is presented to the Finance Director, Capital and Growth Board and Directors prior to submitting to Council for approval.

Each business case, as appropriate, must clearly identify and consider the ongoing revenue implications of:

- fixed interest and principal repayment costs
- associated income stream(s) and sensitivity analysis
- volatility of the income stream(s)
- the contribution to the General Fund and breakeven points

- the sensitivity of that contribution
- achieving the target return linked to the purpose of the spend
- ensuring asset value exceeds outstanding debt
- demonstrating value for money
- project sustainability
- exit strategy and costs

All of the above need to be considered for the whole life of the asset.

Each business case must clearly identify and consider the ongoing balance sheet implications of:

- the change in the level of Council debt
- address how changes in asset value will be funded, i.e. capital appreciation and impairment, and the total of assets funded by borrowing
- maintenance of asset to ensure sustainable use

To ensure that all Members are fully informed of the risks and rewards associated with borrowing, reporting will include:

- total Council debt
- the underlying assets funded by that debt
- affordability - ongoing revenue costs of principal and interest
- income streams associated with that asset (over the asset's relevant lifespan)
- implications of changes in asset values or income streams

To support its revenue budget the Council will continue to evaluate any capital investment projects (whether the expenditure is either fully-Council, or shared with partners) that will produce an ongoing revenue income stream for the Council, as part of service delivery, or reduces on-going revenue requirements.

There may be the need for borrowing that has no identifiable future revenue stream, for example, to repair or construct infrastructure assets. Here a broader view needs to be taken of the value of constructing or repairing the asset to the overall economy of the Bay.

Where economic conditions impact the costs of a scheme, and additional borrowing may be deemed necessary for completion of a project, the cost of such borrowing falls on the revenue budget through repayments of debt on the Council's revenue account over a specified period. There may still be a need for such borrowing, but each proposal will be reviewed on a case-by-case basis, with the project re-evaluation clearly stating how the borrowing is to be afforded. Given the ongoing financial challenges facing the Council over the next few years, it is important that such schemes are exceptions.

The Council's Treasury Management Strategy provides further information on the Council's borrowing strategy for the coming financial year which is detailed in **Appendix 1**:

www.torbay.gov.uk/council/policies/finance-policies/treasury-management/

Long Term Capital Liabilities

The Council can also finance capital expenditure by means of a long term PFI contract, whereby a private sector company will build and then supply an asset back to the Council for a specified number of years (usually with services as well). At the end of the contract the asset transfers to the ownership of the Council. The value of the asset, and the associated liability over the life of the contract to fund that asset, is reflected on the Council's balance sheet on a discounted cashflow basis. As with borrowing, any Council decisions on agreeing contracts that result in long-term liabilities are made with sufficient regard to the long-term financing implications and potential risks to the authority, and include effective due diligence.

Councils may also lease assets for service delivery rather than purchase. Depending on the lease terms, including the length of lease, these assets, and the associated liability over the life of the lease to fund that asset, would be reflected on the Council's Balance Sheet in compliance with International Financial Reporting Standard 16.

Grant Allocations

The Council receives capital grant funding from central government and can bid for grant funding directly to government departments, or from other grant awarding bodies. Such awards include Town Deal Funding for Torquay, (£21.3m), Future High Streets Fund for Paignton, (£13.9m), £20m Levelling Up Fund Round 3, and £20m through the Levelling Up Partnership.

All significant capital grants received will be reported to Council. The presumption is that the grants will be allocated in line with the service intentions of the identified government body awarding the grant; however, on occasions, the Council will seek to reallocate funding for certain projects that either:

- (a) can no longer be delivered within the specified timespan of the grant and/or
- (b) costs of the project differ significantly from the original bid and subsequent grant allocated to the extent that the project is either no longer viable or that alternative projects offer better outcomes and/or returns from the funding.

The Council continues to bid for additional external grant funding for schemes which support corporate priorities or statutory service objectives, and where it can be proved that the project is sustainable with any requirements for match-funding and/or any future revenue consequences being fully considered and approved. All bids require to be signed off by the Director of Finance prior to submission. Where external grants are used, the grant conditions (linking the capital grant to the future use of the asset) must be adhered to.

The governance around capital bids and acceptance of capital funding requires that:

- (i) Directors ensure that all bids submitted for their portfolio are checked for accuracy
- (ii) Significant decisions made by Officers should have a formal Record of Decision
- (iii) Relevant meetings, for example where Group Leaders are consulted, should be minuted
- (iv) All future bids for Government money must be made and submitted in accordance with the Council constitution

Officers ensure that the submission of all future bids are in accordance with Council Policies

Having received formal approval of grant funding awards, the Council will maintain an active list of all such funding in a 'Grant Project Pending' list awaiting formal business cases to be developed, and approved, demonstrating full delivery, and targeted outcomes, from capital investment. The Council's Grant Project Pending list as at November 2024, is detailed in [Appendix 2](#).

Construction and delivery costs of specific projects will only move from the grant pending list to the approved Council Capital Investment Programme following formal Business Case approval which must include a robust analysis of costs and sources of funding available to complete.

3. Capital Receipts and Capital Contributions

The Council receives capital receipts and capital contributions from:

- Asset Disposals
- Right-to-Buy Clawback
- Section 106 agreements and Community Infrastructure Levy (CIL)
- Repayment of loans for a capital purpose

Asset Disposals

Purchases of assets are primarily to be retained in the long term. However, the benefit of selling the assets will be regularly reviewed by the Director of Finance for potential disposal. The review will need to consider the resulting impact on the Council's revenue budget and any impact of operational delivery from the lost income stream and any costs of disposal.

The policy is to pool all receipts from the sale of all assets sold to support the Capital Investment Plan in line with funding the Council's priorities, including the potential sale of any investment properties. The Capital Investment Plan might have a capital receipts target, and all capital receipts received should be allocated to support this target and not allocated to new schemes. An asset disposal will be deemed to occur when the Council transfers the freehold or a long lease (usually for leases over 40 years where the lease term is significant compared to the asset life).

The Council will consider exceptions to this policy where rationalisation of assets used for service delivery is undertaken and in respect of school sites where the Secretary of State has approved the disposal – such exceptions will require Council decision.

The Council will aim to maximise its capital receipts, where possible, by enhancing the land value prior to disposal, e.g., by obtaining planning permission or providing a development plan. As appropriate the Council may dispose of assets by tender or by public auction. A direct sale can be transacted however, such a transaction must be supported by an independent 'Red Book Valuation' demonstrating that the sale price represents appropriate 'value' for the Council

Asset Disposals at nil consideration or below market value

In considering asset disposals, the Council will comply with its Asset Management Plan and the need to consider the policy on Community Asset Transfers. The Council will consider, on a case-

by-case basis, the potential transfer of assets to an alternative provider after a full assessment of the long term (full life) risks and rewards of the transfer, including the achievement of best value, including potential market value, linked to the Council's aims and objectives.

The Localism Act 2011 introduced the "Community Right to Bid" and placed a duty upon local authorities in England to maintain a list of assets of community value. Once an asset is "Listed" any disposal will be under the Community Asset Transfer policy, or for market value by tender/auction.

Where the Council proposes to dispose of, or grant a long lease, at nil consideration or at a value below market value, this is required to be approved by Cabinet. This will also apply where the disposal is for a community or service benefit.

Right-to-Buy Clawback

100% of these receipts are currently used to support the provision of the Council's Housing Strategy, although this policy could be reviewed to provide additional resources for projects in other service areas through relevant Council approval.

Section 106 contributions and Community Infrastructure Levy (CIL)

Section 106 monies are received from developer contributions through the planning system. Unless there are service specific conditions on the use of the S106, the monies should be used to support existing Council priorities and commitments rather than be allocated to new schemes.

Any monies received for infrastructure from the Community Infrastructure Levy will not be allocated to a specific service but will be allocated under the CIL arrangements ("the Regulation 123 List") in line with Council's capital priorities, including any specific funding requirements, with the allocation of the "neighbourhood proportion" made after the funds have been received.

Repayment of loans for a capital purpose

Where the Council provides a loan for a capital purpose this will be approved by Full Council and accounted for as capital expenditure. The repayment of a loan by the borrower will be treated as a capital receipt; however any receipts of this nature will normally be applied to reduce the value of the Council's outstanding debt.

Capital Receipts to fund revenue transformation

The Ministry of Housing, Communities and Local Government (MHCLG) have continued to revise their statutory guidance in relation to the Local Government Act 2003 on the use of capital receipts. This provides Councils with the flexibility to use capital receipts for "the revenue costs of service reform". This flexibility is subject to a strategy for the use of capital receipts being approved by Full Council, and for the Council to submit "planned use of the flexibility" to MHCLG in advance of the financial year.

Potential uses for capital receipts, (subject to the capital receipts being received and Council approval of changes to capital plan), would be to support any implementation costs for the Council's transformation programme. MHCLG statutory guidance have included a

number of examples of the type of expenditure that would meet the definition of “revenue costs of service reform”.

The Council has not used this flexibility to date and do not plan to use it for the 2025/26 revenue budget setting.

Revenue and Reserves

The Council can use revenue funding and reserves for capital schemes. However, the Council’s preferred approach is generally not to use revenue or reserve funds to directly fund capital projects beyond the initial feasibility stage.

Once a revenue contribution has been applied to cover the capital costs of delivering a project it cannot be returned to revenue. However, the Council would be able, subject to the approval of the Director of Finance, to use prudential borrowing to replace any revenue or reserve funding used or proposed to be used. This will result in a one-off return of revenue funding to the Council’s revenue budget, offset by higher Minimum Revenue Provision (MRP) and interest costs to fund the prudential borrowing costs in future years.

A specific revenue reserve of £400k was approved by Council, created from the 2023/24 out-turn surplus, in order to fund initial feasibility and early development costs of emerging projects with the intention of replenishing the reserve as and when projects reach Outline Business Case stage and capital budgets are subsequently allocated.

The Council also holds a prudent revenue reserve to cover ‘revenue reversion’ costs of projects that, for whatever reason, fail to be delivered resulting in costs incurred not being able to be capitalised against approved budgets.

4. Prioritisation and Approval

It is always difficult to make choices between competing priorities within a top tier Council that delivers so many varied services. It is the responsibility of senior officers to recommend to Members the prioritisation of competing demands for capital resources, through the Capital Growth Board, in the context of the limited funding sources available.

The Council maintains and reports on a rolling four-year Capital Investment Plan that is updated and reported to Directors, Cabinet and Members, through Overview and Scrutiny, on a quarterly basis. The Capital Investment Plan will include any capital expenditure approvals by Council in the previous quarter.

The key stages in the Council’s prioritisation and approval process are as follows:

1. A service can submit a Project Initiation Document, (PID) for initial consideration to the Director of Finance and the Capital and Growth Board at any stage of a financial year.
2. For a specific project (following PID) to be approved/funded there will be a requirement for a detailed capital business case to be presented to the Director of Finance and Capital and Growth Board prior to wider consultation with Directors and the Cabinet.

3. If a scheme is to be funded from previously approved, (Council), allocations the scheme will progress in accordance with the stated approval process. If new (confirmed) funding is to be used for a scheme, (e.g. a specific grant), it will be reported to, and approved by, Full Council.

If funding has been allocated by Council to a service without individual schemes being identified, (such as a general allocation to schools for “basic need” projects), individual schemes within that allocation are subject to approval by the relevant Director.

4. Proposals for invest-to-save or self-financing schemes, (usually financed from prudential borrowing), will require a detailed capital business case. The capital business case is to be initially submitted to the Director of Finance and the Capital and Growth Board. If the scheme is supported, it will be recommended to Council for approval.
5. Any recommendations for schemes to be approved by Council will be included in the next quarterly budget monitoring report and/or a separate, stand-alone project report for larger spend and/or risk schemes.
6. Where there is a proposal to transfer capital resources from a previously approved scheme to a new scheme, the new scheme will be approved by Council.

Affordability and Sustainability of Proposals

The Prudential Code requires that, in making its capital investment decisions, the Council should have explicit regard to option appraisal and risk, asset management planning, strategic planning for the authority and achievability of the forward plan.

The Capital Business Case will identify the projected running costs and financing costs of the relevant asset, and assess the affordability of the proposals both for the initial investment and over the life of the asset. In all cases the capital expenditure and any ongoing costs must be sustainable in relation to the Council’s medium-term financial plans.

This will include consideration of:

- service objectives, e.g., strategic planning for the authority
- stewardship of assets, e.g., asset management planning
- value for money, e.g., option appraisal
- prudence and sustainability, e.g., risk, implications for debt and whole life costing
- affordability, e.g., implications for council tax/district rates
- practicality, e.g., achievability of the forward plan.

Where an asset is directly linked to generating an income or rental stream for service delivery, the initial Capital Business Case will need to consider the future risks to those revenue returns and how these will be mitigated. This may result in the creation of an earmarked reserve for both income volatility and future asset-related expenditure.

5. Capital Investment Plan 2024/25 to 2027/28

The Council adopted a new approach from 2024/25 regarding how it considers, and approves, projects into the four year Capital Investment Plan.

Approved spend for each project will reflect the relevant Gateway at which the specific project is at whether:

- Project initiation;
- Feasibility and Development;
- Strategic Outline Business Case;
- Outline Business Case;
- Full Business Case

This allows greater control and management of projects with regards to their affordability and feasibility. It also ensures that the Council minimises abortive costs on projects which ultimately are not able to be delivered.

The level of external grant funding that the Council has attracted over recent times has been significant. Ranging from Town Deal Funding, Future High Streets, Devolution and Levelling Up Round 3. To improve transparency and promote strong governance, all grant funding, linked to the associated projects that they relate to, will be maintained as a separate 'pending' monitoring sheet which will sit outside of the Council's approved Capital Investment Plan.

Projects, and associated funding will move across from the 'Grants Pending List' to the approved Capital Investment Plan, following the development, and approval, of a fully costed and deliverable Business Case (approved by Council). In addition, to enable momentum to be maintained on project delivery, the Council's Section 151 Officer has delegated authority to approve drawdown of grant funding into the Capital Investment Plan in instances where:

- (a) there is clarity on what needs to be delivered through the funding ;
- (b) there is an urgency to spend money in line with specific grant conditions and
- (c) the drawing down of such grant funding does not expose the Council to financial liability.

This will only occur in circumstances whereby there would be no residual financial risk to the Council should the project not ultimately be delivered with the corresponding grant having to be repaid.

The 'Grant Pending (approved Business Case) List', as at November 2024, is detailed as [Appendix 2](#) to this document, with the revised 2024/25 to 2027/28 Capital Investment Plan for the Council detailed in [Appendix 3](#).

Management and Monitoring of Capital Investment Plan

The key objective of the Council's management and monitoring of the Capital Investment Plan is to ensure that all Members and Directors have visibility of the Plan and the approval of individual

capital projects to encourage collective responsibility for the capital expenditure on a project. and the success of the schemes themselves.

There is a Senior Officer group, with Cabinet representation, called the Capital and Growth Board who ensure that progress against the programme – in terms of expenditure and timescales – is in line with what has previously been agreed. Where projects are exhibiting cost overruns or delays in the completion schedule, these should be addressed promptly.

Arrangements include:

1. Overview and Scrutiny Board and Cabinet will receive quarterly monitoring reports.
2. A Capital budget for forthcoming year will form part of each financial year's budget proposals
3. The Capital and Growth Board reviews the Council's Capital Investment Plan and the governance arrangements associated with its various projects
4. Cabinet and Directors have responsibility for the oversight and challenge on the delivery of the Capital Investment Plan including slippage and outcomes.
5. Capital business cases are to be submitted to the Director of Finance and the Capital and Growth Board prior to any wider consultation or consideration.

Alternative Funding and Delivery Opportunities

The Council, as appropriate, will continue to consider other methods of supporting capital expenditure within the Bay, using alternative funding, such as social investment, crowd funding, private sector finance and third sector funding or by other bodies delivering capital schemes instead of the Council. The Council can use its assets to support schemes or aim to maximise funding from any source possible.

The Council continues to bid for additional external funding and/or work with other bodies to secure capital investment and to consider use of its own assets in a development which supports corporate priorities or statutory service objectives. An assessment of the opportunity costs of alternative options must be considered with any agreement needing approval through the Director of Finance prior to submission and/or contractual commitment.

The Partnership agreement, approved by Council in December 2023, to work with Milligan and Wilmott Dixon will continue to explore all available funding options in order to address viability across a number of Council owned development sites across the Bay.

6. Non-Treasury Investments

The Council has previously considered the purchase of land and property as an investment to generate an ongoing income. CIPFA has classified investment properties as a Non-Treasury Investment for reporting purposes and they are included in the Treasury Management Code of Practice. The Council complies with the Ministry of Housing, Communities and Local Government, (MHCLG), statutory guidance and any sector-led commentary and opinions associated with this

activity. Consequently, all Council Investment Fund purchases have now ceased following the Government's decision to disallow all PWLB borrowing for such investments.

The original Investment Fund was £235m which primarily comprised of commercial property. Over time the value of these assets will change which will be reported in the Treasury Management Mid-Year Report and Outturn Report.

The Council's Treasury Management Strategy Statement also includes references to the monitoring and reporting of the Council's Non-Treasury Investments (NTI). The Strategy is available on the Council's website at:

www.torbay.gov.uk/council/policies/finance-policies/treasury-management/

It should be noted that if an investment property is sold, the funds received will be a capital receipt and cannot be taken to the revenue account e.g. to offset the loss of an income stream.

In relation to non-treasury investments the updated 2021 Prudential Code is clear in that "*an authority must not borrow to invest primarily for financial return*"

*"Councils with existing commercial investments are not required by this Code to sell these investments, **however Councils that have an expected need to borrow should review options for exiting their financial investments for commercial purposes and summarise the review in their annual Treasury Management Strategy.** These reviews should evaluate whether to address expected borrowing needs by taking new borrowing or repaying investments based on a financial appraisal that takes into account of financial implications and risk reduction benefits"*

Over the coming years the Council will come under increasing pressure to enter into significant new borrowing to support various regeneration and housing development projects. **Being able to demonstrate a review of our existing Commercial Investment holdings will be crucial in order to unlock such borrowing.**

The Council's investment properties are diversified over a number of sectors and are expected in 2025/26 to produce a net surplus, after borrowing costs and reserve provision, of over £4m. If any of these assets are sold, the Council will need to either;

- apply the capital receipt from the asset sale to another project, to either avoid borrowing costs on that project, or to reinvest in a project that generates an income stream to replace the revenue shortfall;
- apply the capital receipt to repay borrowing subject to any early repayment penalties;
- apply the ongoing borrowing costs of the asset now sold to another project, where the income from the new project will be able to cover the borrowing costs

The chosen action will need to be in place ideally from date of sale to avoid any ongoing cost of carry of both the old debt and ongoing revenue shortfall.

Loans to third parties for Capital Expenditure

Loans for a capital purpose were previously approved by Full Council subject to a business case and due diligence on the borrower, including, as appropriate, guarantees and bonds to secure the repayment of the loan. The loan value should not exceed the value of the underlying asset and

there should be no third parties legal charge on the asset. Interest is charged on the loan at a market rate which ensures compliance with Subsidy Control regulations.

With the new PWLB guidance, the Council's ability to issue capital loans will be extremely limited, unless they are to its own subsidiary companies.

7. Governance and accounting

Capital expenditure and assets held by wholly owned subsidiary companies

The Council has overall control of these entities and therefore is ultimately responsible for the companies' assets and liabilities. The governance of any subsidiary's activities are controlled by the Council through 'reserved matters' listed within the Memorandum and Articles of Association of the company. These 'reserved matters' cover capital expenditure and the making of any borrowing. The assets and liabilities of all Council companies are consolidated into the Council's Group Accounts.

As these capital assets and liabilities are part of the Council's overall financial position, the Council will report on the total group assets and liabilities and the associated risk and reward.

Training and Skills

The Council needs to ensure that all decisions in relation to capital are properly informed.

In relation to skills, the Director of Finance, Monitoring Officer and Director of Pride of Place will ensure that the appropriate expertise is always resourced in relation to any financial, legal and/or asset related due diligence required.

The Council's knowledge and skills will be complemented by the use of advisers and agents as required.

Links with Treasury Management

All capital decisions to be funded by prudential borrowing will directly impact on the Council's Treasury Management activities. The level and timing of the capital expenditure will be reflected in the Capital Investment Plan once approved and in the strategic cash flow forecasts to plan for the required borrowing. The resulting costs (Interest and MRP) and any income to fund those costs, will be included in the standard budget monitoring and budget setting process.

Total borrowing will also be monitored by the annual setting of both the Operational and Authorised Limits for borrowing as detailed within the Treasury Management Strategy.

Balance Sheet Issues

The impact of capital projects and any prudential borrowing involved, will be seen in the Council's balance sheet through.

- Increase in the value of the Council's non-current assets

- Increase in the value of Council's long-term debtors (if capital loan provided)
- Increase in the Council's long-term borrowing
- Maturity profile of borrowing and repayment of borrowing
- Profile of capital loan repayments
- Increase/decrease in Capital Financing Requirement (CFR) - borrowing offset by MRP.
- Annual depreciation on operational assets
- Annual revaluation of, or impairment on, operational assets
- Annual valuations of investment properties
- Impact on Council's cash flow in delivery stage or on purchase
- Impact on Council's cash flow at time of borrowing

The value of non-current assets should always aim to exceed the value of the outstanding liabilities. In addition, the value of the outstanding liabilities should not exceed, in the medium term, the Capital Financing Requirement (which is the measure of a Council's underlying need to borrow).

Director of Finance: Statement on Delivery, Affordability and Risk of Capital Strategy

Background

The current guidance for a Council's level of borrowing is the Prudential Code (December 2021) The following extracts from the Code summarise the approach to level of borrowing (self-regulating) and the governance that should apply:

“the local authority shall ensure that all its capital and investment plans are affordable, prudent and sustainable.”

“A local authority shall determine and keep under review how much money it can afford to borrow.”

“the level of capital investment that can be supported will, subject to affordability and sustainability, be a matter for local discretion.”

“a local authority must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.”

Torbay Council Borrowing Position

The Council's borrowing position, and costs, are summarised in the following table:

	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 estimate	2027/28 estimate
External Borrowing	£359m	£355m	£349m	£347m	£340m
Other Debt Liabilities	£14m	£13m	£12m	£11m	£10m
Net Revenue Stream	£130m	£139m	£147m	£152m	£157m
Financing costs (£m)	£14m	£17m	£16m	£16m	£16m
Proportion of net revenue stream	10.8%	12.2%	10.9%	10.5%	10.2%

During the last 18 months, the Director of Finance has reviewed the overall long term debt liability of the Council alongside investments and cash balances held. This has resulted in a proportion of long-term debt being repaid, (taking advantage of the relatively high interest rates), with total debt reducing from its peak in 2023/24 of £385m.

The Council's Capital Investment Plan has been thoroughly reviewed, and revised, to ensure future affordability and sustainability. This has reduced our forward-looking borrowing requirements with the consideration for any new borrowing coming under much closer scrutiny and governance through robust Business Cases and comprehensive financial appraisals.

Borrowing - Risks for the Council

The Council's risk principally lies in:

(a) **Commercial Investment portfolio** – where borrowing is financed through rental income from the assets held. As mitigation, an Investment Reserve is maintained to address forecasted fluctuations, (e.g. break periods), however, future economic conditions could result in the level of income generated being less than that needed to fund the debt. Current annual income, covering debt costs, maintenance of assets and revenue contribution is circa £14m per annum. The robustness and sufficiency of the Investment Reserve will be reviewed regularly by the Director of Finance and Cabinet Portfolio Holder for Finance and Housing;

(b) **Affordability of Capital Investment Plan** – the Plan has been reviewed as part of the budget setting process for 2025/26, being scaled to reflect affordability and deliverability over the medium term. Governance processes have been significantly strengthened during 2024/25 to provide greater transparency and control on projects and corresponding expenditure entering into the approved plan;

(c) **Maintenance of Council Assets** – whereas annual budgets are set aside for on-going repairs and maintenance of assets held by the Council, the funding for any significant repairs and major investment, (e.g. roof replacement), that might occur in the future is inconsistent across the estate. As mitigation, the Council has reviewed, and updated, its Asset Management Strategy, clearly stating the ownership, and condition, of all of the Council's assets. Through proposed increases to Repairs and Maintenance budgets, as detailed within the Medium Term Resource Plan, an element will be set aside to create a 'major repairs reserve' which will be reviewed regularly by the Director of Finance;

(d) **Robustness of Business Cases** – the Council will continue to deliver significant capital projects over the coming years, particularly around Town Centre Regeneration and, much needed, local housing development. Such projects will require the Council to consider further borrowing alongside alternative funding opportunities. Long term revenue affordability of any future borrowing must be robustly challenged through appropriate and comprehensive business cases with strong oversight provided through the Capital Growth Board.

Due to historic low borrowing rates, the Council has fixed all its loans and adopted a flat maturity profile, mitigating the risk of increasing rates on this historic debt. Future borrowing will increase the Council's fixed interest and borrowing costs, which will be an annual charge to the revenue budget.

Director of Finance Report Within the Prudential Code

It is the responsibility of the Chief Finance Officer to explicitly report on the delivery, affordability and the risks associated with this Strategy.

Delivery

The delivery of the individual schemes on the Capital Investment Plan are directly linked to the original approval of the capital project supported by each project having a client officer and a project manager who are responsible for the delivery of the project.

Members, via Overview and Scrutiny Board and Cabinet, will receive quarterly updates to the Capital Investment Plan. These updates are driven by the requirement by financial reporting, however in doing so Members can review, and challenge, the delivery of projects and any changes to both the timing, cost and intended outcomes from the various projects.

The Council's Directors Team, supported by the Capital and Growth Board, has oversight for the delivery of, and challenge to, the Capital Plan.

Affordability

Affordability is critical in applying the Capital Strategy and approving projects for inclusion in the Capital Investment Plan. Where Council borrowing is required, there will be a specific, stand alone report on the project presented to Council for approval, supported by a Business Case identifying the expenditure and funding, appraisal of alternative options and the risks and rewards of the scheme.

All projects need to have a clear funding source. If external funding such as an external grant is to be used there needs to be a clear funding commitment prior to committing financial liability for the Council.

Affordability of each project needs to be understood, not only for the funding of the capital spend, but also to cover any ongoing costs of the operation and funding of that capital spend as well as the on-going costs of maintaining the constructed asset.

Where borrowing is to be used the affordability has to include the interest costs of the borrowing and the provision for the repayment of the borrowing. This repayment is matched to a prudent asset life and any income streams estimated to fund this asset must be sustainable. At no stage should the asset value be lower than the value of outstanding debt, other than for a short period, unless there is a clear plan to mitigate that shortfall or to sell that asset.

Affordability of the Council's entire Capital Investment Plan has been thoroughly reviewed and updated as part of the 2025/26 budget setting process adopting a gateway process whereby individual projects will be challenged, regarding deliverability and affordability, at various stages of their progression.

Risks

The risks associated with the Capital Investment Plan with a significant level of borrowing can be mitigated (and indeed should be mitigated) as “business as usual”, i.e. all capital projects are supported by business cases, have adequate project management and/or project boards, suitable skills for the delivery of the project, tax planning, cash flow, clear operational plan for the use of the asset, security and due diligence on loans and purchases, use of external advice where appropriate, project contingencies, full tender process and regular and transparent reporting to Members.

There are clear links from the Capital Investment Plan to both the Treasury Management Strategy, prudential indicators, authorised borrowing limits and the revenue budget. These are also subject to review and oversight by members at Audit Committee and Full Council.

For new borrowing, this increases the Council's overall liabilities that will need to be repaid in the future and increases the Council's level of fixed interest and repayment costs that it will incur each year. This is a clear risk that all Members need to be aware of. However, this risk for all assets is mitigated by a robust business case and a full Minimum Revenue Provision that will repay the borrowing costs over a (prudent) asset life.

Housing and regeneration projects are a different type and level of risk with both variations in income streams, (tenant non-renewal etc.), and from asset values (impact of economic conditions and retail trends etc.).

Conclusion

The current system of borrowing is still a self-regulatory system which means that responsibility for borrowing decisions, and the level of borrowing incurred by a Council, are determined at a local level.

The responsibility for decision making and ongoing monitoring in respect of capital expenditure, investment and borrowing, including prudential indicators, remains with Full Council as specified in the Prudential Code. Borrowing decisions result in a long-term commitment to fund that borrowing, and as such, all decision making and ongoing reporting should be as transparent as possible to all Members and the residents of Torbay.

The pace and level of change in the Council's borrowing linked to regeneration and housing schemes is potentially significant. The Council's capital financing requirement, (i.e. its underlying need to borrow), needs to be realistic and kept under regular review by the Director of Finance, Cabinet and Full Council.

Malcolm Coe

Director of Finance (Chief Finance Officer)

November 2024

DRAFT Treasury Management Strategy 2025/26

November 2024



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This document can be made available in other languages and formats.
For more information please contact financial.services@torbay.gov.uk

1 Introduction

Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council borrows and invests substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires Full Council to approve a Treasury Management Strategy before the start of each financial year. This report fulfils the Council's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code and also complies with CIPFA Prudential Code for Capital Finance in Local Authorities 2021 guidance.

The Strategy for 2025/26 covers:

- Capital expenditure and Prudential Indicators
- the Minimum Revenue Provision (MRP) policy
- forecasts for future interest rates;
- the Borrowing Strategy;
- the Investment Strategy;
- Treasury indicators which limit the treasury risk and activities of the Council;
- policy on the use of external service providers;
- reporting arrangements and management evaluation

2 Capital Expenditure and Prudential Indicators

The Council's capital expenditure plans are a key driver of treasury management activity. The output of the Council's Capital Investment Plan is reflected in the prudential indicators below, which are designed to assist Members' overview.

Capital Expenditure and Financing

Capital expenditure is where the Council spends money on assets, such as property or vehicles, which will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

A different approach has been taken in respect of setting an approved Capital Investment Plan from 2024/25, whereby various elements of grant funding are being held within a 'Project Pending' list prior to establishing affordable, tangible business cases for each respective project. The proposed 2025/26 capital expenditure of £31m, as at November 2024, only reflects the true costs, and timing, of progressing each project to the next stage, (or gateway), of Council approval which might be initial feasibility, Outline Business Case, Full Business Case or Final Delivery.

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

£M	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 budget	2027/28 budget
General Fund services	47	33	31	15	8

It is anticipated that, during the course of the year, these figures will significantly increase as projects work through the gateway process and subsequent approvals granted which will move projects, and funds, from the pending list into the approved Capital Investment Plan. Such changes will be reported in, and approved through, quarterly budget monitoring reports presented to Overview and Scrutiny, Cabinet and Council, or stand-alone project reports where it is proposed to commit long-term borrowing towards the cost of delivery.

All capital expenditure must be financed, either from external sources, (government grants and other contributions), the Council's own resources, (revenue, reserves and capital receipts), or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

£M	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 budget	2027/28 budget
External sources	17	28	31	15	8
Own resources	2	1	0	0	0
Debt	28	4	0	0	0
TOTAL	47	33	31	15	8

Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as Minimum Revenue Provision (MRP). Alternatively, proceeds from selling capital assets, (known as capital receipts), may be used to replace debt finance. Planned MRP is set out in Table 3:

Table 3: MRP for financing debt on maturity in £ millions (schemes in current Capital Plan)

£M	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 budget	2027/28 budget
Minimum Revenue Provision	8	8	8	8	8

The Council’s full policy on **Minimum Revenue Provision** is set out at [Appendix 1](#)

Affordable borrowing limit: The Council is legally obliged to set an affordable borrowing limit, (also termed the authorised limit for external debt), each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

Whereas Council borrowing will still be an integral part of delivering much needed capital investment within the Bay, the level of long-term debt, as reported in the 2024/25 Treasury Management Strategy, was £359m (almost three times the Council’s net annual revenue budget). Therefore, future borrowing requirements have been constructively challenged with any future approvals needing to be supported by robust and realistic revenue streams sufficient to repay the debt and interest incurred.

Table 4: Prudential Indicators: Authorised limit and operational boundary for external debt in £m

	2024/25 limit	2025/26 limit	2026/27 limit	2027/28 limit
Authorised limit – borrowing	480	500	520	520
Authorised limit – PFI and leases	20	20	20	20
Authorised limit – total external debt	500	520	540	540
Operational boundary – borrowing	430	450	470	470
Operational boundary – PFI and leases	20	20	20	20
Operational boundary – total external debt	450	470	490	490

Revenue Budget Implications

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, partially offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, Business Rates and general government grants.

Table 5: Prudential Indicator: Proportion of financing costs to net revenue stream

	2023/24 actual	2024/25 forecast	2025/26 budget	2026/27 estimate	2027/28 estimate
Net Revenue Stream	£130m	£139m	£147m	£152m	£157m
Financing costs (£m)	£14m	£17m	£16m	£16m	£16m
Proportion of net revenue stream	10.8%	12.2%	10.9%	10.5%	10.2%

3 Local Context

In November 2023, the Council repaid circa £19m of long-term debt in order to provide a better balance of the overall level of debt compared with relatively high cash balances held over recent years. As a result, as at 30th November 2024, the Council held £359m of borrowing and £63m of treasury investments. Forecasted changes in these sums are shown in the balance sheet analysis in table 6 below.

Table 6: Balance sheet summary and forecast:

	31.3.24 Actual £m	31.3.25 Estimate £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m
Capital Financing Requirement	449	436	431	422	414
Less: Other debt liabilities *	(14)	(13)	(12)	(11)	(10)
Loans CFR	435	423	419	411	404
Less: External borrowing	(359)	(355)	(349)	(347)	(340)
Internal borrowing	76	68	70	64	64
Less: Usable reserves	(86)	(76)	(76)	(75)	(75)
Less: Working capital and other cash backed balance sheet items	(46)	(46)	(45)	(47)	(47)
Treasury investments	(56)	(54)	(51)	(58)	(58)

* PFI liabilities that form part of the Council’s total debt

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying sums available for investment. The Council’s current strategy is to apply its cash resources in place of external borrowing in the short term, i.e. internal borrowing.

The Council has a reducing CFR, due to the finite Capital Investment Plan and ongoing MRP adjustments, which can be funded from internal resources over the medium term thereby delaying the need to borrow.

As part of the annual budget setting process, the Council has reviewed and revised the affordability and deliverability of its Capital Investment Plan with the updated plan reducing the overall Capital Financing Requirement and future loans required.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 6 shows that the Council expects to comply with this recommendation during 2025/26.

Liability benchmark: The Code requires a "liability benchmark" to be calculated showing the lowest risk level of borrowing. This assumes the spend forecasts as detailed in table 1, but that cash and investment balances are kept to a minimum level of £20m at each year-end to maintain sufficient liquidity and minimise credit risk.

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Consideration will be given regarding the use of cash balances, at any point in time, to fund a long-term borrowing requirement as this could minimise the risks around higher long term debt costs.

Table 7: Prudential Indicator - Liability benchmark

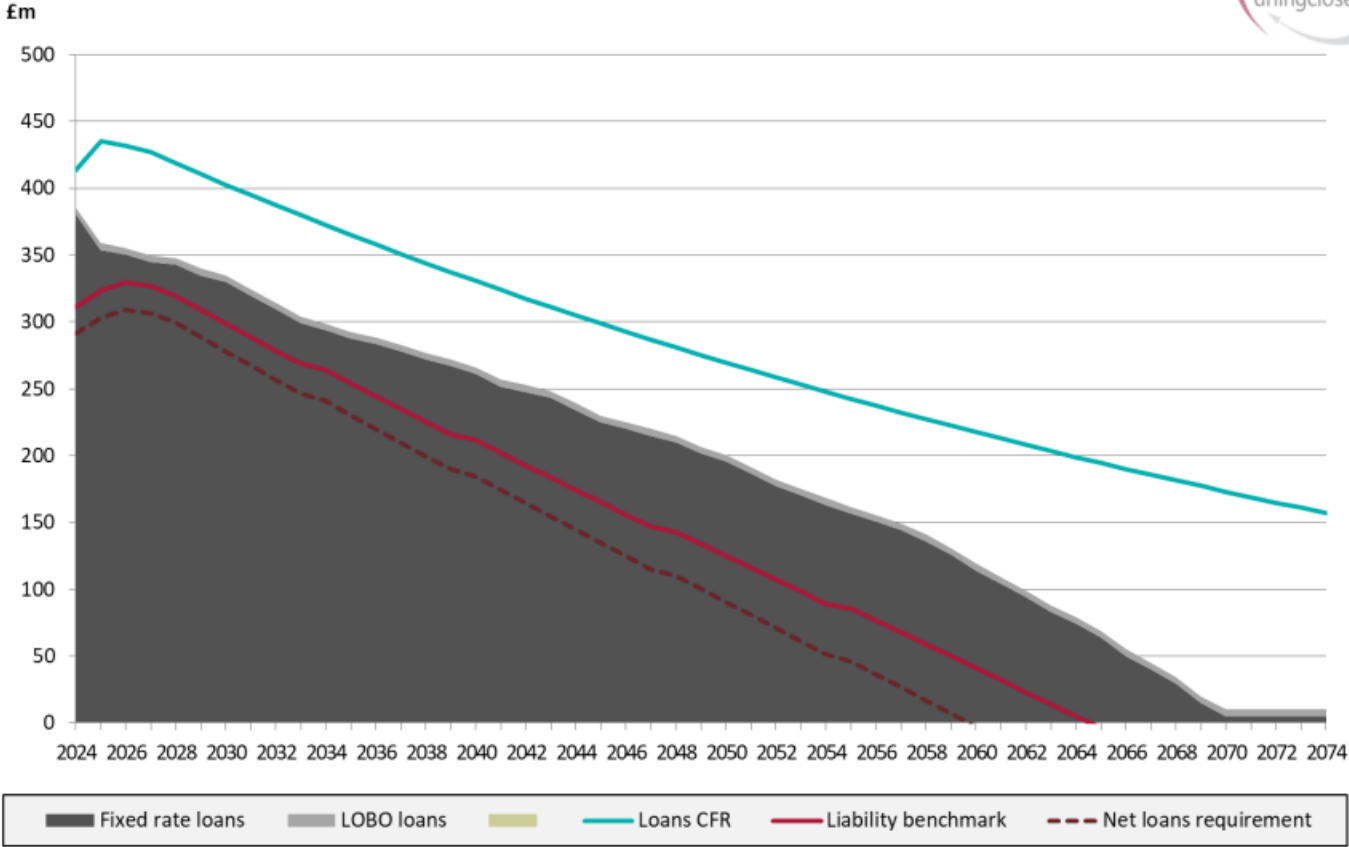
	31.3.24 Actual £m	31.3.25 Estimate £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m
Loans CFR	435	423	419	411	404
Less: Balance sheet resources	(119)	(120)	(110)	(108)	(107)
Net loans requirement	316	303	309	303	297
Plus: Liquidity allowance	20	20	20	20	20
Liability benchmark	336	323	329	323	317

The maturity profile of the Council's existing borrowing compared with the Capital Financing Requirement and 'Liability Benchmark' are detailed in the following graph:

The concept is that the chart allows a comparison of current borrowing against the need to borrow, looking at both the amount (on the y axis) and the term (on the x axis). Where actual loans exceed the Liability Benchmark, the authority can make long-term investments for cash flow management or repay loans early; where the Liability Benchmark exceeds loans, the authority can take long-term borrowing or sell investments.

There is no requirement to borrow exactly to the Liability Benchmark, but a decision to borrow more or less, or longer or shorter, than the Liability Benchmark implies a deliberate decision to accept additional risk. This may be entirely appropriate if it is accompanied by a reduction in cost, for example through short-term borrowing at lower margins. The Liability Benchmark provides the tool for local authorities to measure this risk and make such risk/reward decisions openly and explicitly.

Liability Benchmark - Torbay Council



4 Economic and Interest Rate Forecast

The Council's advisors, Arlingclose Ltd have provided an economic commentary (updated for November 2024) detailed as **Appendix 2** together with their interest rate forecasts for future years as shown in table 8:

Table 8: Arlingclose Ltd interest rates forecast

	Current	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Central Case	4.75	4.75	4.50	4.25	4.00	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75
Downside risk	0.00	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
3-month money market rate													
Upside risk	0.00	0.00	0.25	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Central Case	4.95	4.80	4.60	4.35	4.10	3.90	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Downside risk	0.00	0.00	-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75
5yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.30	4.20	4.10	4.05	3.95	3.90	3.90	3.90	3.95	4.00	4.05	4.05	4.05
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65
10yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.41	4.40	4.35	4.35	4.35	4.30	4.30	4.30	4.35	4.35	4.35	4.35	4.35
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65
20yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.84	4.80	4.75	4.70	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65
50yr gilt yield													
Upside risk	0.00	0.60	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Central Case	4.35	4.50	4.45	4.40	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35
Downside risk	0.00	-0.40	-0.50	-0.60	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65

Note: The Council will borrow at PWLB certainty rate which is the relevant gilt yield + 0.80%

Arlingclose have highlighted the following key points:

- In line with forecast, Bank Rate was cut to 4.75% in November 2024.
- The Monetary Policy Committee will continue to lower Bank Rate to reduce the restrictiveness of monetary policy, but more slowly and to a higher level. We anticipate another rate cut in February 2025, followed by one cut per quarter to a low of 3.75%.
- Long-term gilt yields have risen to reflect both UK and US economic, monetary and fiscal policy expectations, and increases in bond supply. Volatility is likely to remain elevated as the market digests incoming data.
- This uncertainty may also necessitate more frequent changes to forecasts than has been the case recently.
- Upside risks to inflation over the next 12 months could limit the extent of monetary easing, but we see the risks as broadly balanced over the medium term.

5 Borrowing Strategy

The Council currently holds £359 million of loans. The balance sheet forecast in table 6 shows that the Council does not expect to need to borrow in 2025/26 due to internal resources being available to fund capital expenditure in the short term. However, should the Capital Investment Plan be expanded, the Council may borrow to pre-fund future years' requirements providing this does not exceed the Authorised Limit for borrowing.

Objectives: The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

Strategy: Given the significant cuts to public expenditure, particularly to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently high, but expected to fall in the coming year, it is likely to be more cost effective over the medium-term to either use internal resources, or to borrow short-term loans as opposed to any further long term borrowing. The risks of this approach will be managed by keeping the Authority's interest rate exposure within the limit set in the treasury management prudential indicators.

By doing so, the Council is able to reduce net borrowing costs, (despite foregone investment income), and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when forecasts expect long-term borrowing rates to rise.

In the event of any new external borrowing requirements over and above internal borrowing capacity, the Council will look to the PWLB to secure long-term funding of projects. However, alternative sources will be considered.

PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council continues to avoid this activity in order to retain its access to PWLB loans.

The budget for payment of interest on debt for 2025/26 has been based on an assumed £359m of "historic" borrowing as at 31/03/25 with an overall borrowing rate of 2.91%.

Sources of borrowing: The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- National Wealth Fund Ltd (formerly UK Infrastructure Bank Ltd)
- any institution approved for investments
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except Peninsula Pension Fund)
- capital market bond investors

- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues
- retail investors via a regulated peer-to-peer platform
- Municipal Investments using loans and bonds
- “Green” bonds (loans to Council)

Other sources of debt finance: In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback
- similar asset based finance

Municipal Bonds Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable.

Debt rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Chief Finance Officer may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years. In response to this the Council repaid circa £19m of long-term loans in 2023/24.

6 Investment Strategy

The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year the Council's investment balance has ranged from a high of £98 million down to around £50 million currently. That current level is likely to be maintained in the forthcoming year.

Objectives: The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) issues when investing.

Strategy: As demonstrated by the liability benchmark, the Council expects to be a long-term investor and treasury investments will therefore include both short-term low risk instruments to manage day-to-day cash flows and longer-term instruments where limited additional risk is accepted in return for higher investment income to support local public services.

To achieve this the Director of Finance regularly reviews opportunities for further diversification into strategic investments as part of a balanced portfolio of holdings. The policy for who the Council can invest with, (counterparty selection), and investment limits is detailed in [Appendix 3](#).

Environmental, Social and Governance (ESG) Investments

Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG considerations do not currently include ESG scoring or other real-time ESG criteria at an individual investment level. Officers will continue to monitor and evaluate ESG investment opportunities, and these may be incorporated into future investment strategies subject to yield and security. Given the limited range of counterparties the Council can use for its investments and that borrowing is mainly from the Government there are limited opportunities to apply ESG principles in this Strategy.

Non-Treasury Investments Strategy

The Government and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments. The current schedule of non-financial investments is detailed at [Appendix 4](#). All decisions have followed the appropriate risk management framework and strategy for non-financial investments as approved by Council.

Any involvement by the Council in community investment schemes, such as Credit Unions and Mutual Banks, would fall into this category and would not be managed within the Treasury Management policies.

Guidance within the Prudential Code states that, "*Councils with existing commercial investments are not required by this Code to sell these investments, however Councils that have an expected*

need to borrow should review options for exiting their financial investments for commercial purposes and summarise the review in their annual Treasury Management Strategy. These reviews should evaluate whether to address expected borrowing needs by taking new borrowing or repaying investments based on a financial appraisal that takes into account of financial implications and risk reduction benefits”.

The Council will formally review their holding of ‘out of area’ Commercial Assets during 2025/26 in advance of considering any future PWLB borrowing in compliance with the Code.

7 Treasury Management Indicators

The Council measures and manages its exposure to Treasury Management risks using the following indicators.

Security: The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating/credit score of its investment portfolio. The credit score is calculated by applying a value to each investment (AAA=1, AA+=2, A=6 etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit risk indicator	Target
Portfolio average credit rating (score)	A (6)

Liquidity: The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling one-month period, without additional borrowing.

Liquidity risk indicator	Target
Total cash available within 1 months	£10m

Interest rate exposures: This indicator is set to control the Council's exposure to interest rate risk. The Council's debt portfolio is virtually all at fixed rate and therefore has no exposure to fluctuations in interest rates. As such, no specific limits are proposed on interest rate exposure but any new borrowing will be restricted to a maximum **30%** of the total portfolio exposed to variable interest rate.

Maturity structure of borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	10%	0%
12 months and within 24 months	15%	0%
24 months and within 5 years	30%	0%
5 years and within 10 years	40%	10%
10 years and within 20 years	50%	10%
20 years and within 30 years	50%	10%
30 years and within 40 years	50%	10%
40 years and above	50%	10%

Principal sums invested for periods longer than a year: The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Price risk indicator	2025/26	2026/27	2027/28
Limit on principal invested beyond year end	£40m		

8 Treasury Management Consultants

Arlingclose Ltd were appointed as the Council's external Treasury Management advisor for three years from April 2020, following a full tender process. An option to extend the term for a further two years was subsequently exercised by the Council. The current contract expires in April 2025, a full tender process will be undertaken in line with procurement regulations with the contract being awarded with effect from May 2025.

The Council recognises that responsibility for Treasury Management decisions always remains with the organisation and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regard to all available information including, but not solely, our treasury advisers.

9 Reporting Arrangements and Management Evaluation

Members of the Audit Committee will receive the following reports for 2025/26 as standard in line with the requirements of the Code of Practice:

- Annual Treasury Management Strategy
- Mid-Year Treasury Management Review report
- Annual Treasury Management Outturn report

The Director of Finance, (CFO), will inform the Cabinet Member for Finance and Housing of any long-term borrowing or repayment undertaken or any significant events that may affect the Council's treasury management activities. The CFO will maintain a list of staff authorised to undertake treasury management transactions on behalf of the Council.

The Director of Finance is authorised to approve any movement between borrowing and other long-term liabilities within the Authorised Limit. Any such change will be reported to the next meeting of the Council.

The impact of these policies will be reflected as part of the Council's revenue budget and therefore will be reported through the quarterly budget monitoring process. The Council's management and evaluation arrangements for Treasury Management will be as follows:

- Monthly monitoring report to the Director of Finance (Chief Finance Officer);
- Quarterly monitoring report to the Cabinet Member for Finance and Housing;
- Quarterly meeting of the Director of Finance, Treasury Manager and Treasury Advisors to review previous quarter performance and plan future period activities;
- Ad-hoc meetings with the Council's treasury advisors as required;
- Regular Investment benchmarking against other local authorities

The Audit Committee is the governance body responsible for the scrutiny of Treasury Management, making any relevant recommendations and amendments through Cabinet and Full Council.

The CIPFA Code requires the Chief Finance Officer to ensure that members with responsibility for treasury management receive adequate training. In compliance with this, a comprehensive briefing, and training event, was held in December 2023, delivered by Arlingclose and the Director of Finance. A refresher training session will take place with Arlingclose to ensure that the members with responsibility for treasury management continue to have the required knowledge and skills.

The training needs of treasury management officers are periodically reviewed.

Appendix 1

Policy on Minimum Revenue Provision for 2025/26

The Minimum Revenue Provision (MRP) is a statutory charge that the Council is required to make from its revenue budget where the Council funds capital expenditure with debt.

Although there has been no statutory minimum since 2008, the Local Government Act 2003 requires the Council to have regard to the Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in April 2024

The MHCLG Guidance requires the Council to approve an Annual MRP Policy each year and provides a number of options for calculating a prudent amount of MRP, but does not preclude the use of other appropriate methods.

MRP is calculated by reference to the Capital Financing Requirement (CFR) which is the total amount of past capital expenditure that has yet to be permanently financed, noting that debt must be repaid and therefore can only be a temporary form of funding. The CFR is calculated from the Council's balance sheet in accordance with the Chartered Institute of Public Finance and Accountancy's Prudential Code for Capital Expenditure in Local Authorities, 2021 edition.

One of the aims of this legislation is to ensure that the repayment of principal owed for Capital expenditure is charged on a prudent basis. Central Government guidance says:

“the broad aim of prudent provision is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the Capital expenditure provides benefits”

For Supported Borrowing, (borrowing funded by central government), the Council will charge MRP at 2% of the balance to clear the borrowing liability over a period of 50 years.

In relation to transferred debt from Devon County Council the Council deem it prudent to allocate a VRP, (voluntary revenue provision), calculated in line with the supported borrowing calculation, based on a total repayment period of 50 years.

For capital expenditure funded from unsupported borrowing the Council will make a MRP based on the cumulative expenditure incurred on each asset, (including investment fund properties), in the previous financial years using a prudent asset life, which reflects the estimated usable life of that asset.

The MRP for each asset will be calculated on the asset life method using an annuity calculation. MRP will be calculated on the total expenditure on that asset, in the financial year **after the asset becomes operational**, or 12 months after operational, or when there is an income stream in relation to that asset.

The Council will continue to charge services for their use of unsupported borrowing using a prudent asset life (or a shorter period) on an annuity calculation. Where possible the same asset life and borrowing interest rate will be used for both the charge to services and the calculation of the MRP.

To mitigate any negative impact from the changes in accounting for leases and PFI schemes the Council will include in the annual MRP charge an amount equal to the amount that has been taken to the balance sheet to reduce the balance sheet liability for a PFI scheme or a finance lease. The calculation will be based on the annuity method using the Internal Rate of Return (IRR) implicit in the PFI or lease agreement.

For Council Led development projects the council will select one of the methods detailed below

- **Method 1** - Equal instalments of MRP over the life of the asset.

- **Method 2** - Annuity model, applicable to housing development schemes only. A lower amount of MRP will be applied in the early years with this increasing in future years based on forecasted uplift in rental income.

The decision on the applicable method will be determined by the S151 Officer and will be based on certainty / risk of future income streams and the level of exposure to long term debt.

For projects that are in nature are either office/retail/commercial development method 1 will be applied.

When applying the annuity model (method 2), schemes under consideration will have to, as a minimum, pay back the interest costs from day 1 and make at least a contribution towards repayment of principal (which will be increased over future years).

For Council led projects, which are considering applying the annuity model, the Council will consult with their external auditors on the proposed approach in advance of seeking formal Council approval.

Where relevant, the suggested asset lives for certain types of capitalised expenditure as detailed in the MRP statutory guidance issued by MHCLG will be used. The latest guidance issued suggests a maximum asset life of 50 years.

In terms of **Council led Housing developments**, the MRP charge can be based on the life of the housing assets developed. A life of more than 50 years can be applied if supported by an independent valuer's report.

Each asset life will be considered in relation to the asset being constructed (primarily to ensure the MRP period does not exceed asset life); however, as a guide the following are typical ranges for asset lives that will be used.

Asset Type	Range of Asset Life
Freehold Land (specified in MHCLG statutory guidance)	50 years
Buildings	20-40 years
Investment Properties	25-50 years
Software	5-10 years
Vehicles & Equipment	5-8 years
Highway Network	25-40 years
Structural Enhancements	10-25 years
Infrastructure	25-50 years

For capital expenditure where land and buildings are not separately identified a blended asset life can be used.

Where **loans are given for capital purposes**, they come within the scope of the prudential controls established by the Local Government Act 2003 and the Local Authorities (Finance and Accounting) (England) Regulations 2008.

For capital expenditure on loans to third parties **which were made primarily for service purposes**, the Authority will make nil MRP except as detailed below for expected credit losses. Instead, the Authority will apply the capital receipts arising from the repayments of the loan principal to finance the expenditure in the year they are received.

For capital loans made on or after 7th May 2024 where an expected credit loss is recognised during the year, the MRP charge in respect of the loan will be no lower than the loss recognised. Where expected credit losses are reversed, for example on the eventual repayment of the loan, this will be treated as an overpayment.

For capital loans made before 7th May 2024 and for loans where expected credit losses are not applicable, where a shortfall in capital receipts is anticipated, MRP will be charged to cover that shortfall over the remaining life of the assets funded by the loan.

For Capital receipts, the proceeds from the sale of capital assets are classed as capital receipts and are typically used to finance new capital expenditure. Where the Council decides instead to use capital receipts to repay debt and hence reduce the CFR, the calculation of MRP will be adjusted as follows:

- Capital receipts arising on the repayment of principal on capital loans to third parties will be used to lower the MRP charge in respect of the same loans in the year of receipt, if any.
- Capital receipts arising on the repayment of principal on finance lease receivables will be used to lower the MRP charge in respect of the acquisition of the asset subject to the lease in the year of receipt, if any.
- Capital receipts arising from other assets which form an identified part of the Council's MRP calculations will be used to reduce the MRP charge in respect of the same assets over their remaining useful lives, starting in the year after the receipt is applied.
- Any other capital receipts applied to repay debt will be used to reduce MRP in equal instalments starting in the year after receipt is applied.

Appendix 2

Economic Commentary

(Provided by Arlingclose Ltd, November 2024)

Economic background: The impact on the UK from the government's Autumn Budget, slower interest rate cuts, modestly weaker economic growth over the medium term, together with the impact from President-elect Trump's second term in office and uncertainties around US domestic and foreign policy, will be major influences on the Authority's treasury management strategy for 2025/26.

The Bank of England's (BoE) Monetary Policy Committee (MPC) reduced Bank Rate to 4.75% at its meeting in November 2024, having previously cut by 25bp from the 5.25% peak at the August MPC meeting. At the November meeting, eight Committee members voted for the cut while one member preferred to keep Bank Rate on hold at 5%.

The November quarterly Monetary Policy Report (MPR) is forecasting Gross Domestic Product (GDP) growth to pick up to around 1.75% (four-quarter GDP) in the early period of the BoE's forecast horizon before falling back. The impact from the Budget pushes GDP higher in 2025 than was expected in the previous MPR, before becoming weaker. Current GDP growth was shown to be 0.5% between April and June 2024, a downward revision from the 0.6% rate previously reported by the Office for National Statistics (ONS).

ONS figures reported the annual Consumer Price Index (CPI) inflation rate at 1.7% in September 2024, down from 2.2% in the previous month and lower than the 1.9% expected. Core CPI also declined further than expected to 3.2% against a forecast of 3.4% and the previous month's 3.6%. The outlook for CPI inflation in the November MPR showed it rising above the MPC's 2% target from 2024 into 2025 and reaching around 2.75% by the middle of calendar 2025. This represents a modest near-term increase due to the ongoing impacts from higher interest rates, the Autumn Budget, and a projected margin of economic slack. Over the medium-term, once these pressures ease, inflation is expected to stabilise around the 2% target.

The labour market appears to be easing slowly however, but the data still requires treating with some caution. The latest figures reported the unemployment rate fell to 4.0% in the three months to August 2024, while economic inactivity also declined. Pay growth for the same period was reported at 4.9% for regular earnings (excluding bonuses) and 3.8% for total earnings. Looking ahead, the BoE MPR showed the unemployment rate is expected to increase modestly, rising to around 4.5%, the assumed medium-term equilibrium unemployment rate, by the end of the forecast horizon.

The US Federal Reserve has also been cutting interest rates, bringing down the Fed Funds Rate by 0.25% at its November 2024 monetary policy meeting to a range of 4.5%-4.75%. Further interest rate cuts are expected, but uncertainties around the potential inflationary impact of incoming President Trump's policies may muddy the waters in terms of the pace and magnitude of further rate reductions. Moreover, the US economy continues to expand at a decent pace, rising at an annual rate of 2.8% in the third quarter of 2024, and inflation remains elevated suggesting that monetary

policy may need to remain more restrictive in the coming months than had previously been anticipated.

Euro zone inflation fell below the European Central Bank (ECB) 2% target in September 2024, the first time in over three years. This allowed the ECB to continue its rate cutting cycle and reduce its three key policy rates by 0.25% in October. Inflation is expected to rise again in the short term, but then fall back towards the 2% target during 2025, with the ECB remaining committed to maintaining rates at levels consistent with bringing inflation to target, but without suggesting a specific path.

Credit outlook: Credit Default Swap (CDS) prices have typically followed a general trend downwards during 2024, reflecting a relatively more stable financial period compared to the previous year. Improved credit conditions in 2024 have also led to greater convergence in CDS prices between ringfenced (retail) and non-ringfenced (investment) banking entities again.

Higher interest rates can lead to a deterioration in banks' asset quality through increased loan defaults and volatility in the value of capital investments. Fortunately, the rapid interest rate hikes during this monetary tightening cycle, while putting some strain on households and corporate borrowers, has not caused a rise in defaults, and banks have fared better than expected to date, buoyed by strong capital positions. Low unemployment and robust wage growth have also limited the number of problem loans, all of which are positive in terms of creditworthiness.

Moreover, while a potential easing of US financial regulations under a Donald Trump Presidency may aid their banks' competitiveness compared to institutions in the UK and other regions, it is unlikely there will be any material impact on the underlying creditworthiness of the institutions on the counterparty list maintained by Arlingclose, the authority's treasury adviser.

Overall, the institutions on our adviser Arlingclose's counterparty list remain well-capitalised and their counterparty advice on both recommended institutions and maximum duration remain under constant review and will continue to reflect economic conditions and the credit outlook.

Interest rate forecast (November 2024): The Authority's treasury management adviser Arlingclose forecasts that The Bank of England's Monetary Policy Committee will continue reducing rates during 2024 and through 2025, taking Bank Rate to around 3.75% by the end of the 2025/26 financial year. The effect from the Autumn Budget on economic growth and inflation has reduced previous expectations in terms of the pace of rate cuts as well as pushing up the rate at the end of the loosening cycle.

Arlingclose expects long-term gilt yields to remain broadly at current levels on average (amid continued volatility), but to end the forecast period modestly lower compared to now. Yields will continue remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will be short-term volatility due to economic and (geo)political uncertainty and events.

Appendix 3

Creditworthiness Policy and Investment Limits

The Council may invest its surplus funds with any of the counterparty types in table 9, subject to the cash limits, (per counterparty), and the time limits shown. The Chief Finance Officer will exercise his delegated powers “to take any decisions, (including key decisions), and to exercise all legal powers relevant to the Council’s borrowing, investments and financial management)” (s.7.1 of the Constitution – Officer Scheme of Delegation) to vary these limits at any time to ensure they remain viable and relevant during any market or political volatility.

Table 9: Approved investment counterparties and limits

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£15m	Unlimited
Secured investments *	25 years	£15m	Unlimited
Banks (secured)*	25 years	£15m	Unlimited
Banks (unsecured) *	13 months	£6m	Unlimited
Building societies (unsecured) *	13 months	£6m	£18m
Registered providers (unsecured) *	3 years	£6m	£20m
Money market funds *	n/a	£15m	Unlimited
Strategic pooled funds	n/a	£10m	£30m
Real estate investment trusts	n/a	£10m	£20m
Other investments *	3 years	£6m	£15m

This table should be read in conjunction with the notes below

*** Minimum credit rating:** Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be considered.

For entities without published credit ratings, investments may be made where external advice indicates the entity to be of similar credit quality.

UK Government: Sterling-denominated investments with or explicitly guaranteed by the UK Government, including the Debt Management Account Deposit Facility, treasury bills and gilts. These are deemed to be zero credit risk due to the government’s ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Local authorities and other government entities: Loans to, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk.

Secured investments: Investments secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds, secured deposits and reverse repurchase agreements with banks and building societies are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

Banks and building societies (unsecured): Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Registered providers (unsecured): Loans to, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money market funds: Pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over bank accounts of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic pooled funds: Bond, equity and property funds, including exchange traded funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date but can be either withdrawn after a notice period or sold on an exchange, their performance and continued suitability in meeting the Council's investment objectives will be monitored regularly.

Real estate investment trusts: Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Other investments: This category covers treasury investments not listed above, for example unsecured corporate bonds and company loans. Non-bank companies cannot be bailed-in but can become insolvent placing the Council's investment at risk.

Operational bank accounts: The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £15,000,000 per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Council maintaining operational continuity.

Risk assessment and credit ratings: Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only new investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other information on the security of investments: The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

Reputational aspects: The Council is aware that investment with certain counterparties, while considered secure from a purely financial perspective, may leave it open to criticism, valid or otherwise, that may affect its public reputation, and this risk will therefore be taken into account when making investment decisions.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008, 2020 and 2022, this is not generally reflected in credit ratings but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government or, on an exception basis, with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

Investment limits: The Council’s revenue reserves available to cover investment losses are forecast to be £86 million on 31st March 2025. In order that no more than 20% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £15 million. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country since the risk is diversified over many countries.

Table 10: Additional investment limits

	Cash limit
Any group of pooled funds under the same management	£30m per manager
Foreign countries	£30m per country

Torbay Council - Grants available pending Project Bus

<i>Project name</i>	<i>Primary External Funding</i>
Edginswell Station	Town Deal (Torquay)
Union Square	Town Deal (Torquay)
Harbour Public Realm	Town Deal (Torquay)
Pavilion	Town Deal (Torquay)
Core Area Public Realm	Town Deal (Torquay)
Strand Land Assembly & Demolition	Town Deal (Torquay)
Programme Management	Town Deal (Torquay)
Crossways (Paignton)	FHSF/ Brownfield Land Release Fund
Torbay Road (Paignton)	Future High Street Fund (FHSF)
Station Square (Paignton)	Future High Street Fund (FHSF)
Victoria Centre	Future High Street Fund (FHSF)
Paignton & Preston Flood Defence	Future High Street Fund (FHSF)
Paignton Picture House	Future High Street Fund (FHSF)
Paignton Picture House	Community Development Fund
Brixham Port Infrastructure Project	Levelling Up Fund (round 3)
Paignton Tec Park	Levelling Up Fund (round 3)
Cultural Infrastructure	Levelling Up Partnership
Brixham Central Carpark	Levelling Up Partnership
Accommodation repurposing	Levelling Up Partnership
Melville Square improvement	Levelling Up Partnership
Peoples Parkfield Community Asset	Levelling Up Partnership

Foxhole Play Park	Levelling Up Partnership
Paignton & Preston Flood Defence	Levelling Up Partnership
Oldway Mansion	Levelling Up Partnership

**** Note:** As agreed with MHCLG, Future High Street Fund Grant has to be 'cc contractually committed amount is required by no later than 31 March 2026.

APPENDIX 2

Business Cases

Allocated Amount £000	Spent £000	Remaining £000	Use by date
£ 1,000	£ -	£ 1,000	31/03/26
£ 11,043	£ 4,882	£ 6,161	31/03/26
£ 4,500	£ 2,999	£ 1,501	31/03/26
£ 2,000	£ 76	£ 1,924	31/03/26
£ 600	£ 95	£ 505	31/03/26
£ 2,000	£ 1,996	£ 4	31/03/26
£ 158	£ 114	£ 44	31/03/26
£ 3,716	£ 3,482	£ 234	31/03/2025**
£ 151	£ 100	£ 52	31/03/2025**
£ 3,148	£ 273	£ 2,875	31/03/2025**
£ 3,941	£ 1,626	£ 2,315	31/03/2025**
£ 571	£ 571	-£ 0	31/03/2025**
£ 2,785	£ 1,887	£ 898	31/03/2025**
£ 2,323	0	£ 2,323	
£ 9,791	£ -	£ 9,791	31/03/26
£ 10,209	£ -	£ 10,209	31/03/26
£ 500	£ -	£ 500	31/03/25
£ 1,000	£ -	£ 1,000	31/03/25
£ 3,000	£ 23	£ 2,977	31/03/25
£ 240	£ -	£ 240	31/03/25
£ 200	£ -	£ 200	31/03/25

£	60	£	-	£	60	31/03/25
£	7,000	£	-	£	7,000	31/03/25
£	8,000	£	-	£	8,000	31/03/25

£ 77,936 £ 18,125 £ 59,811

contractually committed' by 31 March 2025. The actual spend of the

CAPITAL PLAN - QUARTER 2 2024/25 - EXPENDITURE

Summary

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Schools Capital Programme	4,332	887	5,219	490	5,219	0	5,219	1,753	1,692	1,692	10,356
Projects under Feasibility and Development	18,848	16,813	35,661	2,591	7,954	27,707	7,954	16,429	9,454	2,631	36,468
Economic Development / Regeneration	1,713	3,514	5,227	1,870	4,627	600	4,627	600	0	0	5,227
Housing Development / Investment	3,459	3,710	7,169	856	3,402	3,767	3,402	7,642	1,000	1,000	13,044
Environment / Climate Capital Investment	4,041	(268)	3,773	154	3,773	0	3,773	743	0	0	4,516
Transport Capital Investment	5,185	0	5,185	608	4,622	563	4,622	3,731	3,284	3,121	14,758
Coastal Defence / Flood alleviation	0	562	562	55	581	0	562	0	0	0	562
Sports, Leisure and Culture	829	1,209	2,038	862	2,038	0	2,038	0	0	0	2,038
Schools Closed Projects	474	0	474	10	474	0	474	0	0	0	474
Other Closed Projects	235	459	694	289	694	0	694	0	0	0	694
Total	39,115	26,886	66,001	7,786	33,384	32,637	33,365	30,898	15,430	8,444	88,136

Capital Plan Detail

Schools Capital Programme

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Capital Repairs and Maintenance	706	0	706	55	706	0	706	250	200	200	1,356
Education Review Projects	725	0	725	60	725	0	725	670	660	660	2,715
High Needs Capital Provision	1,341	(30)	1,311	94	1,311	0	1,311	750	750	750	3,561
Devolved Formula Capital	280	0	280	54	280	0	280	0	0	0	280
Paignton Academy STEPS Relocation	1,170	0	1,170	216	1,170	0	1,170	0	0	0	1,170
Foster Homes Adaptations	81	0	81	0	81	0	81	83	82	82	328
Acorn Centre (Youth Investment Fund)	29	494	523	7	523	0	523	0	0	0	523
Childcare Expansion	0	199	199	4	199	0	199	0	0	0	199

YMCA	0	180	180	0	180	0	180	0	0	0	180
Sherwell School Salix	0	44	44	0	44	0	44	0	0	0	44
Total	4,332	887	5,219	490	5,219	0	5,219	1,753	1,692	1,692	10,356

Schools Closed Projects

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
St Cuthbert Mayne Expansion	428	0	428	2	428	0	428	0	0	0	428
St Cuthbert Mayne Phase 2	46	0	46	9	46	0	46	0	0	0	46
Total	474	0	474	10	474	0	474	0	0	0	474

Projects under Feasibility and Development

Page 180 Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Crossways, Paignton - Regeneration	250	0	250	406	250	0	250	0	0	0	250
Extra Care Housing (Torre Marine)	20	25	45	6	45	0	45	0	0	0	45
Edginswell Railway Station	0	172	172	69	172	0	172	0	0	0	172
Union Square Acquisition & Development (Town Deal)	312	2,072	2,384	133	1,000	1,384	1,000	2,192	0	0	3,192
Debenhams Redevelopment	20	666	686	649	686	0	686	0	0	0	686
Torquay Town Deal - Pavilion	77	344	421	12	421	0	421	0	0	0	421
Torquay Town Deal - Core Area Public Realm	20	25	45	0	45	0	45	0	0	0	45
Torbay Road Paignton (High Streets Funding)	33	151	184	24	184	0	184	0	0	0	184
Station Square (High Streets Funding)	43	2,856	2,899	23	500	2,399	500	1,000	1,000	398	2,898
Victoria Centre (Paignton) (FHSF)	601	2,958	3,559	1,077	2,251	1,308	2,251	1,308	0	0	3,559
Paignton Coastal Defence Scheme	17,062	0	17,062	175	1,000	16,062	1,000	6,929	6,900	2,233	17,062
Oldway Mansion - phase 1 of Master-Plan	250	7,304	7,554	16	1,000	6,554	1,000	5,000	1,554	0	7,554
Brixham Square and Car Park Public Realm (part of LUP £20m)	0	114	114	0	114	0	114	0	0	0	114
Paignton Tech Park (Part of LUF £20m)	85	0	85	0	85	0	85	0	0	0	85
Brixham Port Infrastructure (Part of LUF £20m)	75	96	171	0	171	0	171	0	0	0	171

Edginswell Business Park - Unit 3	0	30	30	1	30	0	30	0	0	0	30
Total	18,848	16,813	35,661	2,591	7,954	27,707	7,954	16,429	9,454	2,631	36,468

Economic Development / Regeneration

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Torquay Strand Public Realm (Town Deal Funding)	1,119	2,342	3,461	1,216	3,461	0	3,461	0	0	0	3,461
Paignton Picture House (High Streets Funding)	0	1,500	1,500	602	900	600	900	600	0	0	1,500
Paignton Picture House (Community Dev Fund)	372	(372)	0	0	0	0	0	0	0	0	0
Small Projects - UK Shared Prosperity Fund	222	44	266	53	266	0	266	0	0	0	266
Total	1,713	3,514	5,227	1,870	4,627	600	4,627	600	0	0	5,227

Housing Development / Investment

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Disabled Facilities Grants	1,032	22	1,054	509	1,054	0	1,054	1,000	1,000	1,000	4,054
Enhancement of Development sites	60	485	545	7	545	0	545	0	0	0	545
St Kilda's, Brixham - Affordable Housing	2,367	203	2,570	317	1,703	867	1,703	3,742	0	0	5,445
Hotels to Homes (Accommodation Re-Purposing)	0	3,000	3,000	23	100	2,900	100	2,900	0	0	3,000
Total	3,459	3,710	7,169	856	3,402	3,767	3,402	7,642	1,000	1,000	13,044

Environment / Climate Capital Investment

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
SWISCO Loan - Vehicle & Equipment Replacement	1,570	(1,305)	265	0	265	0	265	0	0	0	265
SWISCO Loan - Buildings	1,200	0	1,200	118	1,200	0	1,200	0	0	0	1,200
Car Park Investment	0	301	301	18	301	0	301	0	0	0	301

Climate Change Initiatives	333	54	387	(74)	387	0	387	0	0	0	387
Green Waste Bins	264	145	409	0	409	0	409	264	0	0	673
Local Electric Vehicle Infrastructure	479	0	479	0	479	0	479	479	0	0	958
Changing Places Toilets	90	(29)	61	60	61	0	61	0	0	0	61
Solar Farm, Brokenbury (EGF)	43	60	103	16	103	0	103	0	0	0	103
Solar Farm, Nightingale Park (EGF)	62	164	226	15	226	0	226	0	0	0	226
Paignton Library Heat Decarbonisation	0	142	142	0	142	0	142	0	0	0	142
Tor Hill House Lightng Upgrade	0	200	200	0	200	0	200	0	0	0	200
Total	4,041	(268)	3,773	154	3,773	0	3,773	743	0	0	4,516

Transport Capital Investment

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Transport Highways Structural Maintenance	2,327	0	2,327	514	2,327	0	2,327	2,050	2,050	2,050	8,477
Transport Integrated Transport Schemes	1,874	0	1,874	85	1,874	0	1,874	1,071	1,071	1,071	5,087
Transport - Torquay Gateway Road Improvements	340	0	340	0	30	310	30	310	0	0	340
Transport - Western Corridor	402	0	402	0	150	252	150	300	163	0	613
Shiphay Lane (Active Travel Fund)	222	0	222	9	222	0	222	0	0	0	222
Babbacombe Beach Road	20	0	20	0	19	1	19	0	0	0	19
Total	5,185	0	5,185	608	4,622	563	4,622	3,731	3,284	3,121	14,758

Coastal Defence / Flood alleviation

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Flood Alleviation - Cockington	0	10	10	10	10	0	10	0	0	0	10
Flood Alleviation - Monksbridge	0	240	240	11	240	0	240	0	0	0	240
Flood Alleviation - Torquay	0	206	206	2	206	0	206	0	0	0	206
Paignton Flood Alleviation	0	36	36	6	37	0	36	0	0	0	36
Brixham Flood Alleviation	0	6	6	11	25	0	6	0	0	0	6
Collaton St Mary Flood Alleviation	0	64	64	16	64	0	64	0	0	0	64

Total	0	562	562	55	581	0	561	0	0	0	561
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Sports, Leisure and Culture

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Haldon & Princess Pier	0	79	79	1	79	0	79	0	0	0	79
Princess Pier - Structural repair	62	0	62	0	62	0	62	0	0	0	62
Torre Valley North Sports Facilities	0	373	373	153	373	0	373	0	0	0	373
Armada Park Refurbishment	0	130	130	123	130	0	130	0	0	0	130
Torre Abbey Gatehouse/SW Wing	422	242	664	299	664	0	664	0	0	0	664
Torre Abbey SE Wing/Courtyard/Tower	175	249	424	279	424	0	424	0	0	0	424
Torre Abbey Renovation - Phase 3	0	136	136	0	136	0	136	0	0	0	136
Grants to Plainmoor and Admiral Swimming Pools	170	0	170	6	170	0	170	0	0	0	170
Total	829	1,209	2,038	862	2,038	0	2,038	0	0	0	2,038

Closed Projects

Project Name	2024/25 Budget			2024/25 Forecast Spend			Revised 4 Year Plan				
	Q1 Approved Budget	Q2 Budget Revisions	Revised Budget	Actual Spend at Q2	Forecast Spend 2024/25	Reprofiled to future years	2024/25 Budget	2025/26	2026/27	2027/28	Total Plan for Period
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
The Pines (TCCT)	0	75	75	75	75	0	75	0	0	0	75
Maidencombe Beach CP (TCCT)	0	45	45	45	45	0	45	0	0	0	45
Claylands Redevelopment	20	0	20	0	20	0	20	0	0	0	20
Edginswell Business Park Unit 1	0	48	48	0	48	0	48	0	0	0	48
Harbour View Hotel Development	0	182	182	7	182	0	182	0	0	0	182
Temporary Accommodation	0	39	39	39	39	0	39	0	0	0	39
Lymington Rd Business Centre (LEP GBF/EGF)	180	73	253	123	253	0	253	0	0	0	253
RICC Improvements - Backlog Repairs	35	(3)	32	0	32	0	32	0	0	0	32
Total	235	459	694	289	694	0	694	0	0	0	694

Full Capital Investment Plan Totals	39,115	26,886	66,001	7,786	33,384	32,637	33,365	30,898	15,430	8,444	88,136
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