


Report to:	Council		
Date of meeting:	12 February 2025		
Report of:	Lee Fallows, Director of Corporate Resources	Report Number:	35488
Reporting Officer:	Graeme Wilson, Interim Borough Treasurer		
Contact Officer:	Lisa Butcher		
Report title:	Budget Report 2025/27		
<u>CONFIDENTIALITY</u>			
<u>Non- confidential</u>			
This report does not contain information which means it should be considered without the press or members of the public being present.			
Purpose:	To: <ul style="list-style-type: none"> • present to Members the forecast financial position for 2025/26 & 2026/27 • consolidate service budgets to provide the Council's overall 2025/26 & 2026/27 budget. • consider the options for Council Tax for 2025/26. • report on the Financial Arrangements Account for 2025/26. 		
Recommendations:	That Cabinet recommends to Council: <ol style="list-style-type: none"> 1) The Budget for 2025/26 & 2026/27 2) The Council Tax for 2025/26 3) That the Council Tax figures included in the report for the Mayoral Police and Crime Commissioner Precept and Mayoral General Precept (including Fire Services) are the recommended provisional amounts, pending their formal approval 4) The Retail Hospitality and Leisure Business Rates Relief Scheme and the general Discretionary Relief Framework 2025/26 (see accompanying report to formally seek approval) 5) That the Second Homes Premium, approved by Council on 14th February 2024 comes into effect from 1st April 2025 6) That the Council Tax Support Scheme approved at Council on 14th February 2024 will remain unchanged, (see accompanying report to formally seek approval). 		
<u>Decision:</u>			
<u>Background documents:</u>	Council Tax Support Scheme 2025/26 (report no 35656)  Bolton S13A CTR Scheme 2025-26.pdf Business Rates Retail Relief Scheme 2025-26 (report no 35299) Referendums Relating to Council Tax Increases (Principles) (England) Report 2025-26: draft Levelling-up and Regeneration Act 2023 Provisional local government finance settlement: England, 2025 to 2026 - GOV.UK Cabinet Report 11 th November 2024 Medium Term Financial Plan Cabinet Report 11 th November 2024 Appendix Medium Term Financial Plan		
<u>Signed:</u>	Leader/Executive Cabinet Member	Monitoring Officer	
<u>Date:</u>			

<u>Consultation with other officers</u>			
Finance	Yes	05/02/25	Lisa Butcher
Legal			
HR			
Procurement			
Climate Change			
Information Governance			
Equality Impact Assessment	Yes	24/01/25	Nicky Connell
Post consultation reports Please confirm that the consultation response has been taken into consideration in making the recommendations.			Yes
Vision outcomes Please identify the appropriate Vision outcome(s) that this report relates or contributes to by putting a cross in the relevant box.			<u>1. Start Well</u> <input checked="" type="checkbox"/>
			<u>2. Live Well</u> <input checked="" type="checkbox"/>
			<u>3. Age Well</u> <input checked="" type="checkbox"/>
			<u>4. Prosperous</u> <input checked="" type="checkbox"/>
			<u>5. Clean and Green</u> <input checked="" type="checkbox"/>
			<u>6. Strong and Distinctive</u> <input checked="" type="checkbox"/>

1 INTRODUCTION & BACKGROUND

- 1.1 At the Cabinet meeting on 2nd December 2024, members were updated on the current financial forecast for 2024/25 and the implication this had for 2025/26.
- 1.2 The November report to Cabinet identified a cuts requirement for 2025/27 of £8.2m. Since then, there have been further updates both nationally and locally which means this figure is now £7.8m. A summary is provided below in this report.
- 1.3 The original assumptions built into the 2025/26 budget include a 2.99% increase for the general council tax levy and 2.00% increase for the Adult Social Care Precept.

2 UPDATE FROM CABINET 3rd FEBRUARY 2025

- 2.1 At the meeting of the Cabinet on the 3rd February 2025, Cabinet agreed that in respect of the Revenue Budget 2025/26 & 2026/27 to recommend to Council the following.
- 2.2 That the Council Tax for 2025/26 be increased by 4.99% comprising:
 - The Adult Social Care precept at 2.00%
 - The general levy at 2.99%
- 2.3 That in respect of one-off returned funds from Greater Manchester Waste:
 - 2.3.1 £3.9m will be set aside into a reserve to mitigate the increased costs of the GM Waste contract renewal with Suez and costs of the new Emissions Trading Scheme
 - 2.3.2 Cabinet will make recommendations to Council including the following:
 - £0.2m is allocated to Community Safety schemes
 - £0.2m is allocated to schemes to provide support to pensioners impacted by the withdrawal of the Winter Fuel Allowance
 - £0.6m is allocated to parks and play areas
 - £1m is allocated to wards equally, £50,000 per ward
 - £1m is allocated to Highways schemes
 - 2.3.3 The use of the balance of £1m is to be determined by full Council.

3 PROVISIONAL LOCAL GOVERNMENT SETTLEMENT 2025/26

- 3.1 The 2025/26 Local Government Finance Settlement is again a single year settlement, with the following measures that are expected to impact Local Government revenue budgets being announced. Reform of the approach to allocating funding through the Local Government Finance Settlement was announced, starting with a targeted approach to allocating additional funding in 2025/26, ahead of a broader redistribution of funding through a multi-year settlement from 2026/27. The government will set out further future funding policy during the Spending Review in early 2025. The provisional settlement is as follows:
- 3.2 Core Spending Power (the grand total of all the council's income) to increase on average by 6%. It should be noted this increase is based upon the assumption that councils will increase their council tax by the maximum permissible.

- 3.3 New Homes Bonus - a further year has been added to continue for 2025/26 (£739k). It is proposed that 2025/26 will be the final year of New Homes Bonus payments in its current format. A consultation will be published, seeking views on proposals to reform the New Homes Bonus beyond 2025/26.
- 3.4 Social Care – The Social Care Grant has increased by £880m from 2024/25, to a quantum of £5,924m. This is £200m more than was originally set out in the Local Government Finance Policy Statement for 2025/26. This equates to an additional £7.96m for Bolton. Grants aimed specifically at Social Care:
- 3.4.1 Social Care Grant - an additional £5.85m on top of the £31.9m we already receive. This will be used to offset budgetary demand pressures.
- 3.4.2 Adult Social Care Market Sustainability & Improvement Funds stayed the same at £6m, to enable improvements to adult social care.
- 3.4.3 Adult Social Care Discharge Fund of £3.476m has moved in to the newly named Local Authority Better Care Fund for 2025/26.
- 3.4.4 Improved Better Care Fund, now renamed to Local Authority Better Care Fund, remains unchanged from the 2024/25 funding level of £14.875m but now includes the above Discharge Fund which brings the total to £18.35m.
- 3.4.5 The 2025/26 Settlement includes a new Children’s Social Care Prevention Grant, with a quantum of £250m. This is distributed through a new children’s needs-based formula which estimates need for children’s social care services. Alongside the funding which is already spent on preventative services in the Children and Families Grant, this new grant will lay the groundwork for children’s social care reform, enabling direct investment in additional prevention activity through transition to Family Help. This equates to £2.113m for Bolton.
- 3.5 Recovery Grant - The Recovery Grant is a one-year grant worth £600m, targeted towards areas with greater need and demand for services and which are less able to fund their own services locally. The aim of this grant is to address the ‘inefficiency’ in the current system and get councils in the most deprived areas on a more sustainable footing. For Bolton £9.196m has been allocated.
- 3.6 Domestic Abuse Duty Safe Accommodation grant - worth £160m, has been consolidated as a new, separate line in the Settlement. This reflects a £30m increase in the quantum from 2024/25. It maintains its existing distribution. There has been an increase of £175k in the settlement giving a grant total of £887k.
- 3.7 As in 2024/25, the Council Tax general levy is permitted to increase by up to 2.99% without the need for a referendum.
- 3.8 As in 2024/25, the Adult Social Care precept can increase by a maximum of 2.00% without the need for a referendum.
- 3.9 The Government has announced that the Business Rates for 2025/26:
- Small business multiplier remains at 49.9p, frozen at 2024/25 levels in 2025/26.
 - Standard business multiplier increased to 55.5p in 2025/26 from 54.6p in 2024/25.
 - Retail Hospitality and Leisure discount will be 40% in 2025/26 (The 75% discount scheme in 2024/25 was scheduled to cease at 31st March 2025). A cash cap of £110,000 per business remains.

- Intention to introduce permanently lower multipliers for Retail, Hospitality and Leisure (RHL) properties from 2026/27, paid for by a higher multiplier for properties with Rateable Values above £500,000.

3.10 Employer National Insurance Contributions (ENICs) funding of £515m nationally will be made available to local government, but allocations will not be “confirmed” until the final settlement. This funding is to mitigate increases in the ENICs by 1.2% from 13.8% to 15% and the adjustment to the employee’s earnings threshold that ENICS are applied to £5,000 down from £9,100 currently.

3.11 It should be noted that the Final Local Government Settlement was announced at the end of January, see section 5.

4 FINANCIAL IMPACT OF THE ABOVE

4.1 The overall net impact of the December settlement is a slightly better funding position of circa £3.2m. This is outlined as follows:

Description	£m
New grant funding	
Children's Social Care Prevention Grant (new 2025/26)	2.1
Recovery Grant (new 2025/26)	9.2
Total new grant funding	11.3
Grants removed & demand pressures	
Loss of Services Grant (discontinued 2025/26)	-0.5
Social care provider fees uplift pressure	-4.0
Public Health demand pressure	-0.5
National Insurance payroll costs unfunded increase	-1.0
Demand on Children's Social Care Prevention Grant	-2.1
Total grants removed & demand pressures	-8.1
Net position (grants less demands)	3.2

4.2 Identified schemes have been allocated against the £3.2m. Children’s social care demand is increasing and so £1.6m has been allocated to address some of the pressures in this area. It is proposed to use the remaining £1.6m on reducing selected cuts targets, with 3 cuts removed entirely and for additional investment in a number of services within Department of Place, the details are shown in the following two tables.

Service area	Cuts options	Original Cut Total	Adjusted by	New Cut Total
		£'000	£'000	£'000
Highways	Review the usage of community grit/salt provision	40	-40	0
Regulatory Services	Deletion of an existing vacancy	49	-49	0
Events & Marketing	Review 3rd Party Events	25	-25	0
Waste	Review operational activity and fees & charges in areas such as Trade Waste	60	-40	20
Parking	Review of parking activity and charging	20	-16	4
Bereavement Services	Review fees & charges, operational costs, contracts and overheads	335	-175	160
Cross Cutting	Review of Agency / Overtime and vacancies	194	-90	104
Total		723	-435	288

		£'000	£'000
Total Funding Available			1,600
Cuts cancelled (as per table above)		-114	
Cuts reduced (as per table above)		-321	
Total adjustment to Cuts targets			-435
Revised Funding Available			1,165
Investment proposals			
Cemeteries and Crematorium / Green Space Maintenance	Cemeteries and Crematorium - 1 year - 10 staff, equipment etc Green Space Maintenance – 6 months - including two more charge hands.	350	
Reverse previous cuts in street sweeping and litter picking, removing waste, fly tipping and additional street sweeping in hot spots.		300	
Free Bulky Waste collection service		100	
Action on fly tipping on Unadopted Streets		100	
Review EHO Pay and Recruit	Will be an ongoing annual cost	55	
Review Technician Pay	Will be an ongoing annual cost	40	
Invest in the Pest Control Team	Will be an ongoing annual cost	85	
Additional (5th) Environmental Enforcement Officer		54	
Garage IT System	The £37k is an initial payment then an annual license fee of £14k.	37	
Cemeteries and Crematorium IT System	The £19k is an initial payment then an annual license fee of £9.5k.	19	
Bolton Green Umbrella	Will be an ongoing annual cost. This generates additional waste and investment in the cleansing team.	25	
Investments Proposals Total			1,165
Total Funds Remaining			0

5 UPDATE FOLLOWING FINAL LOCAL GOVERNMENT FINANCE SETTLEMENT ON 4TH FEB 2025

- 5.1 The Final Local Government Finance Settlement 2025/26 was announced on the 4th February 2025, although this settlement follows the approach indicated in the provisional settlement in December 2024, there have been a couple of adjustments to funding allocations that impact Bolton.
- 5.2 The Children’s Social Care Prevention Grant national funding allocation has increased by £20m from £250m to £270m, therefore the allocation for Bolton has increased by £155k to £2.268m, this change has no net effect on the Council’s budget as expenditure is forecast to increase in line with the increased funding.
- 5.3 The allocation formula for compensation paid to Local Authorities in respect of increases in Employer National Insurance Contributions (ENIC) has been amended, following responses to the settlement consultation from Combined Authorities and Local Authorities with Housing Revenue Accounts.
- 5.4 The effect of this change to the allocation formula has been a reduction of £328k in the funding awarded to Bolton, the funding to be received will now be £2.065m.
- 5.5 The change to the ENIC funding will therefore be mitigated by an increase in the use of reserves to balance the budget to £18.1m (from £17.4m) over the 2 years of the budget.

6 LEVELLING UP AND REGENERATION ACT 2023

- 6.1 The above Act came into effect towards the end of October 2023. The Act reduced the qualifying period over which a Council Tax premium in respect of Long Term Empty Property (LTE) properties can be charged from 2 years to 1 year and permitted implementation of the LTE premium from 1 April 2024, providing the decision is taken before the start of the financial year. The Act also reduced the qualifying period over which a Council Tax premium in respect of Second Homes (SH) properties can be charged from 2 years to 1 year and provided for the SH premium to be implemented from 1st April 2025, providing the decision is taken before 1st April 2024.
- 6.2 At Budget Council in February 2024 introduction of both premiums was approved. The 2024/25 budget contains the following assumptions:
- 6.2.1 The continuation of the Long-Term Empty Property (LTE) premium which came into effect on 1st April 2024 and inclusion of £0.6m income into the budget to reflect this.
- 6.2.2 The implementation of the Second Homes (SH) premium with effect from 1st April 2025 and a £0.6m income budget has been reflected.
- 6.2.3 The Council Tax Support Scheme approved at Council on 14th February 2024 will remain unchanged with a separate report to Council in February 2025 to formally seek approval to continue the current scheme.

7 SAVINGS PROGRAMME 2025/27

- 7.1 Given the considerable financial uncertainty, both nationally and locally, it was proposed at December's Cabinet meeting that a two-year budget be presented to Council for approval in February 2025. This will comprise:
- 7.2 Use of £18.1m of reserves to balance the budget over 2 years. This will mean that deferred cuts requirements will be rolled forward into the 2027/28 budget cycle. It must be noted that this approach to the use of reserves has previously been challenged by the Council's external auditors (Forvis Mazars LLP), in their 2022/23 Value for Money (VFM) report, as unsustainable.
- 7.3 In addition, to achieve a balanced budget, it is proposed to include savings targets of £7.8m, the Council's net budget in 2025/26 excluding schools is £322m. The £7.8m cuts are allocated departmentally in the following table:

Department	Total Cuts £'000s
Adults & Housing	4,126
Children's Services	690
Public Health	474
Department of Place	1,014
Corporate Resources	1,497
Total	7,801

- 7.4 Options to achieve these cuts are included as Appendix C.

8 FINANCIAL PRESSURES

- 8.1 Inflation - since the 2023/24 budget was set, whilst the national measure of inflation (CPI) has reduced to closer the Government's 2% target, inflation in specific supplies or services required by the Council

(e.g. energy, payroll costs) has not necessarily reduced at the same rate. It should be noted that lower inflation does not mean prices are falling and that the previous period of high inflation has permanently increased prices, which has impacted / is impacting on our services.

- 8.2 Social care pressures continue to have a major effect on the Council's budget, with increases in the volume of demand for Older People's care packages in the community, especially homecare and discharges from hospital home and the increasing cost of external provision in Children's Social Care.
- 8.3 Real Living Wage (RLW) - on the 23rd of October 2024 the Living Wage Foundation announced that the Real Living Wage would rise to £12.60 per hour (6.7%), with Living Wage employers expected to implement the new rates as soon as possible and within six months (1st May 2025).

9 GOVERNMENT SPENDING PLANS

- 9.1 As members will be aware, the council has had to find significant savings over the last 12 years, totaling around £229m by the end of 2024/25 with a further £7.8m to be found in 2025/27.
- 9.2 Beyond 2025/26 there are still some key funding issues yet to be confirmed which could impact further on the council.
- 9.3 Fair Funding Review (FFR)
 - 9.3.1 As part of the 16/17 finance settlement, it was announced that there would be an FFR of authorities' funding needs, initially to be implemented in 2019/20. As detailed in the Local Government Finance Policy Statement, published on 28th November, the government is committed to reforming the local government finance system. A consultation has been published alongside the Settlement on the objectives and principles of local authority funding reform. The Housing, Communities and Local Government Committee have accepted evidence to their 'The Funding and Sustainability of Local Government Finance' inquiry. The inquiry finished on Monday 27th January 2025.
 - 9.3.2 According to the then titled Ministry of Housing, Communities and Local Government (MHCLG) terms of reference, the FFR was intended to:
 - Set new baseline funding allocations for local authorities,
 - Look at an assessment of needs and resources of authorities.
- 9.4 Business Rates
 - 9.4.1 Bolton has been a part of the Greater Manchester 100% business rates retention pilot since 2017. Councils retain 100% of their business rates with 1% passed to the Fire Authority. As part of the Greater Manchester Trailblazer devolution agreement, the Government has announced that GM authorities will continue to retain 100% of business rates locally for the next 10 years.
 - 9.4.2 It should be noted that some of the business rates growth achieved by the council as a direct result of the GM 100% business rates initiative can currently be retained locally.
 - 9.4.3 Government has indicated that it intends to undertake a Business Rates reset in 2026/27, this is a complex issue, but in very simple terms means that growth in Business Rates income which is currently retained at a local will be re-allocated nationally via the Settlement Funding Assessment. The reset will affect the business rate baseline and impact on the top-up grant received / tariff payment made by local authorities.

- 9.4.4 A local authority must pay a tariff if its business rate baseline is greater than its baseline funding level. Conversely, a local authority will receive a top-up grant if its baseline funding level is greater than its business rate baseline; Bolton currently receives a top up grant. Tariffs and top-ups are fixed until the business rates retention system is reset but are updated by inflation each year.
- 9.4.5 Consultations by the government on the reset proposal is currently underway but there is a risk that the impact on Bolton is a reduction in Business Rates income in future years, that is not fully mitigated by an increased Settlement Funding Assessment from MHCLG. However a transition arrangement, to smooth the introduction of funding changes over a number of years, is expected as part of the reset.
- 9.4.6 Government has also indicated the intention to introduce permanently lower multipliers for Retail, Hospitality and Leisure (RHL) properties from 2026/27 with legislation going through parliament to set new multipliers for RHL businesses (from 2026-27), and also to remove charitable relief from private schools.

10 GM BUSINESS RATES POOL

- 10.1 As in 2024/25 no new Pool agreement has been entered into for 2025/26.

11 EXPENDITURE FORECAST

11.1 Considering the above factors this is the expenditure forecast for 2025/26 and 2026/27.

	2024/25	2025/26	2026/27
	Original Budget	Original Estimate	Original Estimate
	£'000	£'000	£'000
Children's Services	316,777	349,285	352,104
Adult Services	83,538	91,799	96,878
Public Health	17,794	18,502	18,820
Environmental Services	22,680	25,391	25,884
Development & Regeneration	4,490	4,759	4,735
Housing	2,335	2,640	2,737
Central etc	52,547	56,960	59,893
Financing and Investing	17,052	7,671	7,671
Levies	43,000	43,248	44,886
Other Financial Services	3,340	2,910	3,728
Net Exp	563,553	603,165	617,336
Parishes	452	566	566
Sub Total	564,005	603,731	617,902
Income			
Dedicated Schools Grant	260,354	280,297	280,297
Retained local business rates	127,049	126,270	128,042
GMCA Growth Contribution	-3,500	-1,500	-1,500
Business Rates Top-Up	25,713	26,365	27,760
Business Rates contribution to balances	-3,500	0	0
Council Tax Contribution - Base Adjustment	135,014	142,856	151,098
Council Tax Contribution - Adult Social Care	2,700	2,856	3,022
Council Tax Contribution - General Levy	4,037	4,271	4,518
Council Tax contribution - Parishes	452	566	566
Council Tax Long Term Empty Premium	600	600	600
CT Second Homes Premium	0	600	600
Collection Fund Balance	5,030	1,342	750
New Homes Bonus	475	739	0
ENIC Compensation	0	2,065	2,065
Recovery Grant (new for 2025/26)	0	9,195	9,195
Services Grant	476	0	0
Reserves	9,104	7,209	10,889
Total	564,005	603,731	617,902
Council Tax Increase	3.99%	4.99%	4.99%

11.2 It should be noted that the indicative cuts target for 2025/29 is nearly £29.6m. As outlined at November's Cabinet meeting this will be financially challenging to achieve, and a programme of work will need to commence early in 2025/26.

11.3 A General Fund summary is included in Appendix A, Subjective Analysis in Appendix B and Medium-Term Financial Plan in Appendix E.

12 FORECASTING CAUTION

12.1 As councillors will appreciate, the current economic situation means there continues to be considerable uncertainty in forecasting both expenditure and income.

12.2 In 2016 councils received a 3-year settlement, and since then, settlements have been in one-year increments. We have received in-year additional funds, such as additional Social Care grants in 2022, sometimes with indicative allocations for the following year, but not always. This type of funding announcements has become “the norm” meaning the ability to provide any meaningful forecast beyond the next financial year has become extremely challenging. Once again the 2025/26 settlement is for one year, however a commitment has been made to move to multi-year settlements from 2026/27.

12.3 The government’s intention to undertake a wide-ranging reform of how local government funding works causes considerable uncertainty, the impacts of the proposed Business Rates reset (see 9.4, above), a prioritisation of needs based funding, the ‘rolling in’ of certain grants into the Settlement Funding Assessment and the simplification / cessation of other grant funding streams are unknown at this time.

12.4 There remain considerable pressures in Children’s Services, with forecast overspend against budget of circa £13m in 2024/25, driven substantially by market factors outside of the Council’s control. Work is ongoing to address these challenges but there is considerable risk that pressures remain in 2025/26 and beyond.

13 RESERVES

13.1 The Council estimates its reserves balance to be £165m at the end of 2024/25, excluding the Dedicated Schools Grant (DSG) and Collection Fund balances as detailed below:

	Opening balance	Closing balance
	01/04/24	31/03/25
	£m	£m
Reserves we cannot touch (schools etc...)	(23.54)	(21.90)
Reserves we must have (audit requirements)	(10.66)	(14.16)
Reserves to support the budget process	(35.50)	(26.40)
Reserves for known insurance claims / self-insurance	(15.08)	(15.08)
Reserves to fund our existing capital programme	(80.97)	(43.75)
Reserves set aside for revenue commitments (Looked after children etc...)	(97.08)	(44.25)
Total Reserves (excluding DSG Deficit)	(262.83)	(165.54)
DSG Deficit	18.16	24.28
Overall Net Reserves Position	(244.67)	(141.26)

13.2 Appendix F provides some information on the implications of not holding these reserves.

14 FINANCIAL RISKS

14.1 Members will be aware that the Borough Treasurer has provided advice on the recommended level of Balances to be maintained previously. The full detail, including an identification of financial risks, is set out in Appendix G. However, in summary this advice is as follows:

14.1.1 In last year's budget report, it was estimated that available Balances as at the 31st of March 2024 would be £10.66m. The Borough Treasurer's advised Members that, as a minimum, Balances of £10.0m or higher should be maintained, based upon the Borough Treasurer's understanding of the risks and financial issues facing the Council over the next 3 years, and the proposals around the Budget, as identified in this report. The Borough Treasurer confirms that this balance is now at a more comfortable figure of £14.16m.

15 BOLTON COUNCIL'S ELEMENT OF THE COUNCIL TAX

15.1 The Government has stated that the referendum limit for 2025/26 for the general levy will be 2.99%.

15.2 For the Adult Social Care (ASC) precept, the council can raise this by 2% in 2025/26.

15.3 A 1% swing in the rate broadly equates to a £1.4m gain or loss in council tax income. This budget has been prepared as follows:

- the Adult Social Care precept is set at 2.00% for 2025/26.
- the general levy is set at 2.99% for 2025/26.

15.4 The table below shows the basic charge per band for Bolton (i.e. excluding Parish and Mayoral precepts):

	2024/25 Basic Council Tax	Adult Social Care	General Levy	2025/26 Basic Council Tax
		2.00%	2.99%	
Band A	£1,181.22	£23.62	£35.32	£1,240.16
Band B	£1,378.12	£27.56	£41.21	£1,446.89
Band C	£1,574.96	£31.49	£47.09	£1,653.54
Band D	£1,771.85	£35.43	£52.98	£1,860.26
Band E	£2,165.58	£43.30	£64.75	£2,273.63
Band F	£2,559.35	£51.18	£76.53	£2,687.06
Band G	£2,953.07	£59.05	£88.30	£3,100.42
Band H	£3,543.70	£70.86	£105.96	£3,720.52

15.5 This equates to an additional £1.13 per week for Band A properties which are more than 51% of the overall tax base.

15.6 The amount generated from Council Tax is as follows:

Band D		2024/25			2025/26	
		£	£		£	£
Basic Council Tax - previous year		1,687.64			1,771.85	
Council Tax General Levy	2.99%	50.46		2.99%	£52.98	
Council Tax Adult Social Care	2.00%	33.75		2.00%	£35.43	
Basic Council Tax			1,771.85			1,860.26
Tax Base			80,001			80,625
Basic Council Tax Collected (£'000s)			141,750			149,983
Add Parish Precepts (£000s)			510			566
Council Tax Collected (£000s)			142,260			150,549

16 MAYORAL PRECEPTS

16.1 Since 2018/19 the Mayor for Greater Manchester has taken responsibility for both the GM Police and Crime Commissioner and GM Fire and Rescue Authority services. Greater Manchester Combined Authority now sets two precepts:

- Mayoral Police and Crime Commissioner Precept; and
- Mayoral General Precept (including Fire Services)

16.2 Regarding the Mayoral General Precept this is used specifically for initiatives to develop and enhance the whole Greater Manchester region.

16.3 Increases in the Mayoral Precepts are added onto the council tax charge set by Bolton. For 2025/26 the amounts are as follows

16.3.1 For the Mayoral General (including Fire Services) a £16 / 14.2% increase.

16.3.2 For the Mayoral Police and Crime Commissioner Precept a £14 / 5.5% increase.

16.4 The table below shows the additional cost on each band for the Mayoral precepts.

16.5 Should the final decisions of the GMCA be different, then this will be reported to Members at the Council meeting.

	Mayoral General Precept (including Fire Services)	Mayoral Police and Crime Commissioner Precept
	£16 (14.2%) Increase	£14 (5.5%) Increase
Band A	£85.97	£180.20
Band B	£100.29	£210.23
Band C	£114.62	£240.27
Band D	£128.95	£270.30
Band E	£157.61	£330.37
Band F	£186.26	£390.43
Band G	£214.92	£450.50
Band H	£257.90	£540.60

17 PARISH PRECEPTS

17.1 The individual parish precepts are shown below with comparative figures for last year:

	2024/25	2025/26	Increase
	£	£	%
Blackrod	£78,810	£81,174	3.00%
Horwich	£274,990	£289,575	5.30%
Westhoughton	£156,224	£195,280	25.00%

17.2 As required by the Local Government Finance Act 1992, the Parish Precepts need to be added to Bolton's budget requirement.

17.3 The Council Tax bases for tax setting purposes for the Town Council areas are as follows:

	Tax Base in Band D Equivalents 2025/26
Blackrod	1,983
Horwich	7,685
Westhoughton	9,097

17.4 The resultant additional Council Tax in each Town Council area is as follows:

	Blackrod	Horwich	Westhoughton
Band A	£27.29	£25.12	£14.31
Band B	£31.84	£29.31	£16.70
Band C	£36.39	£33.49	£19.08
Band D	£40.94	£37.68	£21.47
Band E	£50.04	£46.05	£26.24
Band F	£59.14	£54.43	£31.01
Band G	£68.23	£62.80	£35.78
Band H	£81.88	£75.36	£42.94

18 OVERALL COUNCIL TAX

18.1 Taking into account the Bolton Council general and adult social care Council Tax rises plus Mayoral and Parish precepts, the table below shows the overall charges to Bolton residents.

	Parish of Blackrod	Parish of Horwich	Parish of Westhoughton	All other parts of the Council's Area
Band A	£1,533.62	£1,531.45	£1,520.64	£1,506.33
Band B	£1,789.25	£1,786.72	£1,774.11	£1,757.41
Band C	£2,044.81	£2,041.91	£2,027.50	£2,008.42
Band D	£2,300.45	£2,297.19	£2,280.98	£2,259.51
Band E	£2,811.64	£2,807.65	£2,787.84	£2,761.60
Band F	£3,322.89	£3,318.18	£3,294.76	£3,263.75
Band G	£3,834.07	£3,828.64	£3,801.62	£3,765.84
Band H	£4,600.90	£4,594.38	£4,561.96	£4,519.02

18.2 The overall increase equates £1.52 per week for a non-Parish Band A property.

18.3 A Draft Substantive Council Tax Resolution is set out in Appendix I.

19 COUNCIL TAX BILLING

19.1 The Budget contained in this report assumes that the Council Tax is set at the Council meeting on the 12th of February 2025. Should the Council not be able to set the Council Tax on that day then a week's delay will put back the processing and distribution of Council Tax bills, which will incur additional costs.

20 BUSINESS RATES

20.1 Whilst the Council is part of the Greater Manchester Devolution Deal, it should be noted that the Government determines the rates to be collected - the "multiplier".

20.2 All non-domestic properties are usually revalued at five-yearly intervals. From 1 April 2023, the rateable values of all non-domestic properties in England were updated to reflect the property market as at 1 April 2021. The rateable value of a property is broadly equivalent to the annual rent that a property could be let for on the open market. These values are set by the Valuation Office Agency (VOA). A property's rates bill is calculated by multiplying its rateable value by the NNDR 'multiplier'.

20.3 Bolton Council's Rateable Value list as of December 2024 is £250.0m, up from the December 2023 list of £249.3m.

21 IMPACTS AND IMPLICATIONS

21.1 Financial

21.1.1 See main body of report above and appendices.

21.2 [HR](#)

21.2.1 See staffing impact detailed in cuts proposals.

22 [CONSULTATION SUMMARY](#)

22.1 In December 2024, Bolton Council's Cabinet approved proposals for the 2025/27 budget for consultation with stakeholders. The proposals reflected the continuing financial challenges faced by the organisation, resulting in a £25 million budget gap. Between 3rd December 2024 and 6th January 2025, the Council ran a public consultation seeking to engage residents and stakeholders impacted by future funding cuts, in sharing their reflections on the proposed reduction, the use of Council reserves and increasing Council Tax.

22.2 During this period 898 residents and stakeholders engaged in the consultation process, with significant engagement from residents in the West of the borough (54% of total responses). This was due to a hyperlocal campaign, taking place on the 5th and 6th January, encouraging residents to share their views on the carparking proposal. The following information outlines a summary to the consultation responses.

22.3 Resident and stakeholder priorities

Top 3 priorities	%	Top 3 least popular priorities	%
Keeping roads and pavements in good shape	50%	Net-zero carbon town / climate ambitions	3%
Community Safety / Tackling anti-social behaviour	49%	Offering an events programme, including Bolton Food & Drink	3%
Keeping our neighbourhoods clean	38%	Access & investment in digital & technology	1%

22.4 Reserves and Council Tax increases

22.4.1 Overall, 71% of stakeholders responding to the consultation agree with the proposal to access £16.8 million from the £35.5 million reserves. However, there is significant disagreement with the proposal to raise Council Tax by 4.99% each year. 70% of respondents oppose this rise. Of those that disagreed with the proposal, 43% state that there should be no further increase. Those providing additional comment felt that a 2% rise, or a rise in line with inflation, would be more accessible to residents.

22.5 Directorate proposal areas

22.5.1 Of the 11 budget proposal areas put forward for consultation, the following tables outline the saving areas that are most and least popular.

Top 5 proposal areas seeing the greatest agreement	% agreement
Keeping agency staff to a minimum	95%
Make contract efficiencies across our services	94%
Renting out additional spaces in our Town Centres	92%
Maximising use of libraries	91%
Review funding for events provided by other organisations	90%

Top 5 proposal areas seeing the least agreement	% disagreement
Raising charges for bereavement services	69%
Introducing pay and display carparking charges	68%
Increasing trader stall rent & fees	66%
Stopping providing grit bins	63%
Increasing charges for the collection & disposal of trade waste	52%

22.6 Impacts

22.6.1 Where residents and stakeholders outline the impact of the proposal on themselves and others, comments received highlight the significant impact to those with protected characteristics, namely older residents, children and those with SEND, as well as carers and those with personal budgets. Significant comments were received which highlight the socio-economic impacts, particularly in light of the Council Tax increases. This will particularly hit older residents that are struggling financially since the removal of the Winter Fuel Allowance, as well as those on low incomes and not able to seek support and those in the rent sector.

22.7 Alternative solutions

22.7.1 Alternative solutions put forward concentrate on a number of key themes, predominantly making staffing efficiency savings, reviewing / reducing services, and creating better revenue and investment opportunities.

22.8 Further comments

22.8.1 Those taking the time to provide additional reflections again highlight the challenges of raising Council Tax and request a freeze or reduction in business rates and rent. General negative reflections were also received, outlining a lack of confidence in the Council and the town in general. Respondents call for greater communication and engagement, with better transparency and accountability by those charged with having responsibility for the town, its residents and its wider stakeholders.

22.9 The full consultation response is provided as a separate document.

23 EQUALITY IMPACT ASSESSMENT (EIA)

23.1 Under the Equality Act 2010, the council has a general duty to have due regard to the need to:

1. **eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act;
2. **advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
3. **foster good relations** between people who share a protected characteristic and people who do not share it.

23.2 It is important to consider how the proposals contained within this report may impact positively or negatively on protected characteristics.

21.3 Due to the nature of the proposals, it is possible that there could be some adverse impact for the following groups: age, disability, caring status, gender, and socio-economic deprivation. This analysis is set out in more detail in the full EIA included at **Appendix J**.

23.3 As part of any Service Review/New Policy/Business Improvement Review a full EIA will be undertaken.

24 RECOMMENDATIONS

24.1 The Cabinet recommends to Council:

1. The Budget for 2025/26
2. The Council Tax for 2025/26
3. That the Council Tax figures included in the report for the Mayoral Police and Crime Commissioner Precept and Mayoral General Precept (including Fire Services) are the recommended provisional amounts pending their formal approval
4. The Retail Hospitality and Leisure Business Rates Relief Scheme and the general Discretionary Relief Framework 2025/26 (see accompanying report)
- 7) That the Second Homes Premium, approved by Council on 14th February 2024 comes into effect from April 2025
- 8) That the Council Tax Support Scheme approved at Council on 14th February 2024 will remain unchanged, with an accompanying report to Council to formally seek approval to continue the current scheme.

25 APPENDICES

Appendix A	General Fund Summary
Appendix B	Subjective Analysis
Appendix C	Cuts Options 2025-27
Appendix D	The Financial Arrangements Account
Appendix E	Medium Term Financial Plan (MTFP) summary tables
Appendix F	Review of Reserves
Appendix G	General Fund Balances / Financial Risks
Appendix H	Council Tax (Non-Parish Council Areas)
Appendix I	Draft Substantive Council Tax Resolution
Appendix J	Equality Impact Assessment
Appendix K	Full Consultation Feedback Report (separate to this report)

General Fund Summary

	2024/25	2025/26	2026/27	2027/28	2028/29
	Original Budget	Original Estimate	Original Estimate	Original Estimate	Original Estimate
	£'000	£'000	£'000	£'000	£'000
Children's Services	316,777	349,285	352,104	353,289	356,741
Adult Services	83,538	91,799	96,878	104,556	112,642
Public Health	17,794	18,502	18,820	19,304	19,802
Environmental Services	22,680	25,391	25,884	26,480	27,089
Development & Regeneration	4,490	4,759	4,735	4,878	5,016
Housing	2,335	2,640	2,737	2,798	2,861
Property Services	0	0	0	0	0
Central etc	52,547	56,960	59,893	64,317	67,639
Financing and Investing	17,052	7,671	7,671	8,671	9,421
Levies	43,000	43,248	44,886	46,615	48,295
Other Financial Services	3,340	2,910	3,728	3,728	3,728
Savings to be allocated	0	0	0	-10,000	-20,000
Net Expenditure	563,553	603,165	617,336	624,636	633,232
Parishes	452	566	566	566	566
Sub Total	564,005	603,731	617,902	625,202	633,798
Income					
Dedicated Schools Grant	260,354	280,297	280,297	280,297	280,297
Retained local business rates	127,050	126,270	128,042	130,407	133,339
GMCA Growth Contribution	-3,500	-1,500	-1,500	-1,500	-1,500
Business Rates Top-Up	25,713	26,365	27,760	29,162	30,717
Business Rates contribution to balances	-3,500	0	0	0	0
Council Tax Contribution - Base Adjustment	135,014	142,856	151,098	160,224	169,467
Council Tax Contribution - Adult Social Care	2,700	2,856	3,022	3,204	3,389
Council Tax Contribution - General Levy	4,037	4,271	4,518	4,791	5,067
Council Tax contribution - Parishes	452	566	566	566	566
Council Tax Long Term Empty Premium	600	600	600	600	600
CT Second Homes Premium	0	600	600	600	600
Collection Fund Balance	5,030	1,342	750	500	500
New Homes Bonus	475	739	0	0	0
ENIC Compensation	0	2,065	2,065	2,065	2,065
Recovery Grant (new for 2025/26)	0	9,195	9,195	9,195	9,195
Services Grant	476	0	0	0	0
Reserves	9,104	7,209	10,889	5,091	-504
Total Income	564,005	603,731	617,902	625,202	633,798
Council Tax Increase	3.99%	4.99%	4.99%	4.99%	4.99%

Subjective Analysis

	2024/25 Original Estimate	2025/26 Original Estimate
Expenditure		
Employees	289,480	304,624
Premises	36,300	36,511
Transport	10,046	10,204
Supplies and Services	113,807	117,513
Agency / Third Party	246,124	281,820
Transfer Payments	107,081	120,842
Capital Costs	19,908	14,336
Total Expenditure	822,746	885,850
Income		
Grants & Contributions	182,098	196,155
Customer & Client Receipts	68,747	72,972
Rent	5,967	7,349
Interest & Dividends	2,382	6,209
Total Income	259,194	282,685
Net Expenditure *	563,552	603,165
* Before Direct Schools Grant of	260,354	280,297

Bolton Council

APPENDIX C

Cuts Options 2025/27

Adults' and Housing Directorate

Adults & Housing	Detail	Total £'000	FTE in Scope	FTE Deleted	FTE Vacant	FTE Displaced
Housing	Emergency & Temporary Accommodation	70				
Housing	Licensing and Grant income targets	56				
Adults	Residential / Nursing - Keep people at home for longer	1,720				
Adults	Home Care - Improve Strength Based Practices	808				
Adults	Direct Payments - Improve Strength Based Practices	776				
Adults	Supported Living - New Models for Care	696				
Total		4,126	0	0	0	0

Children's Services Directorate

Children's	Detail	Total £'000	FTE in Scope	FTE Deleted	FTE Vacant	FTE Displaced
Don't apply inflation	Inflationary uplifts	230				
Reform agenda	Review of service delivery model	390	tbc	tbc	tbc	tbc
Contracts	Review	70				
Total		690	tbc	tbc	tbc	tbc

Public Health Directorate

Public Health	Detail	Total £'000	FTE in Scope	FTE Deleted	FTE Vacant	FTE Displaced
Controllable budgets	Cost efficiencies	400				
Contract Efficiencies	Service Efficiencies	43				
Staffing	Vacancy management	31	0.8	0.8	0.8	0
Total		474	0.8	0.8	0.8	0

Place Directorate

Place	Detail	Total	FTE in Scope	FTE Deleted	FTE Vacant	FTE Displaced
		£'000				
Heaton Fold	Additional income generation	5				
Markets	Additional income generation	16				
Town Centre Management	Commercialisation of town centre assets	30				
Parking	Review of parking activity and charging	4				
Cross cutting	Review of agency / overtime and vacancies	104	5	5	4	1
Highways	Reduction in annual IT support costs	35				
Services to Schools	Reduce budget - move closer to a cost recovery model	200				
Fleet	Review number and use of fleet vehicles	200				
Waste	Charge £45 plus delivery for a second green bin	40				
Leisure	Reduced subsidy via procurement exercise	200				
Bereavement Services	Review charging, operational costs, contracts and overheads	160				
Environment	Review operational activity and fees & charges in areas such as Trade Waste	20				
Total		1,014	5	5	4	1

Corporate Resources Directorate

Corporate Resources	Detail	Total	FTE in Scope	FTE Deleted	FTE Vacant	FTE Displaced
		£'000				
Staffing	Vacancy Management across Directorate	229	6	6	6	0
Property Services	Efficiencies of CPS insourcing	500				
Libraries	Maximising use of Libraries	100				
Cross cutting	Reduce budgets such as training, subscriptions, travel, overtime	51				
Digital Strategy	Transformation in IT	517				
Digital Strategy	Technology and Digital Customer Experience	100				
Total		1,497	6	6	6	0

APPENDIX D

The Financial Arrangements Account

	2024/25 Original	2025/26 Original
	£'000s	£'000s
Corporate Financing Costs	17,392	13,047
Transferred Debt	1,507	307
Interest and Contributions	-377	-2,119
Airport Dividend	0	0
Airport Rents	-414	-414
Airport Loan Interest	-1,076	-3,170
Debt Management	20	20
Total Financing and Investing	17,052	7,671
Levies	43,000	43,248
Former Employee Pensions	852	852
Car Parks	-350	-350
Miscellaneous	105	120
Apprenticeship Ley	500	500
Other	2,233	1,787
Sub-total	3,340	2,909
Financing		
Use of Reserves	-9,104	-7,209
ENIC Compensation	0	-2,065
Recovery Grant	0	-9,195
GMCA Growth Contribution	3,500	1,500
Services Grant	-476	0
New Homes Bonus	-475	-739
Total Miscellaneous	-6,555	-17,708
Total	56,837	36,120

APPENDIX E

Medium Term Financial Plan (MTFP) summary tables

	Latest Budget 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29
	100% Business Rates	100% Business Rates	100% Business Rates	100% Business Rates	100% Business Rates
Expenditure	£000s	£000s	£000s	£000s	£000s
Previous Year's Budget	515,979	563,552	603,165	617,336	624,636
Schools DSG Change	22,410	19,943			
Non School Services					
Inflation	15,115	20,856	12,805	12,006	12,777
Levies	1,797	1,075	1,638	1,729	1,680
Other Corporate	719	633	718	1,000	750
Adult Social Care Precept	2,700	2,856	3,022	3,205	3,389
NHS Contribution	915				
Children's and Adult's Demand Growth	-2,500				
CICT Pressures		100	130		
M&S Lease				1,175	
In Year Corporate Changes					
Chief Exec/Corp Resources demand	1,272				
Childrens Services demand	2,159	1,600			
Adult Services demand	7,738				
Public Health demand	200	500			
Dept Place demand	-358	1,165			
Reversal of unfunded demand pressure	3,948				
<u>In Year Corporate Changes</u>					
Children's Demand / Safeguarding Pressures	6,000				
Refuse Vehicles FYE		125			
Bolton Cares ICT	127				
Offsetting Corporate Contribution	-6,127	-5,581			
Indicative Cuts Requirement	-8,541	-3,659	-4,142	-11,814	-10,000
Budget Requirement	563,553	603,165	617,336	624,636	633,232

	Latest Budget 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28	Forecast 2028/29
	100% Business Rates	100% Business Rates	100% Business Rates	100% Business Rates	100% Business Rates
Resources	£000s	£000s	£000s	£000s	£000s
Direct Schools Grant	260,354	280,297	280,297	280,297	280,297
Retained Local Business Rate	99,989	94,475	96,479	97,754	99,691
GMCA Growth contribution	-3,500	-1,500	-1,500	-1,500	-1,500
Section 31 Grants	31,894	31,795	32,314	33,155	34,147
Business Rates Top Up	25,713	26,365	27,760	29,162	30,717
Business Rates contribution to balances	-3,500				
Council Tax Contribution	135,014	142,856	151,098	160,224	169,467
Council Tax Contribution - Adult Social Care	2,700	2,856	3,022	3,204	3,389
Council Tax Contribution - General Levy	4,038	4,271	4,518	4,791	5,067
Collection Fund Balance	196	1,342			
Council Tax Long Term Empty Premium	600	600	600	600	600
CT Second Homes Premium		600	600	600	600
ENIC Compensation		2,065	2,065	2,065	2,065
Recovery Grant (new for 2025/26)		9,195	9,195	9,195	9,195
Service Grant	476				
Contribution from / (to) reserves	9,104	7,209	10,889	5,091	-504
New Homes Bonus	475	739			
Total	563,553	603,165	617,336	624,636	633,232
Council Tax Increase (subject to Council approval)	4.99%	4.99%	4.99%	4.99%	4.99%

Reserves**Revenue Impact of not holding key Reserves**

If we were not to hold these reserves, then there would be a direct impact on the Revenue Budget in the order of £10.1m. This would be from having to provide a Contingency Budget to meet certain risks or additional costs that the Council will be facing in the future. These are set out below:

Description	£m
ICT replacements (would need an annual contribution to meet these costs)	3.6
Redundancy / redeployment (if we did not hold reserves, we would have to capitalise these costs - if Government agree)	2.5
Corporate contingencies – Energy etc. (would need a specific contingency provision)	1.6
Service contingencies (would need a specific contingency provision)	2.4
Total	10.1

APPENDIX G

General Fund Balances / Financial Risks

Report to:	Cabinet		
Date of meeting:	3 rd February 2025		
Report of:	Borough Treasurer	Report number:	
Contact officer:	Graeme Wilson	Telephone number	
Report title:	General Fund Balances 2025/26		
Not confidential			
This report does not contain information which warrants its consideration in the absence of the press or members of the public.			
Purpose:	To outline the Borough Treasurer' advice on the Financial Risks facing the Council and the appropriate level of Balances to be maintained		
Recommendations:	That the minimum level of Balances for 2025/26 should be £14.16m		
Decision:			
Background documents:			
Date:			
Consultation with other officers			
Finance	Yes	Lisa Butcher	
Legal	No		
HR	No		
Equality Impact Assessment required?	No		
(a) Pre-consultation reports		No	
Is there a need to consult on the proposals?		No	
(b) Post consultation reports		No	
Please confirm that the consultation response has been taken into consideration in making the recommendations.			
Vision outcomes Please identify the appropriate Vision outcome(s) that this report relates or contributes to by putting a cross in the relevant box.	1. Start Well	X	
	2.Live Well	X	
	3.Age Well	X	
	4.Prosporous	X	
	5. Clean and Green	X	
	6.Strong and Distinctive	X	

1 GENERAL BALANCES

1.1 The Council maintains two types of revenue reserves, earmarked reserves and general reserves (Balances). Earmarked reserves are set aside for specific purposes / commitments whereas General Balances are maintained to support the overall Council's cash-flow and meet any unforeseen contingencies / demands.

1.2 This report considers the current level of general Balances, evaluates the reasons why Balances are maintained (i.e. the general financial risks facing the Council) and provides advice on the appropriate level of Balances to be maintained by the Council in the light of Guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA).

1.3 Need for General Fund Balances

1.3.1 Whilst the Council's annual Budget provides resources to meet any known liabilities or expenditure requirements, Balances are amounts which are set aside to meet unexpected changes in the Budget and to finance demands for resources which cannot be predicted and are assessed based on the general financial risks facing the Council.

1.3.2 The requirement for Balances is acknowledged in statute with Section 32 of the 1992 Local Government Finance Act requiring Authorities to have regard to the level of Balances needed to meet estimated future liabilities when calculating their Budget requirement. The Chief Finance Officer has the responsibility to ensure that the Council maintains a balanced Budget with powers under Section 114 of the 1998 Local Government Finance Act to report to the Council should its liabilities be in danger of exceeding its resources. Equally, the External Auditor has a responsibility to review and report on the Council's financial standing. Further requirements within the 2003 Local Government Finance Act reinforce the above with additional monitoring and reporting responsibilities.

1.3.3 In drawing together, the Council's capital and revenue budgets and the Medium-Term Financial Statement, the level of General Balances and Financial Risks are always carefully considered. The provision of an appropriate level of Balances is therefore a fundamental part of prudent financial management.

1.4 Minimum Level of Reserves

1.4.1 Authorities should maintain Balances equivalent to 3% of their Budget, for 2025/26 this would amount to approximately £18m. However, whilst this is recommended guidance, the decision on the appropriate level of Balances is one for the Council, with advice from the Borough Treasurer, to determine. There are several factors/financial risks that need to be taken into account in considering what is a prudent level of Balances:

1.5 Revenue Contingencies

1.5.1 The Council does not maintain a general contingency within its revenue budget but relies on in year savings and Balances to meet any unexpected demands. For example, a pay increase of 0.5% more than that allowed for in the Budget would cost approximately £0.691m, excluding Teachers.

1.6 Interest

1.6.1 In recent years the Council has been successful in managing the interest that it pays out / receives and savings in this area have generally added to Balances. During 2024/25 the Bank of England has reduced from a current 15 year high of 5.25% to 4.75%.

1.7 Capital

1.7.1 The Council's capital programme including the Town Hall Strategy is in the order of £165m. Within the capital programme there are no contingencies and whilst the programme is actively monitored and managed, there is the potential for a demand on Balances from any capital overspend. In addition, because of the economic climate there has been difficulties in generating a level of capital receipts contribution to fund the capital programme.

1.8 Economic Climate

1.8.1 The challenging economic climate continues to create pressures for the Council in several ways. Demand for services, particularly those to support the elderly and looked after children is continuing to increase, in addition, several of the income/revenue streams may be affected by reduced demand/take up. A CPI inflation rate continuing at a rate far in excess of the Bank of England's target rate during 2023/24 and 2024/25 has led to significant cost pressures, particularly for energy and fuel costs. The above items have been reflected in the budget but the change in demand cannot be absolutely forecast and therefore there may be changes in cost / income levels during the year.

1.9 Council Tax Support Scheme

1.9.1 From 1st April 2013 the Council introduced a Local Council Tax Support Scheme. The full risk of increasing numbers of claimants and greater individual claimant eligibility remains within the Council and is a risk to the Council's resources.

1.10 Local Business Rates

1.10.1 Prior to 2013, all business rates collected by local authorities were paid over to the Government. This money was distributed back to local authorities by the Government in the form of grants.

1.10.2 From 2013 local authorities could retain up to 50% of business rates collected (the 'local' share) with the remaining 50% (the 'central' share) paid to the Government. This central share was distributed back to councils in the form of reduced grants. The Government introduced a system of top-ups and tariffs to redistribute income between councils so that councils with higher needs or less capacity to raise their own business rates were compensated.

1.10.3 In April 2017, Greater Manchester local authorities formed the Greater Manchester 100% Business Rates Retention Pilot. There was a corresponding reduction in government grants to reflect the increase in retained business rates.

1.10.4 A move to a 100% retention scheme doubles the risk to a council of a loss of income due to non-collection. In the current economic climate this risk is significant. For 2025/26 Bolton Council's share of the provision set aside and charged against revenue is estimated at £8.1m. The Government provides an overall safety net that is designed to protect councils if their business rates income falls significantly in the year – however the safety net is set at 97% of a council's baseline funding level (in the case of Bolton Council this represents a loss of approximately £3.6m before safety net is triggered) – the Council may potentially have to cover losses up to this amount from its General Balances.

1.11 Un-predictable Demand Led Expenditure

1.11.1 Major parts of the Council's Budget, particularly in Social Care Services and Education are "demand led" and as we have seen in previous years, can create significant demands for increased expenditure during the year. Services maintain modest reserves of their own, to meet minor budget variations.

1.12 Emergencies

1.12.1 The Council is required to maintain provision to meet the cost of emergencies that cannot be met from main Budgets or by Insurance. Significant costs on emergencies are met by Central Government under the "Bellwin Scheme" but these are only triggered once the Council's expenditure has exceeded a pre-determined limit (0.1% of the revenue budget which is approximately £603k). Costs above this limit are covered by Central Government but only up to 85%.

1.13 Unexpected Demands

1.13.1 Balances also need to provide sufficient resources to meet unexpected demands, particularly those that result from a legal decision, a change in Government legislation or a determination of Government legislation. In the past the Council has had to fund several major issues of this nature.

1.14 Service Deficits

1.14.1 Balances are also required to offset any Budget deficits carried forward or generated during the year by services as allowed under Financial Regulations.

1.15 General Risks

1.15.1 It is also important to weigh up the general risks facing the Council and evaluate what any potential financial impact may result from these risks. The Borough Treasurer and the Head of Internal Audit and Risk have undertaken a review of these risks. The areas with a potentially significant financial impact are as follows:

- Economic Climate
- Changes in Government Funding
- Potential Legal Claims
- External Suppliers going into Administration

1.15.2 These have been considered in the overall evaluation of the minimum level of Balances to maintain.

1.16 Review of 2024/25 Balances Position

1.16.1 The last quarterly report estimated available Balances as at 31st March 2025 of £14.16m. It is difficult to predict whether the economic climate will add further to the demands on the Council's services or reduce further the income we receive. I am recommending that the current minimum level of Balances remain at £14.16m in 2025/26.

1.17 Borough Treasurer Advice on the Minimum Level of Balances

1.17.1 Section 25 of the Local Government Act 2003 requires the Section 151 Officer (Borough Treasurer) to report to the Council when it is setting its Budget / Council Tax on the "robustness of the estimates" and the "adequacy of the reserves".

1.17.2 Equally the Council should not hold usable Balances at too high a level as this would not be making the most effective use of the Council's overall resources when faced with significant demands for increased levels of service. Even allowing for a recommended level of Balances of £18m above, Balances of up to £20m would not be regarded as inappropriate.

1.17.3 At this point in time, bearing in mind the above and the size of the Council's Budget at approximately £603m, I would recommend that a minimum level of Balances for the Council to maintain would be £14.16m (but, if possible, should be at a higher level).

1.18 Use of Balances

1.18.1 Any future use of Balances above the recommended level is best used to support "one off" initiatives / investment. Any significant use of Balances to meet the on-going costs of services should only be considered on the basis of providing a Revenue contribution for the period of the Medium-Term Financial Plan.

1.19 Summary

1.19.1 The report has set out the various factors that influence the level of Balances which must be maintained to meet any unexpected increases in expenditure or shortfall in income during the year. The Borough Treasurer's advice is that as a minimum Balances should remain at £14m but, if possible, should be at a higher level.

APPENDIX H

Council Tax (Non-Parish Areas including Police & Mayoral General

	Properties	2024/25	2025/26	Increase
Band A	45.15%	£1,427.38	£1,506.33	5.53%
Band B	18.75%	£1,665.31	£1,757.41	5.53%
Band C	16.54%	£1,903.18	£2,008.43	5.53%
Band D	9.95%	£2,141.10	£2,259.51	5.53%
Band E	5.36%	£2,616.88	£2,761.61	5.53%
Band F	2.23%	£3,092.71	£3,263.75	5.53%
Band G	1.80%	£3,568.48	£3,765.84	5.53%
Band H	0.22%	£4,282.20	£4,519.02	5.53%

The Mayoral Police and Crime Commissioner Precept in percentage terms equates to a 5.5% increase. The Mayoral General Precept (including Fire Services) is a 14.2% increase.

The tables below show how the cumulative element of the Adult Social Care precept needs to be shown on council tax bills:

Band A	Basic Council Tax	Adult Social Care Precept	Total	% Increase
2024/25 Council Tax Base (excl Precepts)	£1,031.06		£1,031.06	
2016/17 Adult Social Care Precept		£17.02	£17.02	
2017/18 Adult Social Care Precept		£26.43	£26.43	
2018/19 Adult Social Care Precept		£18.46	£18.46	
2019/20 Adult Social Care Precept		£9.69	£9.69	
2020/21 Adult Social Care Precept		£19.81	£19.81	
2021/22 Adult Social Care Precept		£25.27	£25.27	
2022/23 Adult Social Care Precept		£11.85	£11.85	
2023/24 Adult Social Care Precept		£21.63	£21.63	
2024/25 Council Tax Base	£1,031.06	£150.16	£1,181.22	
General Levy 2025/26	£35.32		£35.32	2.99%
Adult Social Care Precept Levy 2025/26		£23.62	£23.62	2.00%
Total 2025/26 (excluding Greater Manchester Combined Authority (GMCA) Precepts)	£1,066.38	£173.78	£1,240.16	
GMCA Precepts				
Mayoral Police and Crime Commissioner Precept			£180.20	
Mayoral General Precept (including Fire Services)			£85.97	
Total Charge 2025/26	£1,066.38	£173.78	£1,506.33	
	This will appear as an item on the Council Tax bill	This will appear as an item on the Council Tax bill		

Band D	Basic Council Tax	Adult Social Care Precept	Total	% Increase
2024/25 Council Tax Base (excl Precepts)	£1,546.60		£1,546.60	
2016/17 Adult Social Care Precept		£25.53	£25.53	
2017/18 Adult Social Care Precept		£39.64	£39.64	
2018/19 Adult Social Care Precept		£27.69	£27.69	
2019/20 Adult Social Care Precept		£14.54	£14.54	
2020/21 Adult Social Care Precept		£29.72	£29.72	
2021/22 Adult Social Care Precept		£37.90	£37.90	
2022/23 Adult Social Care Precept		£17.78	£17.78	
2023/24 Adult Social Care Precept		£32.45	£32.45	
2024/25 Council Tax Base	£1,546.60	£225.25	£1,771.85	
General Levy 2025/26	£52.98		£52.98	2.99%
Adult Social Care Precept Levy 2025/26		£35.43	£35.43	2.00%
	£1,599.58	£260.68	£1,860.26	
Total 2025/26 (excluding Greater Manchester Combined Authority (GMCA) Precepts)				
GMCA Precepts				
Mayoral Police and Crime Commissioner Precept			£270.30	
Mayoral General Precept (including Fire Services)			£128.95	
Total Charge 2025/26	£1,599.58	£260.68	£2,259.51	
	This will appear as an item on the Council Tax bill	This will appear as an item on the Council Tax bill		

Draft Substantive Council Tax Resolution

- (i) That the following recommendations of the Cabinet on 3rd February 2025 be approved:-
- (a) The Council be recommended to approve the Budget for 2025/27
 - (b) That the Council Tax for 2025/26 be increased by 4.99% comprising
 - The Adult Social Care Precept at 2.00%
 - The general levy at 2.99%
 - (c) The Council be recommended to approve the Capital Programme and Strategy for 2025/27
 - (d) The Council be recommended to approve the Investment and Prudential Indicators and Treasury Strategies 2025/26 to 2027/28
- (ii) It be noted that on 2nd December 2024 the Cabinet calculated
- (a) the Council Tax Base 2025/26 for the whole Council area as 80,625 (item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the “Act”); and
 - (b) for dwellings in those parts of its area to which a Parish precept relates as:

Parish Councils

The Parish of Blackrod	1,983	Band D equivalents
The Parish of Horwich	7,685	Band D equivalents
The Parish of Westhoughton	9,097	Band D equivalents

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its Council Tax base for the year 2025/26 for dwellings in those parts of its area to which one or more special items relate.

- (iii) Calculate that the Council Tax requirement for the Council’s own purposes for 2025/26 (excluding Parish precepts) is £149,983,462.
- (iv) That the following amounts be calculated for the year 2025/26 in accordance with Sections 31 to 36 of the Act.
- (a) £323,434,492 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
 - (b) £172,885,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

- (c) £150,549,492 being the amount by which the aggregate at (iv)(a) above exceeds the aggregate at (iv)(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
- (d) £1,867.28 being the amount at (iv)(c) above (Item R), all divided by Item T ((ii)(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £566,029 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act, each individual parish precept being:
- | | |
|--------------|----------|
| Blackrod | £81,174 |
| Horwich | £289,575 |
| Westhoughton | £195,280 |
- (f) £1,860.26 being the amount at (iv)(d) above less the result given by dividing the amount at (iv)(e) above by Item T (ii)(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
- (g) Part of the Council's Area
- | | |
|------------------------|-----------|
| Parish of Blackrod | £1,901.20 |
| Parish of Horwich | £1,897.94 |
| Parish of Westhoughton | £1,881.73 |

being the amounts given by adding to the amount at (f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned at (e) above divided in each case by the amount at (ii) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(i) Part of the Council's Area

Valuation Bands	Parish of Blackrod	Parish of Horwich	Parish of Westhoughton	All other parts of the Council's Area
A	£1,267.45	£1,265.28	£1,254.47	£1,240.16
B	£1,478.73	£1,476.20	£1,463.59	£1,446.89
C	£1,689.93	£1,687.03	£1,672.62	£1,653.54
D	£1,901.20	£1,897.94	£1,881.73	£1,860.26
E	£2,323.67	£2,319.68	£2,299.87	£2,273.63
F	£2,746.20	£2,741.49	£2,718.07	£2,687.06
G	£3,168.65	£3,163.22	£3,136.20	£3,100.42
H	£3,802.40	£3,795.88	£3,763.46	£3,720.52

being the amounts given by multiplying the amounts at (f) and (g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands

- (v) That it be noted that for the year 2025/26 the Mayoral Police and Crime Commissioner Precept and the Mayoral General Precept (including Fire Services) have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

Precepting Authority

Valuation Bands	Mayoral General Precept (including Fire Services)	Mayoral Police and Crime Commissioner Precept
A	£85.97	£180.20
B	£100.29	£210.23
C	£114.62	£240.27
D	£128.95	£270.30
E	£157.61	£330.37
F	£186.26	£390.43
G	£214.92	£450.50
H	£257.90	£540.60

- (vi) That, having calculated the aggregate in each case of the amounts at (iv), (f), (i), and (v), the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2024/25 for each of the categories of dwellings shown below:-

- (i) Part of the Council's Area

Valuation Bands	Parish of Blackrod	Parish of Horwich	Parish of Westhoughton	All other parts of the Council's Area
A	£1,533.62	£1,531.45	£1,520.64	£1,506.33
B	£1,789.25	£1,786.72	£1,774.11	£1,757.41
C	£2,044.81	£2,041.91	£2,027.50	£2,008.42
D	£2,300.45	£2,297.19	£2,280.98	£2,259.51
E	£2,811.64	£2,807.65	£2,787.84	£2,761.60
F	£3,322.89	£3,318.18	£3,294.76	£3,263.75
G	£3,834.07	£3,828.64	£3,801.62	£3,765.84
H	£4,600.90	£4,594.38	£4,561.96	£4,519.02

- (vii) That the Council's basic amount of Council Tax for 2025/26 at an increase of 4.99% is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

(viii) That the Borough Treasurer be delegated authority to collect revenues and disburse monies from the relevant accounts.

(ix) That it be noted that the Government have set a National Non-Domestic Rate of 49.9p in the pound for small businesses and 55.5p in the pound for larger businesses for the financial year 2025/26. That the Council's current policy in respect of discretionary relief for charitable organisations, as approved by the Cabinet on the 3rd February 2025, be reaffirmed and that the Borough Treasurer be delegated authority to determine applications for such relief.

(x) That War Disablement Pensions and War Widows' Pensions be disregarded for the purposes of the Council Tax Support Scheme.

(xi) That Council approves the following definition for the 'minimum occupancy period' for Council Tax Discount Class C properties, to apply from 1st April 2025:

"For the purposes of Discount Class C, in considering whether a dwelling has been vacant for any period, any one period, not exceeding six weeks, during which it was not vacant shall be disregarded".

(xii) That the minutes of the proceedings of the undermentioned Scrutiny Committee regarding their consideration on the budget be noted:-

Corporate and External Issues Scrutiny Committee 6th February 2025

Equality Impact Assessment

Title of report or proposal:
Budget Report 2025/27

Directorate:	Corporate Resources
Section:	Corporate Resources
Date:	24 th January 2025

Public sector bodies need to be able to evidence that they have given due regard to the impact and potential impact on all people with ‘protected characteristics’ in shaping policy, in delivering services, and in relation to their own employees.

Under the Equality Act 2010, the council has a general duty to have **due regard** to the need to:

4. **eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act;
5. **advance equality of opportunity** between people who share a protected characteristic and people who do not share it; and
6. **foster good relations** between people who share a protected characteristic and people who do not share it.

By completing the following questions the three parts of the equality duty will be consciously considered as part of the decision-making process.

Details of the outcome of the Equality Impact Assessment must also be included in the main body of the report.

1 Background and Context

1.1 This document provides a strategic EIA of the service reductions and changes that the council is proposing to deliver, in order to achieve a balanced budget in 2025 to 2027. It is a strategic analysis only at this stage, as the detail of each option is yet to be developed. Individual EIAs will be produced for each of the final options, when developed and where appropriate, as part of an ongoing consultation exercise.

2. Budget Strategy

2.1 Over the last twelve years the council has successfully delivered a succession of budget reductions totalling around £229m.

2.2 It is proposed that the council adopt a two-year budget strategy this time, albeit that the majority of the savings will be cashflowed by reserves into 2026/7.

2.3 The indicative savings target of £8.2m for 2025/7 was based on the following assumptions and considerations:

- 4.99% council tax increase in 2025/26 (2% ringfenced for Adult Social Care) and the same amount again for 2026/7.

2.4 Following the receipt of the 2025/6 Local Government Settlement in December, Bolton Council has been awarded a higher level of funding than had originally been anticipated, meaning that the proposed budget would see an overall savings target reduced from £8.2m to £7.8m, alongside some additional investment in services. If this proposal is agreed at Full Council, the following options would no longer be included in the options going forward:

- Third Party Events £25k
- Community grit/salt provision £40k
- Regulatory Services – deletion of vacancy £49k

2.5 In addition, some of the remaining options would be reduced.

- Review of operational activity and fees & charges in areas such as Trade Waste reduced by £40k
- Review of parking activity and charging reduced by £16k
- Bereavement Services review of fees & charges, operational costs, contracts and overheads reduced by £175k
- Review of Agency / Overtime and vacancies in Dept of Place reduced by £90k

2.6 However, as this decision has not yet been made, this EIA still includes (potential) impacts that have been raised during consultation about these options.

2.7 It is important to stress that in identifying options to achieve these cuts, the council needs to strike a balance between the impact on the general public of any council tax increase, and the impact on the

public in terms of service reductions. A decision to reduce the council tax increase for 2025/6 and 2026/7 will require a higher level of cuts. For every 1% of council tax that the council reduces, we need to find around another £1.4m of savings in 2025/6, and around £1.5m in 2026/7.

3. The Approach to Managing and Mitigating Service Impact

3.1 The scale of the cuts needed in the wake of the past twelve years of reductions, and the restrictions on which parts of the council's budgets these can be made from, mean that there are ever more limited options available across our services which enable the council to deliver a legal budget for 2025/27.

3.2 In order to deliver the best options for Bolton, from an extremely challenging set of choices, and to manage and mitigate the worst of the impacts arising as far as possible, the council will:

- Continue to maintain its strategy to ensure that statutory provision continues to be met; and to limit the impact on the most vulnerable in the borough as far as possible, whilst supporting our local economy.

4 Strategic Approach

4.1 Within the context of the council's strategic priorities, a series of principles have been articulated to inform the proposals. These are:

- A renewed focus on customer-centred service design, to minimise failure demand and achieve improved outcomes for residents, businesses and visitors.
- Continued centralisation and streamlining of support services internally, to achieve economies of scale and careful prioritisation of capacity;
- Targeting resources towards process transformation activities to realise efficiencies and capacity, and modernise services, which will, in turn, deliver improved services for our customers;
- Maximising the opportunities provided by digital technologies to speed up transactions, improve access to services, and increase income generation opportunities, in line with the Digital Strategy;
- Identifying alternative service delivery models to deliver reductions in operating costs;
- Maximising opportunities to bring in external funding via grants, commercial income and provision of services to external clients;
- Maximising our assets to ensure that we are optimising their use and value.

5 Specific Proposals

5.1 There are a number of specific options with a potential equality impact, including some which impact on the size of the council's workforce (overall it is estimated that a reduction of at least 9 Full Time Equivalents [FTEs] will be required), and reviews of universal and targeted services. There is still uncertainty around the exact impact, due to the need to await a decision in February 2025 on the final options. Full details are included in **Appendix C**.

6 Consultation

6.1 Formal consultation on the budget options set out in the consultation report took place from 3rd December 2024 to 6th January 2025, and included:

- Consultation with trades unions – information and proposals set out in the report were presented to the joint unions on the 21st November 2024;

- Views and comments sought from all stakeholders via an online consultation questionnaire. A paper copy was available upon request, and support to engage in the consultation was made available if needed;
- Targeted communications/discussions with representatives of the community and voluntary sector and business rates payers, including via Bolton Vision Partners, Bolton's Voluntary Sector Forum, and Greater Manchester Chamber of Commerce;
- An online staff briefing, available to all staff, using council and personal devices, recorded for staff to view at a time convenient to them. This was supported by regular communications and updates via email (Staff News) explaining the overall budget position and providing a link to the report online. Staff were encouraged to give their views by completing the consultation questionnaire. Many staff are also Bolton residents. Managers were asked to ensure that staff without access to a device or away from the office (maternity, paternity, adoption leave, off sick, on sabbatical or secondment) were briefed.

6.2 Specific proposals, which will be brought forward following the approval of the budget in February 2025, will be subject to individual EIAs, consultation and assessment procedures at the appropriate time, if required.

7 Equality Impact Assessment Questions

7a Describe in summary the aims, objectives and purpose of the proposal, including desired outcome

7.1 The report sets out the strategic context and outline budget for 2025/27, including options to achieve the anticipated reduction of £8.236m over this two-year budget period.

7b Who are the main stakeholders in relation to the proposal?

7.2 As set out in previous strategic EIAs, the very nature of the services the council provides, and the scale of the cuts required, mean that a range of stakeholders are likely to be affected by reductions in, and changes to, council service provision in some way over the next year. In particular:

- People who use our services and/or their carers – both now and in the future, may find that some aspects of service provision change. Some services may change fundamentally and be delivered in very different ways; some services may reduce or stop; and some people's eligibility to access services may change;
- Members of the general public – could be affected by further cuts to universal services and changes to council tax;
- Organisations working with, or supported by, the council – the reducing level of resources available will continue to have an effect on the extent to which the council can provide financial support for the work of partner organisations. Equally, whilst difficult to quantify, the reduction in services provided by the council may also have an effect on the demands for the services provided by these partners;
- Staff - given the ongoing savings requirements, there will continue to be an impact on staff, whether through loss of employment or associated restructuring and change. The council's

workforce headcount has already reduced by around 1,900 employees since 2009, and a minimum of 9 FTEs may be impacted by this programme. However, the council retains the objective of seeking to manage all reductions consensually, as far as possible, to mitigate the impact on staff, through the use of voluntary early retirement and voluntary redundancy in line with statutory requirements, as well as vacancy management.

7c In summary, what are the anticipated (positive or negative) impacts of the proposals?

- 7.3 The philosophy set out by the council to deliver its budget is very clear, regarding its priorities in relation to protecting the most vulnerable and enabling economic growth. The approach set out in the earlier parts of this EIA seeks to deliver the best outcome for Bolton in very difficult circumstances and, where possible, mitigate the worst of the impacts, particularly for the borough's most vulnerable people.
- 7.4 As before, the council aims to minimise the impact of budget reductions on front line service provision. Proposals have again been sought from each of the council's directorates to offer a degree of protection to front line services, and to safeguard the borough's most vulnerable people, whilst at the same time moving forward on our economic strategy. However, the sustained cuts faced over the last twelve years mean that it is inevitable that even frontline services will see an impact.
- 7.5 The potentially negative impacts are: reduction or cessation of universal and non-statutory services; elevated thresholds and reduced levels of statutory service provision; an increase in council tax; increased fees and charges for council services; a potential further reduction of at least 9 FTEs. We will continue to mitigate this through: careful targeting to protect the most disadvantaged in the borough; ongoing investment in economic growth and development; and a workforce strategy to mitigate the impact of reductions in staff as far as possible. Where this is the case, further engagement and insight will be obtained to understand the full equality implications for protected groups accessing these services.

Council Tax

- 7.6 In her Autumn Statement 2024, the Chancellor made no reference to Council Tax referendum limits, however on 14th November in response to an urgent question in Parliament, Matthew Pennycook, Minister of State in the Ministry of Housing, Communities and Local Government, confirmed that the thresholds set by the previous government would remain in place for 2025/26, that is a 5% limit, made up of up to 3% general levy increase and 2% for the adult social care precept.
- 7.7 The council acknowledges that any increase in council tax has a financial effect on those who are eligible to pay in the borough, and may be particularly difficult for those who are already under financial pressure, particularly in light of increases to fuel costs and other inflation. However, the proposed increases will subsequently reduce the level of cuts which may otherwise need to be achieved. In addition, the council continues to provide a discretionary council tax discount scheme for eligible residents requiring extra help, as well as a Local Welfare Provision scheme for vulnerable people in short term crisis. The Household Support Fund also provides support to vulnerable and disadvantaged individuals and households, and the government has recently

confirmed that further funding will be available to March 2026 for this scheme, albeit we may see a slight reduction in the level we receive.

7.8 The 2% increase specifically for Adult Social Care would help protect the most vulnerable customers and residents in the borough and reduce the cuts in services they receive.

7d **Is there any potential for (positive or negative) differential impact or adverse impact with regards to the identified stakeholders and the diversity groups (race, religion, disability, gender, gender reassignment, age, sexuality, caring status, pregnancy and maternity, marriage and civil partnership, socio-economic)? Can this be justified/what mitigating actions will be taken?**

8 **Council Stakeholders**

People using Council Services (including parents and carers)

8.1 The council is committed to continuing to protect children's social care services as far as possible, however, reviews are proposed in services for children and young people. The council retains the priority of limiting the impact on the most vulnerable children and young people, and care has been taken to ensure that the potential impacts of the proposals are mitigated as far as possible, through targeting and engaging partners to deliver diminished council services. Any service-led changes in Children's Services will be the subject of further EIAs, and particular consideration will be given to ensure that any impacts on children and young people who have been, are, or will, in future, be care experienced are understood and mitigated.

8.2 Alongside this, a wide-ranging programme of reform is being undertaken across Children's Services to improve outcomes for children and young people and their parents/carers, which will see a greater emphasis on prevention and co-design.

8.3 The council is also committed to protecting adult and older people's social care services as far as possible, and, in addition to this budget strategy, there continues to be investment from the NHS and the Greater Manchester devolution programme to assist in integration of health and social care services, which will mitigate against some of these reductions and improve outcomes for older people. There is potential for adults to be impacted by proposed changes to a number of services, however this will be explored fully through further, specific EIAs.

Members of the general public

8.4 The council has a clear strategy of moving from universal to targeted services, in order to offer a degree of protection for services for the borough's most vulnerable people, whilst at the same time moving forward with our economic strategy. The strategy continues to be pursued through these proposals.

8.5 If council tax rises are approved, there would be a further, specific financial impact on those who pay council tax in Bolton, as they would be asked to pay an increased level of council tax. By raising

council tax, however, the council is able to increase its income and, therefore, reduce the level of cuts which may otherwise need to be achieved. This is particularly so for the 2% Adult Social Care precept.

- 8.6 In coming to a decision about possible council tax increases, the council will seek to strike a balance between the impact on the general public of a council tax increase, and the impact on the public in terms of service reductions.
- 8.7 The most significant feedback from the budget consultation was around proposed increases to council tax, and the impact on residents and businesses of the cost-of-living crisis and inflation. Some people said that they were already struggling to make ends meet, and any increase in council tax would lead to severe hardship or an inability to pay. Many people stated that they were ineligible for benefits, but were on a fixed income, meaning they had no way of making up the shortfall. This was particularly the case for older people, including those who would no longer be receiving a Winter Fuel Payment from the Government.
- 8.8 In mitigation, whilst the level of council tax versus the extent of cuts is a difficult balance, the council continues to provide a range of support to people experiencing socio-economic deprivation:
- Local Council Tax Hardship Fund, designed to support those residents who are struggling to pay their council tax, based on income and expenditure;
 - Discretionary Housing Payments a scheme designed to support residents who are struggling to pay the difference between their rent and Housing Benefit;
 - Council Tax Support Scheme, providing support for those residents on a low income;
 - Welfare Rights Service, which supports residents with a range of advice, particularly those residents losing access to disability-related benefits, all the way through to Tribunal representation;
 - Money Skills Service – a free and confidential advice with all things money-related, including debt advice and benefit maximisation;
 - Visiting Team, who visit eligible residents in their homes to assist benefit take-up, for example completing forms;
 - Local Welfare Provision Scheme, which provides emergency support to residents, including food parcels, gas, electricity and household items;
 - Household Support Fund, which aims to support residents on low incomes, including people of working age, pensioners, residents in receipt of disability benefits, carers, care leavers, families with children in receipt of Free School Meals and other benefits;
 - Tackling Poverty Strategy, which brings together a wide range of partners internally and externally to support residents who are struggling financially.

Organisations working with or supported by the council

- 8.9 As in previous years, the council must look at making reductions from across the range of services which it provides, including commissioned and grant funded services. This means that partners who receive funding from the council may see a change or reduction in their funding, which may, in turn, have an effect on their service delivery.

- 8.10 Clearly the council needs to continue to ensure good working relationships with partners from across the private, voluntary, and charitable sectors to understand, and where possible, manage the impact of possible funding changes. In addition, it will be necessary for individual reviews to consider any potential impact on partner service delivery, e.g. where complementary services are being reviewed. The council has carried out significant work with these partners over the last few years to encourage and assist them to become self-financing and sustainable where possible. Where appropriate, stakeholders will be encouraged to access alternative funding streams that are available at a local level (Bolton's Fund). In addition, care will be taken to consider the cumulative impact that this may have on service users.
- 8.11 In Public Health, a new 0-19 Service contract has been commissioned, at a lower cost but with no material changes to provision.
- 8.12 Feedback from the consultation indicated strong support to reduce funding for events provided by other organisations, however, this could have potential impacts on people with protected characteristics. Should this option be taken forward in February, providers would be signposted to other sources of support, such as the Bolton Fund.

Staff

- 8.13 Given the ongoing scale of the budget requirements, there will continue to be an impact on staff, whether through loss of employment or associated restructuring and change. To date, the reduction in the council's workforce has been made almost entirely through voluntary means, for example, by deleting vacancies, offering voluntary early retirement / redundancy, and a comprehensive redeployment scheme. The proposals set out in the report have been developed, alongside a continuing commitment to a set of values as an employer, which seek to protect the council's workforce from the worst aspects of the budget reductions and remain a best practice employer. The proposal as a basis for consultation is that the council will consider reductions as far as possible via consensual means. However, there will inevitably be an impact on the level of service that the council can provide with fewer staff, which may result in, for example, longer wait times or a need to prioritise and target services.
- 8.14 Consultation feedback indicated concerns about the impact of a reduction in the training budget on staff, however there was substantial support from respondents regarding the reduction of use of agency staff. Concerns were also raised that staffing had been cut "*down to the bones*" and that there was a need to review key/essential roles and fill these quickly. There was also concern that cuts to staffing in one area might impact adversely on other service areas.
- 8.15 As mitigations to these concerns, it has been confirmed that the training budget reductions bring the budget in line with actual spending over recent years, so any impact would be negligible. The council is developing an organisation-wide workforce strategy which will include consideration of how and how quickly recruitment to vacant posts and succession planning take place and are managed.

Diversity Groups

- 8.16 Throughout the process, the council will need to consider the impact of its proposals on its duties under national equalities legislation, which require it to have due regard to the outcomes below, whilst also ensuring that the council can set a legal, balanced budget:
- Race
 - Religion
 - Disability
 - Gender
 - Gender reassignment
 - Age
 - Sexuality
 - Caring status
 - Pregnancy and maternity
 - Marriage and civil partnership
- 8.17 In addition, the council also considers the following impacts as part of its Equality Assessment process:
- Care Experienced;
 - ex-Armed Forces; and
 - Socio-Economic.
- 8.18 It should be noted that some people using our services will have more than one protected characteristic, for example disabled people are more likely to experience socio-economic deprivation. Headline analysis identifies potential impacts around age, disability, caring status, care experience, gender and socio-economic deprivation. Specific impacts around race, religion, gender reassignment, sexuality, pregnancy and maternity, marriage and civil partnership, and ex-Armed Forces status have not been identified at this early stage, but will be analysed as part of detailed EIAs for individual reviews.
- 8.19 Further detail included in previous strategic reports indicates that equality issues must be examined around customer access, as the council continues to move towards a greater use of technology as the primary access route. This is supported through the council's digital inclusion strategy for our communities, through a cross-council group of staff which considers equalities and access on a regular basis, and through the provision of information and support in a range of settings, such as libraries and community settings.
- 8.20 Religion
- Some of the proposed options have the potential to have a differential impact on people of different faiths. Further engagement with those affected may be undertaken should these options be approved in February 2025, in order to understand these impacts and mitigate these where possible. No specific feedback was received during consultation regarding this.

Children and Young People and their Parents/Carers and Experience of the Care System

- 8.21 A service review is proposed for services for children and young people as part of the reform programme, as well as options to reduce budgets and contract values. In the broadest sense, changes to such services have the potential to impact upon children and young people, including

those who are disabled or have special educational needs; their parents/carers; and those young people who are also parents or carers.

- 8.22 Feedback from the consultation indicated concerns around the length of time taken to access services for children, or lack of services in general for them. This included services for young parents, children (especially those in care) and young people. “The future, with these continual cuts, looks bleak”. Concerns were also raised about disabled children and the potential impact on reductions or removal of services, and the education system’s ability to remain accessible to disabled and/or disadvantaged families.
- 8.23 A wide-ranging programme of reform is taking place across Children's Services, in response to changes in Government policy and a need to manage resources carefully, as well as improving outcomes for children, young people and their families. A greater emphasis will be placed on prevention and co-design, to ensure that services are delivered in a timely way and in line with the needs of the child or young person.
- 8.24 Limiting the impact on the most vulnerable children and young people will continue to be a priority, and care will be taken to ensure that the potential impacts of proposals are well understood and mitigated as far as possible. As well as taking a co-design approach, engagement and consultation will be undertaken with a range of stakeholders prior to formal decision making.

Older People and those who care for Older People

- 8.25 Ongoing transformation within adult social care means that the way in which services are provided will continue to change and a number of the proposed options will play a part in that, should they be approved. The council continues to seek to deliver quality and affordable services, whilst also promoting independence, choice, and control, and meeting statutory duties. However, service users and their families and/or carers will see changes as a result of the budget proposals, and also as the programme of integration across health and social care services continues.
- 8.26 Throughout the process it will be essential to ensure that any proposed changes to services are based on a full understanding of need and eligibility, to ensure that Bolton’s older people and their families continue to receive appropriate, accessible, and safe care services.
- 8.27 Feedback from the consultation indicated concerns about digitalisation of services in general across the council, and any impact on older people who aren’t technically confident. There were concerns about cuts to Adult Social Care impacting on the NHS, and a deterioration in health of older people as a result of cuts. There were fears that the system is already under immense pressure, and further cuts “*would be devastating to families like mine who rely on these essential services*”. These concerns extended to families where a member would be transitioning from children’s to adult social care services and also in terms of already long waiting times being exacerbated.
- 8.28 There was a mixed response to the proposals around strength-based practice, with some worrying that it would be a “cover for cuts to caring services which need more resources not less or that it

would “*further perpetuate the inequalities in our borough*”. On the other hand, some saw this approach as a positive, suggesting it could bring benefits to both the council’s budget and to those receiving services.

- 8.29 Concerns were also flagged about support for carers, befriending services, day care services and other similar support, and whether additional investment would be made into these. One person felt it was unclear exactly where “*cuts and disinvestment will land and what services will be impacted*”.
- 8.30 In response, there are no specific cuts to reduce the services available to meet needs, such as day care, carers. Investment has been made into intermediate care services, and the Carers’ Strategy proposals aim to improve the offer to carers and carers’ direct payments. The proposals and strengths-based practice are focused on improving availability of preventative services, use of technology and digital, and developing more cost-effective schemes to avoid high cost, longer-term care packages, and a greater shift to supporting people to live well for longer.
- 8.31 With regards to concerns about digitalisation of services and potential exclusion of those who struggle, or are unable, to use this mechanism, the council recognises the importance of taking an inclusive approach. Whilst much of the digitalisation will suit many people, and will make services run more efficiently and effectively, and in fact meets many people’s expectations, the council will continue to accommodate those for whom this medium is not appropriate.
- 8.32 Regular monitoring and assessment of needs will be carried out in line with our statutory duties under the Care Act 2014 and Mental Capacity Act 2005. Personalised Support Plans will detail how the individual needs will be met and how risks are minimised. For example, the use of technology e.g., medication reminders, falls and epilepsy detectors, care line.
- 8.33 Coordination of services will continue to take place within our Neighbourhood & hospital integrated teams, consisting of health and social care staff, who can arrange referrals, assessments and visits by different professionals e.g., Occupational Therapy, Social Work team. A proactive approach will continue to be provided to deliver early intervention where people are unknown or new to the services we provide, to ensure that appropriate solutions are put in place as soon as possible, to avoid or delay higher care needs developing.
- 8.34 Feedback was raised during consultation about the potential impact of the removal of community grit/salt provision on older people, with many worrying that this would lead to an increase in falls, and demand on other services such as the NHS. Some also feared an increase in isolation for elderly people, as they would be too frightened to go outside during adverse weather conditions. “*I do think that grit bins on dangerous roads are important in preventing slips [sic, read slips] and falls for elderly people – saving a few thousand may cost you more in community-based services for more people*”.
- 8.35 In response, the council has a duty to keep the Highway free from snow and ice as far as reasonably practicable, and communicates the service provided on the council website at www.bolton.gov.uk/roads-pavements/gritting/1. Unfortunately, it is not possible to undertake gritting

activities on all our roads and footways, and grit bins are provided for use by residents at locations that have been risk assessed as requiring them.

- 8.36 One resident also flagged a concern that older people would be negatively impacted by the proposed changes to parking services. Whilst the council acknowledges this, it needs to strike a balance between enforcement and the impact on businesses.

8.37 Caring Status

According to the Office for National Statistics¹, at the time of the 2021 Census there were approximately 4.7m unpaid carers in England, equating to 8.9% of the population aged over 5. In England 10.3% of females provide unpaid care, compared with 7.6% of males. In the areas of highest economic deprivation, the proportion of unpaid carers rose to 10.1% of the population. In Bolton, the Census indicated that there were around 25,980 unpaid carers in 2021. Should these options be approved, further assessments of the potential impact on carers, particularly female carers, both adults and children, will be undertaken.

- 8.38 Please see the information at section 8.21 to 8.36 about potential impacts on carers and mitigations. In addition, comments were received from single parents who were struggling to make ends meet. *“As a single parent who gets no benefits, no reductions to bills, no help with finances, nothing free etc, all these suggested increases add to the financial pressures that higher food, energy, insurance and general household costs are subjecting me to – making ends meet is hard enough.”*

8.39 Gender

A number of the proposed options have the potential to impact disproportionately on females, and care will be taken to understand these more fully as they are developed and ensure that the impacts of the proposed changes are mitigated.

- 8.40 No specific feedback was received about potential impacts on females, however, the council is aware that the majority of its staff, and of carers are female and will continue to ensure that any impacts are reduced and mitigated.

Disabled People

- 8.41 A number of options in the budget proposals have the potential to impact differentially on disabled people in Bolton. Proposed changes to parking, salt/grit provision, bereavement services, housing, children’s services, adult social care, including Supported Living, fees and charges and libraries could all impact directly or indirectly on disabled people, and care will be taken, as these options are developed and brought forward, to understand and mitigate this as appropriate.

¹ [Unpaid care by age, sex and deprivation, England and Wales - Office for National Statistics](#)

8.42 No specific feedback was provided in terms of impacts on disabled people in the consultation, aside from in relation to disabled children's services (see 8.22), but the above options, if taken forward will consider any potential impacts as part of any further consultation and implementation.

Socio-Economic Deprivation

8.43 The council continues to aim to protect the most vulnerable in the borough and to target resources to them, although resources are much more limited than they have been previously. This budget strategy does have the potential to have an impact on those people who are experiencing socio-economic deprivation. This will need to be considered as part of each review in the detailed EIA.

8.44 Bolton ranks 34th most deprived out of 317 areas, in the most recent Index of Multiple Deprivation, with 26% of Bolton's population living in an area that falls within the 10% most deprived nationally, and 45% of Bolton residents living in an area that falls within the 20% most deprived areas nationally. Conversely, Bolton also includes areas which fall within the least deprived areas nationally. Recent research indicates that one in three children and a quarter of adults are living in poverty in the UK, with deprivation levels at their highest in the 21st Century².

8.45 Individual options have the potential to have a greater impact on those experiencing socio-economic deprivation, and care will be taken to consider these impacts fully as part of the detailed option development, however early information indicates potential impacts from the following options: adult social care, parking, libraries, bereavement services, housing, leisure subsidy, fees and charges.

8.46 Considerable feedback was provided on the impact of proposed increases to council tax and cuts to services on people who are already struggling financially in a range of ways, including due to fixed incomes, people already working maximum hours, reduced pay, inflation and the cost of living crisis, energy costs and ineligibility for or removal of benefits, such as Winter Fuel payments. *"I'm just surviving feeding a family of 5. It's like war rations these days. Everything is expensive. Everything has gone up. If it goes up any further I'll have to sell my house"*; and *"As a young working family with a small child, if multiple costs from the council potentially go up that could heavily impact our household financially"*. There was also feedback from businesses on the impact on them of the proposed cuts, with customers having reduced disposable income or being put off by parking changes.

8.47 Please refer to section 8.8 for mitigations regarding these concerns.

8.48 Sexuality

There is potential for people who identify as lesbian, gay, bisexual, trans or queer or other sexual identities (LGBTQ+) to be impacted by one or more of the proposed options. Care will be taken to

² [The Social Metrics Commission - a new measure for poverty in the UK](#)

understand this potential impact fully and direct those affected to alternative mechanisms of support as appropriate. No feedback was received about potential impacts on people from this perspective.

8e **Are there any gaps in your evidence, or conclusions which make it difficult to quantify the potential adverse impact? If so, please explain how you will explore the proposal in greater depth.**

8.49 Yes, this strategic EIA provides a high-level response to the council's standard EIA questions. It will, however, be necessary to bring forward detailed proposals for each of the options, including detailed analysis of equality impact, and this will take place on a phased basis over the next two years. It will also be necessary to further engage, where appropriate, with trades unions and any stakeholders on each of the individual reviews as they come forward. These engagement processes will help to inform future assessment of equality impact.

8.50 In conclusion, the council continues to make every effort to protect the most vulnerable as far as possible, support economic development, and to respond appropriately to its duties under the Equality Act. However, this strategic EIA recognises the significant challenge presented by the financial position for Bolton, and the likelihood that many of the strategic budget options, whilst seeking to deliver the "*least worst*" outcome for Bolton, may well have an impact on a range of stakeholders as the council sets a legal budget for the coming year.

This EIA form and report has been checked and countersigned by the Directorate Equalities Officer before proceeding to Executive Cabinet Member(s)

Please confirm the outcome of this EIA:

No major impact identified, therefore no major changes required – proceed	<input type="checkbox"/>
Adjustments to remove barriers / promote equality (mitigate impact) have been identified – proceed	<input type="checkbox"/>
Positive impact for one or more groups justified on the grounds of promoting equality - proceed	<input type="checkbox"/>
Continue despite having identified potential for adverse impact/missed opportunities for promoting equality – this requires a strong justification	<input checked="" type="checkbox"/>
The EIA identifies actual or potential unlawful discrimination - stop and rethink	<input type="checkbox"/>

Report Officer

Name: Nicky Connell

Date: 24th January 2025

Directorate Equalities Lead Officer

Name: Rebecca Albrow

Date: 24th January 2025