



# Contents

Foreword	3
----------	---

## Facts and figures on finance

1 The services your council tax funds	5
2 Our spending plans	7
3 How your council services are paid for	8
4 How we work out your council tax	9
5 Adults Social Care funding	12
6 Charges for other public services	12
7 Staffing	13
8 Capital spending and loan debt	14

# Foreword

## Welcome from the Leader of the Council



I know nobody likes receiving their Council Tax bill; however I wanted to highlight to you the increasing importance of Council Tax in funding local services. For over a decade successive governments have reduced funding for local government in England by over £15bn. This was challenging in isolation, however, the impact of Covid-19 has affected all areas of our lives and livelihoods, which is now further compounded by the unprecedented increase in headline inflation, placing further pressure on all aspects of our community and council services.

In a normal period the financial strain caused by inflationary costs on budgets covering pay and contracts, the cost of the national living wage and increasing demand for social care services outstrip any funding increases available to the Council. In addition, the impact of Covid-19 will cast a shadow over budgets in Trafford for several years. Despite some very welcome one off-grants in 2021, the government has set out an expectation that councils will raise Council Tax and the adult social care precept by the maximum amount available to cover the financial gap and growing cost pressures. We are faced with a difficult choice to increase Council Tax by 1.99% and use the 1% adult social care precept increase to help towards the rising cost of caring for older people and some of the most vulnerable in Trafford Council.

As a Council we continue to deliver innovative solutions to generate alternative funding and income streams rather than to make cuts to vital local services. We are a low spending Council and have one of the lowest levels of council tax in the country whilst achieving some of the best results.

The Council's Asset Investment Strategy is continuing to support the achievement of a balanced budget and is providing invaluable revenue streams to support the budget. To date, commitments of £366m have been made from the Fund and are budgeted to generate a net revenue benefit of over £7m. Some of the acquisitions involved some key regeneration sites in the borough and now they are in the Council's control, providing a real opportunity to develop them into assets we can be proud of. An example here is the acquisition of Stretford Mall in Stretford Town Centre and Stamford Quarter in Altrincham. These will form a key part of our long term plans to support improvements to our town centres; something which we have been consulting on over recent years.

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

**In respect of climate change** - our last medium-term plan set out a bold ambition to transition to net zero by 2038. We have made significant progress in this ambition, reducing the council's own CO2 emissions by 11% between April 2020 and 2021, and in December 2020, we launched our Carbon Neutral Action Plan.

The Plan sets out over 100 actions that the Council can take to decarbonise its own operations over the next decade while working with our partners to support borough wide carbon reductions, taking advantage of the huge opportunities for green growth in the local economy. Alongside the Council's own operations, the main areas targeted in the plan

include homes, transport, commerce and industry – with industrial and institutional buildings alone accounting for 42% of the estimated carbon emissions for the borough.

Major capital investments planned over the next financial year total £78.6m. This includes £4.52m in our leisure and sports facilities, and a total of £52.1m over three years for the refurbishment of our leisure centres in Altrincham, Sale and Stretford. There is also £12.6m of investment in our highways, £3.61m for the provision of walking and cycling schemes, £19.8m in school buildings, £1.54m for public realm improvements in our town centres, and £0.84m of investment in our parks, green spaces and tree planting programme.

There will be significant growth in our social care budgets that will help support the health and wellbeing of some of our most vulnerable people, with over £10m being made available to meet demand in adult and children's services, as well as to support the National Living Wage, National Insurance Social Care Levy and inflation.

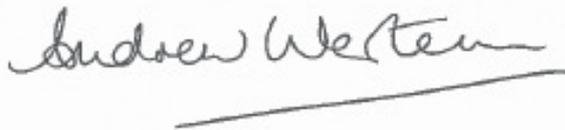
The pressures faced by local government have been well articulated by the Public Accounts Committee in their findings following a review of local government finance earlier in the year and reinforced the need to address the unsustainable funding pressures faced by local government when allocating resources to the sector in future years. These concerns have recently been evidenced by an increasing number of local authorities who have triggered formal government reviews of their financial sustainability. The lack of a three-year settlement, the impending review of how the Government allocates resources known as the Fair Funding Review and reset of the business rates retention scheme, have added yet further uncertainty surrounding local government finance.

Trafford Council is no exception to these pressures and our medium term budget plans are showing a gap of over £18m for the two financial years 2023 to 2025. It is therefore imperative that the Council embarks on a bold and ambitious Innovation and Change Programme and invests in further transformational delivery of our services. Work on this programme has begun and the Council's Executive and Leadership Team will continue to work on developing further budget proposals during 2022/23 to meet this future financial challenge.

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

**Councillor Andrew Western**

**Leader of Trafford Council**

A handwritten signature in blue ink that reads "Andrew Western". The signature is written in a cursive style and is positioned above a solid horizontal line.

# 1 - Council Tax helps pay for the following

- Supports over 5,015 residents with a care package
- Provides over 8,181 services to service users
- Provides over 751,634 hours of external home care support
- Supports over 1,777 residents through Stabilise and Make Safe (reablement)
- Supports over 547 residents through Discharge to Assess (preventing Delayed Transfers from Acute Beds)
- Over 3,091 children in receipt of children's safeguarding services
- Over 473 periods of children being in the care of the local authority
- Over 364 Child Protection plans
- Maintains over 830km of roads and 1,190km of footpaths and cycle lanes
- Maintains over 27,500 lampposts and 4,500 items of illuminated street furniture
- Responsible for 18,000 highway trees and 50,000 trees within public parks and open spaces
- Collects approximately 86,000 tonnes of waste from more than 100,000 households, undertaking over 10 million collections every year
- Maintains 60 parks and green space, including 11 at Green Flag standard
- Supports and regulates over 5,000 premises for food, health and safety, trading standards, pollution and licensing
- Manages parking restrictions on street and off street across the borough
- License and regulate approximately 7,000 premises, people and taxis within the borough
- Carries out over 1,500 pest control treatments in homes, schools and businesses across the borough
- Assists over 720 existing and start-up businesses in Trafford
- Supports approximately 300 people in Trafford into employment via the Trafford Pledge, Working Well, and other employment programmes
- A laptop loan scheme which has seen almost 200 laptops provided to residents who don't have access to their own equipment
- Provision of ESOL assessments for hundreds of people in the borough to help them access work and training
- Provides housing advice and assistance to over 34,000 households
- Prevents over 440 households from becoming homeless
- Assists over 300 households to find and secure affordable housing through the Council's Housing Register
- Enables the development of 69 new affordable homes across the borough

- Determines over 3,000 planning applications
- 460 fixed penalty notices issued for littering
- The Council continues to collect 97 per cent of Council Tax remaining the highest collection rate in GM which supports the Council's financial resources
- The Council's customer contact service receives approximately 160,000 telephone enquiries a year. In 2021/22, the Contact Centre target is to answer 70 per cent of telephone calls within 30 seconds
- The Catering Service serves on average 14,088 meals per day, over 2.68 million meals per year
- The authority has one crematorium and five cemeteries and the service undertakes approximately 1,700 cremations and 600 burials per year
- Waterside, Trafford's award-winning destination for performance, culture and events, welcomed over 102,000 visitors in 2019/20
- 268 professional and 44 local non- professional productions took place at the venue
- Over 7,152 residents attended our 717 participatory and creative learning events
- 39,347 people attended our ticketed performances
- Trafford Music Service engage over 5,500 primary age pupils per year through the whole class First Access programme
- Creative Industries Trafford; our professional development project for artists and creatives engaged with 120 artists and saw over 700 people participate in our professional development events
- Provision of the Council's in-house professional services of HR, Legal, IT & Finance

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

## 2 - Our spending plans

	2021/22			2022/23		
	Gross spending £million	Income £million	Net spending £million	Gross spending £million	Income £million	Net spending £million
Children's Services and Schools	207.1	162.4	44.7	224.5	178.9	45.6
Adult Social Services (incl. Public Health)	105.9	40.7	65.2	116.2	46.4	69.8
Highways	8.9	2.8	6.1	9.8	3.7	6.1
Economic Growth and Planning	13.9	19.0	-5.1	15.9	20.6	-4.7
Environment and Infrastructure	7.6	2.7	4.9	7.7	2.6	5.1
Collecting and Getting Rid of Waste	21.3	0.1	21.2	20.8	0.4	20.4
Recreation and Tourism	6.7	1.4	5.3	7.8	1.9	5.9
Corporate Support Costs/Other	24.4	7.2	17.2	25.7	8.4	17.3
Benefit Payments and Other Services	85.0	65.2	19.8	86.5	59.5	27.0
<b>Net spending</b>	<b>480.8</b>	<b>301.5</b>	<b>179.3</b>	<b>514.9</b>	<b>322.4</b>	<b>192.5</b>

## Why spending has changed

We estimate that our spending before the use of reserves will increase from £179.4 million in 2021/22 to £192.5 million in 2022/23 – an increase of £13.1 million:

	<b>£million</b>
Demographic pressures and investment in social care	8.6
Decrease in levy charges (incl. Waste Disposal and Transport Levy)	0.3
Inflation and other increases	3.4
Increase due to national living wage and NI	3.5
Increase in Government Grants	-6.0
Reduction in Government Grants (COVID-19)	8.7
Reduction in Service related pressures (COVID-19)	-3.2
Income Generation and Service Delivery Savings	-5.3
Reduction in Investment Income and additional borrowing	1.7
Other	1.4
<b>Total</b>	<b>13.1</b>

## 3 - How your Council services are paid for

Our total planned spending on services is £514.9m. This is paid for from specific grants, local fees and charges of £322.4m. The largest grants are Dedicated Schools Grant £161.4m, and Housing Benefit subsidy grant £46.0m. The remaining £192.5m comes from retained business rates of £68.5m and Council Tax of £112.6m, including £1.1m Adult Social Care Precept and £11.4m use of reserves.

## 4 - How we work out your Council Tax

The Localism Act 2011 abolished Council Tax capping and replaced it with a requirement to hold a Council Tax Referendum if an authority wishes to increase its “**Relevant Basic Amount of Council Tax**” by an amount equal to or exceeding a level set out by the Government annually. For 2022/23 the Government has set a figure of 3%, which is a combination of the core principle of 2% and the ‘Adult Social Care precept’ of 1%.

Trafford agreed to raise the total level of Council Tax in 2022/23 by 2.99% at the Council meeting on 16 February 2022, made up of 1.99% general increase and 1.0% for the ‘Adult Social Care’ precept. The calculation of the 2022/23 percentage change in each of the two elements of “**Relevant Basic Amount of Council Tax**” for Trafford Services is shown below:

	<b>2021/22 Band D Council Tax Precept £</b>	<b>2022/23 Band D Council Tax Precept £</b>	<b>Precept increase £</b>	<b>Precept increase on previous year’s Relevant Basic Amount (*)</b>
Trafford Council	1,252.66	1,280.74	28.08	1.99%
Adult Social Care	158.17	172.27	14.10	1.00%
<b>Trafford Council 'Relevant Basic Amount'</b>	<b>1,410.83</b>	<b>1,453.01</b>	<b>42.18</b>	<b>2.99%</b>
Mayoral Police and Crime Commissioner	218.30	228.30	10.00	4.58%
Mayoral General (including Fire services)	90.95	102.95	12.00	13.19%
<b>Total (including Mayoral Precepts)</b>	<b>1,720.08</b>	<b>1,784.26</b>	<b>64.18</b>	<b>3.73%</b>

(\*) - General increase of 1.99% is calculated as  $\text{£}28.08/\text{£}1,410.83 = 1.99\%$  (Rounded to 2.0%, i.e. one decimal place, on the face of the Council Tax Bill).

Adult Social Care increase of 1% is calculated as  $\text{£}14.10/\text{£}1,410.83 = 1.0\%$

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

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

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

The amount shown against Trafford Council's own purposes includes a figure of £1.1m (a one per cent increase) to cover a precept to help finance the cost of adult social care (see Section 5 for further details of the adult social care precept).

The estimated equivalent number of properties in valuation Band D is 77,601, so the Council Tax for a property in Band D is £1,784.26. We work out the Council Tax for each property band as a specific proportion of the Band D tax. The relevant tax levels for 2022/23 are as follows:

<b>Band</b>	<b>Fraction</b>	<b>Council Tax £</b>
A	6/9	1,189.50
B	7/9	1,387.75
C	8/9	1,586.00
D	9/9	1,784.26
E	11/9	2,180.75
F	13/9	2,577.25
G	15/9	2,973.76
H	18/9	3,568.52

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

Parish	Parish Precept £
Partington	86,855
Warburton	8,150
Carrington	4,320

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

	2021/22 £million	Amount for each person £
Our spending plans	179.304	755.43
Council Tax collection fund	1.095	4.61
-surplus/+deficit previous year		
Contribution from Business rates	-62.291	-262.44
	<u>118.108</u>	<u>497.60</u>
<b>Less:</b>		
Contribution from Reserves (business as usual)	-2.803	-11.81
Contribution from Reserves (COVID-19 pressures)	-8.341	-35.14
<b>Council Tax Requirement Trafford's own purposes</b>	<u>106.964</u>	<u>450.65</u>
<b>Add:</b>		
Mayoral Police and Crime Commissioner	16.551	69.73
Mayoral General (including Fire Services)	6.895	29.05
<b>Total Council Tax Requirement</b>	<u><b>130.410</b></u>	<u><b>549.43</b></u>

The estimated equivalent number of properties in valuation Band D was 75,816, so the Council Tax for a property in Band D was £1,720.08.

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

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

In relation to the financial year 2022/23, the Secretary of State has determined a referendum principle of three per cent (comprising one per cent for expenditure on adult social care and two per cent for other expenditure), for adult social care authorities, such as Trafford. These authorities may therefore set council tax up to this percentage in 2022/23 without holding a referendum.

In each of the years between 2016/17 and 2022/23, the Council accepted the offer made by the Secretary of State to charge the additional Adult Social Care Precept (two per cent for 2016/17, three per cent for 2017/18, two per cent for 2018/19, one per cent for 2019/20, two per cent for 2020/21, three per cent for 2021/22 and one per cent for 2022/23). An accumulated figure of £172.27 is included in the Council Tax figure of £1,784.26 for a Band D equivalent property.

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

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

### **Environment Agency**

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

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

The Environment Agency has powers in respect of flood and coastal erosion risk management for 6,500 kilometres of main river and along tidal and sea defences, in the area of the North West Regional Flood and Coastal Committee. Money is spent on the construction of new flood defence schemes, the maintenance of the river system and existing flood defences together with the operation of a flood warning system and management of the risk of coastal erosion.

The financial details are:

	<b>2021/22</b> <b>thousands</b>	<b>2022/23</b> <b>thousands</b>
Gross expenditure	£98,705	£132,090
Levies raised	£4,179	£4,283
<b>Total Council Tax Base</b>	<b>2,167</b>	<b>2,208</b>

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

The Local Levy is shared on the basis of Band D Equivalents between all contributing bodies within the Committee Area. The levy to be paid by Trafford Council to the Agency in 2022/23 is £0.151m (£0.146m in 2021/22).

A change in the gross budgeted expenditure between years reflects the programme of works for both capital and revenue needed by the Regional Flood and Coastal Committee. The total Local Levy raised has increased by 2.5 per cent from £4.179 million in 2021/22 to £4.283 million for 2022/23.

## **Waste and transport**

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

	<b>2021/22</b> <b>£ thousands</b>	<b>2022/23</b> <b>£ thousands</b>
GM Combined Authority (Transport)	16,110	16,055
GM Combined Authority (Waste)	<u>15,625</u>	<u>15,275</u>
	<u>31,735</u>	<u>31,330</u>

## **7 - Staffing**

The number of full-time equivalent staff working for us in February 2022 was 3,867.

## 8 - Capital spending and loan debt

We have a continuing capital programme reflecting the investment we are planning to make in our assets (buildings, highways and so on) to support the achievement of Council's objectives and key priorities. The money to pay for this spending comes from loans, capital grants and contributions and money we make from selling assets. In 2022/23, we plan to spend £209.71million.

	<b>£million</b>
Schools	19.77
Children's and Adults Social Care	5.57
Highways & Transport	16.30
Leisure Facilities Development	8.12
Regeneration and Economic Development	153.11 *
Other services	6.84
<b>Total</b>	<b>209.71</b>

\* Includes £130.15 million on Asset Investment Fund.

As at 12 February 2022, the Council's external debt was £350.2 million which amounts to £1,474 for each person in the borough.