

Report Title:	Medium Term Financial Strategy and Plan 2023/24 – 2027/28
Contains Confidential or Exempt Information	No - Part I
Cabinet Member:	Councillor Hilton, Cabinet Member for Asset Management & Commercialisation, Finance & Ascot
Meeting and Date:	Corporate Overview & Scrutiny Panel – 25 July 2022
Responsible Officer(s):	Andrew Vallance, Head of Finance Adele Taylor, Executive Director of Resources & Section 151 Officer
Wards affected:	All

REPORT SUMMARY

This report sets out the Council's proposed key themes of the Medium-Term Financial Strategy (MTFS) for 2023/24 - 2027/28 and shows the close relationship between this strategy and the Council's new Corporate Plan. This will need to be formally adopted by full Council following a recommendation from Cabinet. The report also includes a Medium-Term Financial Plan (MTFP), identifying future budget gaps.

The Council needs to consider the actions it needs to take to ensure the affordability of its services and ensure it reviews its financial sustainability over the medium term in response to the challenges it faces.

1. DETAILS OF RECOMMENDATION(S)

RECOMMENDATION: That the Panel notes and comments on:

- i) the proposed key themes of the Medium-Term Financial Strategy set out in the report; and
- ii) the Medium-Term Financial Plan set out in Appendix A.

2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

Options

Table 1: Options arising from this report

Option	Comments
To recommend to full Council the Medium-Term Financial Strategy and Plan.	This is the recommended option.
To not recommend to full Council the Medium-Term Financial Strategy and Plan.	If not recommended the 2023/24 budget will be developed without regard to the wider financial challenge facing the Council.

- 2.1 This report sets out the proposed financial strategy for the Royal Borough of Windsor and Maidenhead across the next 5 years.
- 2.2 The report demonstrates the close relationship between the new Corporate Plan and the MTFS, being based on the same principles that the Corporate Plan was developed against.
- 2.3 The MTFS was reviewed by Corporate Overview and Scrutiny Panel on 22nd June 2022. The Panel suggested adding Objectives 5 and 6 in Section 6, to better align with the entire Corporate Plan.
- 2.4 This report will be presented to Cabinet on 21st July 2022.
- 2.5 A final report on the MTFS will be presented to Council in September 2022.

3. KEY IMPLICATIONS

Table 2: Key Implications

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Services delivered within approved budget	Budget overspend >£250,000	Budget variance +/- £250,000	Budget underspend >£250,000 <£1,500,000	Budget underspend >£1,500,000	31 March 2028

4. FINANCIAL DETAILS / VALUE FOR MONEY

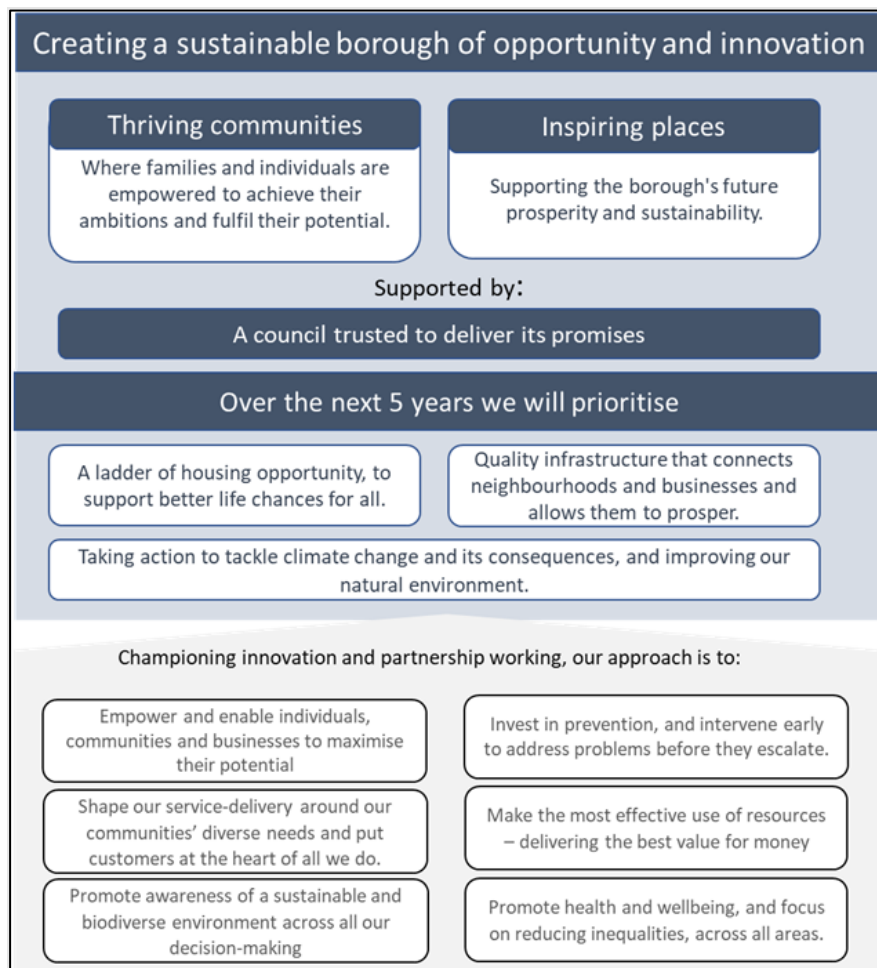
Introduction

- 4.1 Just like many other councils, the Royal Borough of Windsor and Maidenhead has faced considerable financial challenges because of the Covid-19 pandemic. This has led to increased costs and large reductions in income in the last two financial years.
- 4.2 Like many councils, the Council is also experiencing growth in demand for several services, with Children’s Services and Adult Social Care being some of the most significant impacted by demographic demands alongside other demand led services such as housing and homelessness.
- 4.3 Unlike some other councils, the lowest council tax in the country outside of London and our low levels of reserves coupled with increasing levels of borrowing have made the RBWM financial position more challenging. The low level of council tax results in an inability to raise funds to the same amount as other councils
- 4.4 The current financial outlook in terms of rising inflation and interest rates as well as the increasing cost of living rises that our residents and businesses are facing, alongside the Council, are also areas that will need to be addressed as part of both its short and longer-term financial planning.

- 4.5 This document explains the financial context for RBWM and sets out the areas where the Council will seek to make savings, efficiencies and prioritise our resources in line with the objectives in the Corporate Plan.

Corporate priorities

- 4.6 The Council's priorities must be at the heart of any financial strategy. In many ways they inform one another. The Council's Corporate Plan for the period 2021-2026, "Creating a sustainable borough of opportunity and innovation", was agreed at Full Council on 23rd November 2021.
- 4.7 The Corporate Plan forms the overarching strategy for the Council for the next four years and replaced the Interim Strategy 2020-21, which was developed as a temporary plan in response to the pandemic. The Corporate Plan sets out the Council's new objectives, and the specific goals to be achieved in support of those objectives, over the 2021-26 period. It was agreed in November 2021 and so this is now the opportunity to refresh the financial strategy to reflect the outcomes of that plan.
- 4.8 The Corporate Plan has been designed to crystallise focus on where the Council most needs to drive change. It recognises that the Council must make difficult choices about where it focuses its resources. The Corporate Plan acts as a strategic framework to guide resource allocation decisions.
- 4.9 Finance is both the enabler that allows the Council to deliver its goals and objectives, and the constraint within which the Council needs to work as it makes tough decisions on what it can deliver. The goals within the Corporate Plan have been formulated to be deliverable within current and expected future resource levels although as the delivery plans continue to crystallise for all aspects of the corporate strategy, the Medium-Term Financial Strategy and Plan will be regularly refreshed to ensure there is a close alignment between these two integral strategies.
- 4.10 In addition to setting out what we aim to achieve, the Corporate Plan also sets out the Council's approach to achieving change – how it will work as well as what it will focus on. 'Making the most effective use of resources – delivering the best value for money' is included as an underpinning principle of our approach to emphasise its importance across every area of the Council's work. This includes making best use of the opportunities offered by digital technologies, working in closer partnership with communities, and maximising income generated. The Corporate Plan also includes a focus on prevention and early intervention, which can help to reduce demand on the most cost-intensive services.



Financial climate

- 4.11 Over recent years all local authorities have faced significant cuts to their funding from central government because of austerity, at a time when pressure on core service delivery has increased, particularly in Children's Services and Adult Social Care. This has placed considerable pressure on discretionary services, including Early Help services for children and families.
- 4.12 The Covid-19 pandemic has increased costs in many areas but has also severely reduced councils' income on both a temporary basis as well as potentially eroded some income budgets over a medium-term basis.
- 4.13 All councils have adopted different approaches to address their budget gap during that time. This has included reviewing the operating frameworks for some of our services including partnerships with other councils.
- 4.14 The current financial outlook in terms of rising inflation and interest rates as well as the increasing cost of living risks that our residents and businesses are facing, alongside the Council, are also areas that the Council will need to assess as part of both its short and longer-term financial planning.

RBWM context

- 4.15 RBWM is on the face of it better placed than some councils to meet the financial challenges that it faces.
- Lower levels of deprivation mean that it does not have the same level of pressure on Adult Care and Children's Services that some councils have

experienced. We have relatively low numbers of people that we support although this does make any increases proportionally larger.

- Significant capital assets have enabled it to continue to fund its capital program at a time when government support for capital schemes has diminished.
- Lower reliance on Government Grant also meant that the impact of austerity was less than in some other councils, noting the corollary of the increased importance of Council Tax, compared to others.

4.16 RBWM has still had to make significant savings and has already delivered around £75m savings from the start of austerity. It has also been able to protect “discretionary” local services to a greater extent than other councils through some of the actions that it took including sharing services with other councils and changing delivery models particularly around Children’s and Adults services.

4.17 In more recent years RBWM has also embarked on significant investment in regenerating the borough which will in the medium to long term provide some financial benefits overall, both directly and indirectly in terms of helping to manage future demand for some services.

4.18 For all councils there is a fine line between financial security and a financial position that can give rise to concern. The tipping point will be different from council to council and ensuring that we understand both risks and opportunities is an important part of ensuring ongoing financial sustainability.

4.19 RBWM has several significant risks that need to be considered as part of its medium-term financial plans and any potential mitigations identified, where possible.

- **Council Reserves are under considerable pressure.** They are insufficient to absorb the financial pressure projected for 2023/24 and beyond unless significant savings are made on an ongoing and sustainable basis. Reserves have been strengthened over the last couple of years, but this will need to remain a focus going forwards to ensure the Council can remain financially resilient.
- **The Pension fund deficit** means that a growing share of Council funding is required to cover pension deficits in the future
- **Substantial levels of borrowing** mean that an increasing share of the Council’s budget is required to service debt before money can be spent on day-to-day services. There is also a reliance on capital receipts in future years.
- **Maintaining a low level of council tax**, means that the Council has missed out on additional revenue from raising council tax in previous years. It also means that any future increases will generate less as they start from a lower base.
- **Growing pressures around Children and Adult Services and other demand lead services** have been widening the budget gap further. This is

compounded by the inflexibility of having low spend and comparatively smaller numbers of clients in these services.

- **The longer-term consequences of the pandemic are not yet apparent.** Government support for the Council has ended but the full economic and health effects of the pandemic are yet to be revealed. This may lead to impacts on the Council's budget in terms of increased demand for services and a more permanent change to the way in which residents and businesses operate.
- **Inflation and interest rate risks.** Assumptions on these have been reviewed as part of the MTFP given the current inflationary and cost of living pressures that are becoming apparent.
- **Reforms to Adult Social Care.** Work is currently underway to identify the full impact of the proposed reforms on future Council budgets.
- **Reforms to future national funding arrangements.** Assumptions on these will be reviewed as part of the MTFP.
- **Other legislative changes.**

4.20 In short, there is a considerable level of uncertainty around financial plans for 2023/24 and beyond.

5. MEDIUM-TERM FINANCIAL POSITION

5.1 A revised Medium-Term Financial Plan is attached as **Appendix A**. The table below shows the projected savings required during the period of the MTFS and MTFP. This has been updated to reflect current economic estimates.

Table 3: Required savings

2023/24	2024/25	2025/26	2026/27	2027/28
£7.306m	£1.821m	£2.968m	£3.183m	£2.451m

5.2 In addition, the Council may need to finance the net additional costs of Adult Social Care reform not funded by the Government. This may add £3 million or more each year to the savings gap. This assumes that government will fund some, but not all, of the likely pressures but these estimates will need to be continually reviewed as more information about the reforms emerges.

- 5.3 The following assumptions have been made in determining the MTFP in Appendix A. CPI and RPI assumptions are based on current Office for Budget Responsibility forecasts. The notes section of the MTFP describes why other inflation factors have been included at these levels.
- CPI inflation 4.5% in 2023/24 then 2.5% each year thereafter.
 - RPI inflation 5.5% in 2023/24 then 3.5% each year thereafter.
 - Pay awards 2% each year.
 - Council Tax increases of 1.99% each year.
- 5.4 Appendix B shows the impact of any changes to these assumptions. These assumptions will be reviewed throughout the budget process.
- 5.5 The Council may need to deliver total ongoing savings of £18m over the 5-year period 2023/28, unless government funding in the form of grant or council tax flexibility improves before the Council identifies other interventions. This also does not take account of the significant changes that are affecting adult social care in the future and other legislative changes.
- 5.6 The Council has insufficient reserves to sustain a budget deficit and will therefore have to generate substantial cost reductions or increased income plans. These will need to be linked to the Corporate Plan objectives.

6. DELIVERING A SUSTAINABLE BUDGET IN LINE WITH CORPORATE PLAN OBJECTIVES

- 6.1 RBWM continues to face considerable financial pressures. The only uncertainty is around the scale of the financial pressures in some areas. All councils are having to make some tough choices around the way they manage their finances to remain financially viable.
- 6.2 This section sets out how the Council will align its financial objectives to several of those in the Corporate Plan and the objectives are based on the principles of the corporate plan. The types of activities that will deliver against those objectives are indicated.
- Objective 1: Empower and enable individuals, communities, and businesses to maximise their potential**
- 6.3 The Council will encourage the community to support the design of more efficient and effective services. This will produce long-term savings as part of the prevention agenda by investing in early intervention where possible and shift resourcing to activities that reduce future demand.
- 6.4 The Council will continue to build partnerships with the voluntary sector and build its organisational resilience so that it can lead these initiatives.
- 6.5 The Council will also review service provision with other organisations and improve engagement with partners.

Objective 2: Invest in prevention, and intervene early to address problems before they escalate

- 6.6 The Council will identify preventative and early measures to contain growth given we have both low unit cost and relatively low numbers.
- 6.7 The focus will remain on:
- Adult Social Care;
 - Children's Services; and
 - Homelessness.
- 6.8 This may require significant investment in preventative measures with savings or reduced growth requirements in later years so the Council will review how it can fund those activities in the short term.

Objective 3: Shape our service delivery around our communities' diverse needs and put customers at the heart of all we do

- 6.9 The Council will work with partners such as health and the police to integrate services for our communities to ensure that our focus is on our customers rather than organisational structure and boundaries.
- 6.10 The Council will review contracts and procurement activity to respond to legislative change and improve services and improve value for money.
- 6.11 The Council will undertake targeted reviews of specific services to improve efficiency and effectiveness and enhance the transformation agenda.

Objective 4: Make the most effective use of resources – delivering the best value for money

- 6.12 The Council will continue to seek commercial and income generation opportunities where these support our delivery agenda.
- 6.13 The Council will undertake a fundamental fees and charges review on a regular basis to ensure that these are proportionate, fair, and relevant.
- 6.14 The Council will co-ordinate the introduction of several new systems to maximise the potential benefits from digitalisation of services. This will include a pilot of Robotic Process Automation.
- 6.15 The Council will build on its transformation activities to date particularly in Adult Social care and look to identify opportunities to improve the way in which we do things and work with others to ensure we maximise the value for money opportunities in terms of service delivery.
- 6.16 The Council will make the best use of its assets for the benefit of our residents and local taxpayers including appropriate levels of investment, disinvestment, and commercial activity.

Objective 5: Promote awareness of a sustainable and biodiverse environment across all our decision making

- 6.17 The Council will seek to become more sustainable, thereby reducing its energy costs.

Objective 6: Promote health and wellbeing, and focus on reducing inequalities, across all areas

6.18 The focus on preventative measures will promote health and wellbeing.

7. SUMMARY AND CONCLUSIONS

- 7.1 The proposed key themes of the strategy in this paper sets out a way forward for the Council to make its finances as sustainable as possible in the medium to long term.
- 7.2 Achieving sustainable finances is not going to be an easy task for the reasons outlined in this report and some tough choices will need to be taken to achieve long term stability but having a close link between our agreed corporate plan outcomes and the resources to deliver in a sustainable way is important.
- 7.3 In the current financial climate, there are no quick fixes, and all councils face considerable financial uncertainty that is beyond their control.
- 7.4 All councils need to have a clear understanding of how that uncertainty can impact on their financial plans and ensure that they protect themselves as far as possible against that uncertainty.
- 7.5 The success of this strategy and subsequent financial plan will depend in part on decisions beyond the control of the Council particularly Government decisions around future funding and council tax levels

8. LEGAL IMPLICATIONS

8.1 None at this stage of the budget process.

9. RISK MANAGEMENT

- 9.1 Failure to identify sufficient savings as part of the budget process would risk the Council being unable to maintain minimum levels of reserves.
- 9.2 The Council is already at a more significant risk because it has moved up the commercial risk curve and is anticipating income for charges and capital schemes.
- 9.3 Several assumptions have been made in developing the Medium-Term Financial Plan and any variation in these will impact on the required savings. Appendix B provides more detail on the financial implications from any movement in these assumptions.
- 9.4 Whilst not a current likelihood and because of all the factors mentioned in this report, the Council remains at significant risk of financial failure due to the inability to raise council tax income. Any significant unexpected financial change could have serious consequences.

10. POTENTIAL IMPACTS

- 10.1 Equalities. A full EQIA will be undertaken on the budget submitted to Council in February 2023 and a draft EQIA developed alongside the Medium-Term Financial Plan and updated throughout the budget setting process as appropriate.
- 10.2 Climate change/sustainability. The potential impact of budget recommendations will be considered once details of budget submissions are published.
- 10.3 Data Protection/GDPR. Not applicable.

11. CONSULTATION

- 11.1 The draft budget approved by Cabinet in November 2022 will be fully consulted on before final proposals are made to Cabinet and Council in February 2023. Appropriate consultation will also take place when developing proposals with our key stakeholders and partners.

12. APPENDICES

- 12.1 This report is supported by two appendices:
- Appendix A – Medium Term Financial Plan
 - Appendix B – Sensitivity Analysis

13. BACKGROUND DOCUMENTS

- 13.1 This report is supported by one background document, the [Corporate Plan](#).

14. CONSULTATION

Name of consultee	Post held	Date sent	Date returned
<i>Mandatory: Statutory Officers (or deputies)</i>			
Adele Taylor	Executive Director of Resources/S151 Officer	6/7/22	8/7/22
Emma Duncan	Deputy Director of Law and Strategy / Monitoring Officer	6/7/22	
<i>Deputies:</i>			
Andrew Vallance	Head of Finance (Deputy S151 Officer)	Report Author	
Elaine Browne	Head of Law (Deputy Monitoring Officer)	6/7/22	7/7/22
Karen Shepherd	Head of Governance (Deputy Monitoring Officer)	6/7/22	7/7/22
<i>Other consultees:</i>			
<i>Directors (where relevant)</i>			

Duncan Sharkey	Chief Executive	6/7/22	
Andrew Durrant	Executive Director of Place	6/7/22	11/7/22
Kevin McDaniel	Executive Director of Children's Services	6/7/22	7/7/22

Confirmation relevant Cabinet Member(s) consulted	Cabinet Member for Asset Management & Commercialisation, Finance and Ascot	Yes
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REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Scrutiny	No	No

Report Author: Andrew Vallance, Head of Finance

	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Notes
SERVICE BASE BUDGET	92,180	89,491	92,152	93,944	95,936	
Inflation						
- Pay (excludes DSG funded)	1,132	1,155	1,178	1,202	1,226	1
- Utilities (water, gas, electricity)	107	29	30	31	32	2
- Contract inflation	4,314	2,840	2,936	3,035	3,137	3
- Fees & charges	(934)	(542)	(556)	(570)	(584)	4
- Adult Social Care client charges	(356)	(207)	(212)	(217)	(223)	5
Demographic Growth	1,500	1,583	1,638	1,695	1,755	6
Savings already identified	0	0	0	0	0	
Removal of one-off COVID budgets	(1,092)	0	0	0	0	7
Full year effect of previously agreed savings / pressures	(55)	(376)	(255)	0	0	8
Service Base Budget Before Savings	96,796	93,973	96,911	99,120	101,279	
Efficiency Savings (-ve) - TO BE IDENTIFIED	(7,306)	(1,821)	(2,968)	(3,183)	(2,451)	9
Service Net Expenditure	89,491	92,152	93,944	95,936	98,828	
NON-SERVICE BUDGETS						
Interest received	(580)	(462)	(422)	(420)	(419)	10
Interest paid	5,921	5,716	5,238	4,817	4,507	10
Broker fees	120	138	128	107	92	
Interest on schools balances	77	58	52	52	52	10
Capitalised interest	(193)	0	0	0	0	
Bank and transaction charges	220	230	235	240	245	
Minimum revenue provision	3,233	3,499	3,772	3,890	3,804	11
Environment Agency Levy	168	171	174	177	180	
Pensions deficit	4,311	4,467	4,467	4,467	4,467	12
LGPS prepayment	(114)	(114)	(114)	(114)	(114)	13
Total Non-Service Budget	13,163	13,703	13,530	13,216	12,814	
TOTAL EXPENDITURE	102,654	105,855	107,474	109,152	111,642	
NON-COUNCIL TAX FUNDING						
NNDR	(14,226)	(13,517)	(12,767)	(12,017)	(12,017)	14
Income from trading companies	(210)	(210)	(210)	(210)	(210)	
Education Services Grant	(315)	(315)	(315)	(315)	(315)	15
Social Care Grant	(3,725)	(3,725)	(3,725)	(3,725)	(3,725)	15
Lower Tier Services Grant	(192)	(192)	(192)	(192)	(192)	15
Market Sustainability and Fair Cost of Care Fund	(322)	(322)	(322)	(322)	(322)	15
Services Grant	(500)	(500)	(500)	(500)	(500)	15
Revenue Support Grant	(2)	(2)	(2)	(2)	(2)	15
Family Annexe Council Tax Discount Grant	(17)	(17)	(17)	(17)	(17)	15
New Homes Bonus	0	0	0	0	0	15 / 16
Use of Earmarked Reserve	(1,600)	0	0	0	0	
Transfer (surplus)/deficit to Council Tax Collection Fund	1,600	0	0	0	0	
Transfer (surplus)/deficit to NNDR Collection Fund - spreading	1,600	0	0	0	0	
Total non-council tax funding	(17,909)	(18,800)	(18,050)	(17,300)	(17,300)	
COUNCIL TAX						
Adult Social Care Precept	(139)	(139)	(139)	(139)	(139)	
Council Tax at Band D	(1,049)	(1,073)	(1,097)	(1,121)	(1,147)	
Special Expenses	(35)	(36)	(37)	(37)	(38)	
Total Council Tax	(84,745)	(87,055)	(89,424)	(91,852)	(94,342)	
TOTAL FUNDING	(102,654)	(105,855)	(107,474)	(109,152)	(111,642)	

	No. Band D properties	No. Band D properties	No. Band D properties	No. Band D properties	No. Band D properties	
Council Taxbase	70,236	70,736	71,236	71,736	72,236	17
Unparished Taxbase	36,680	37,180	37,680	38,180	38,680	17

ASSUMPTIONS

CPI	4.50%	2.50%	2.50%	2.50%	2.50%
RPI	5.50%	3.50%	3.50%	3.50%	3.50%
CTAX increase (%)	1.99%	1.99%	1.99%	1.99%	1.99%
Pay inflation (%)	2.00%	2.00%	2.00%	2.00%	2.00%
Utility inflation (%)	10.00%	2.50%	2.50%	2.50%	2.50%
Contract inflation not linked to CPI / RPI (%)	5.50%	3.50%	3.50%	3.50%	3.50%
Fees & charges inflation (%)	4.50%	2.50%	2.50%	2.50%	2.50%
Adult Social Care Income (usually related to pensions / benefits) (%)	4.50%	2.50%	2.50%	2.50%	2.50%
Growth in tax base (Band D properties) £'000	500	500	500	500	500
Increase in environment agency levy £'000	3	3	3	3	3
Bank of England base rate	3.00%	2.25%	2.00%	2.00%	2.00%
Government Grant inflation	0.00%	0.00%	0.00%	0.00%	0.00%

NOTES

1. Pay inflation includes staff in Optalis and AfC, but excluding those funded through ring-fenced DSG and Public Health grant.
2. Utility inflation excludes budgets funded by ring-fenced DSG and Public Health.
3. Where relevant, contract inflation has been linked to RPI / CPI. For other contracts a general assumption of inflation is included in the assumptions above.
4. Fees & charges inflation is usually done in line with RPI.
5. Adult Social Care charges mostly increase in line with state pension and benefits uplifts, the former being the main determinant. Pensions are protected by the triple lock, meaning they go up by the higher of CPI, wage inflation or 2.5%.
6. Demographic growth is assumed at £1.5m per annum, with costs inflated in line with contract inflation.

7. The remaining Covid support budgets are £0.500m in parking, and £0.592m in leisure.
8. This represents the ongoing impact of savings and growth agreed in previous budget setting rounds.
9. This is the budget gap, or the amount of efficiency savings or additional funding that is required to set the budget.
10. Current advice from treasury advisors is for base rate to be 2.25% in 23/24, worst case 3%. Some market sources suggesting 3.5%, but that is considered a high estimate.
11. Provision for repayment of debt.
12. Per the last actuarial report.
13. Benefit from early payment of contribution to pension fund.
14. Reflects the regeneration of Maidenhead and the reduction in projected business rates as a result (estimated).
15. There is provision in the model to assume a general uplift to government funding - see assumptions above. Grants are assumed to continue throughout period of planning.
16. The New Homes Bonus is not assumed not to continue.
17. Assumes growth in taxbase Band D properties - see assumptions above.

= current assumption built into MTFP

Inflation

The base assumption is CPI of 4.5% and RPI of 5.5%. A 1% increase costs £0.730m (note this cost is net of Adult Social Care charges which are also linked to inflation via state pensions and the triple lock).

Inflation assumption (CPI / RPI)	2.5% / 3.5%	3.5% / 4.5%	4.5% / 5.5%	5.5% / 6.5%	6.5% / 7.5%	7.5% / 8.5%	8.5% / 9.5%
Cost (£000)	2,497	3,228	3,958	4,688	5,418	6,148	6,878
Additional / (reduced) cost from current MTFP (£000)	(1,461)	(730)	0	730	1,460	2,190	2,920

Pay inflation

The base assumption is pay inflation of 2%. Each percentage point costs £0.567m.

Pay inflation	2%	1%	2%	3%	4%	5%	6%
Cost (£000)	0	566	1,132	1,699	2,265	2,831	3,397
Additional / (reduced) cost from current MTFP (£000)	(1,132)	(566)	0	567	1,133	1,699	2,265

Fees & charges

The base assumption is fees & charges are uplifted by 4.5%. Each additional 1% generates £0.207m of income assuming demand remains unchanged.

Fees & Charges inflationary increase	1.5%	2.5%	3.5%	4.5%	5.5%	6.5%	7.6%
Income generated (£000)	(311)	(519)	(726)	(934)	(1,141)	(1,349)	(1,557)
(Additional) / reduced income from current MTFP (£000)	(623)	(415)	(208)	0	207	415	623

Council Tax

The base assumption is a Council Tax increase of 1.99%. Each 1% of Council tax generates £0.831m of income.

CTAX increase (%)	0%	1%	1.99%
Income generated (£000)	(83,092)	(83,923)	(84,745)
Cost (£000)	1,653	822	0

Bank of England base rate

This rate impacts on borrowing costs and investment returns. The base assumption is 3%, but the positive and pessimistic views from our advisors are outlined below. Each 1% increase costs £0.864m.

Bank of England base rate	2.25%	3%	3.50%
Net interest costs (£000)	4,769	5,418	5,850
Additional / (reduced) cost from current MTFP (£000)	(649)	0	432

ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

EQUALITY IMPACT ASSESSMENT

EqIA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Essential information

Items to be assessed: (please mark 'x')

Strategy	x	Plan	x	Project		Service procedure	
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Responsible officer	Andrew Vallance	Service area	Finance	Directorate	Resources
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Stage 1: EqIA Screening (mandatory)	Date created: 12/07/2022	Stage 2 : Full assessment (if applicable)	Date created : NA
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Approved by Head of Service / Overseeing group/body / Project Sponsor:

"I am satisfied that an equality impact has been undertaken adequately."

Signed by (print): Andrew Vallance

Dated: 12/07/2022

ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

EQUALITY IMPACT ASSESSMENT

EqlA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Guidance notes

What is an EqlA and why do we need to do it?

The Equality Act 2010 places a 'General Duty' on all public bodies to have 'due regard' to:

- Eliminating discrimination, harassment and victimisation and any other conduct prohibited under the Act.
- Advancing equality of opportunity between those with 'protected characteristics' and those without them.
- Fostering good relations between those with 'protected characteristics' and those without them.

EqlAs are a systematic way of taking equal opportunities into consideration when making a decision, and should be conducted when there is a new or reviewed strategy, policy, plan, project, service or procedure in order to determine whether there will likely be a detrimental and/or disproportionate impact on particular groups, including those within the workforce and customer/public groups. All completed EqlA Screenings are required to be publicly available on the council's website once they have been signed off by the relevant Head of Service or Strategic/Policy/Operational Group or Project Sponsor.

What are the "protected characteristics" under the law?

The following are protected characteristics under the Equality Act 2010: age; disability (including physical, learning and mental health conditions); gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation.

What's the process for conducting an EqlA?

The process for conducting an EqlA is set out at the end of this document. In brief, a Screening Assessment should be conducted for every new or reviewed strategy, policy, plan, project, service or procedure and the outcome of the Screening Assessment will indicate whether a Full Assessment should be undertaken.

Openness and transparency

RBWM has a 'Specific Duty' to publish information about people affected by our policies and practices. Your completed assessment should be sent to the Strategy & Performance Team for publication to the RBWM website once it has been signed off by the relevant manager, and/or Strategic, Policy, or Operational Group. If your proposals are being made to Cabinet or any other Committee, please append a copy of your completed Screening or Full Assessment to your report.

Enforcement

Judicial review of an authority can be taken by any person, including the Equality and Human Rights Commission (EHRC) or a group of people, with an interest, in respect of alleged failure to comply with the general equality duty. Only the EHRC can enforce the specific duties. A failure to comply with the specific duties may however be used as evidence of a failure to comply with the general duty.

ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

EQUALITY IMPACT ASSESSMENT

EqIA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Stage 1 : Screening (Mandatory)

1.1 What is the overall aim of your proposed strategy/policy/project etc and what are its key objectives?

This report sets out the Council's proposed key themes of the Medium-Term Financial Strategy (MTFS) for 2023/24 - 2027/28 and shows the close relationship between this strategy and the Council's new Corporate Plan. This will need to be formally adopted by full Council following a recommendation from Cabinet. The report also includes a Medium-Term Financial Plan (MTFP), identifying future budget gaps.

RECOMMENDATION: That the Panel reviews and comments on:

- i) the proposed key themes of the Medium-Term Financial Strategy set out in the report; and**
- ii) the Medium-Term Financial Plan set out in Appendix A.**

1.2 What evidence is available to suggest that your proposal could have an impact on people (including staff and customers) with protected characteristics? Consider each of the protected characteristics in turn and identify whether your proposal is Relevant or Not Relevant to that characteristic. If Relevant, please assess the level of impact as either High / Medium / Low and whether the impact is Positive (i.e. contributes to promoting equality or improving relations within an equality group) or Negative (i.e. could disadvantage them). Please document your evidence for each assessment you make, including a justification of why you may have identified the proposal as "Not Relevant".

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EQUALITY IMPACT ASSESSMENT

EqIA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Protected characteristics	Relevance	Level	Positive/negative	Evidence
Age	Not Relevant			Further EQIAs will be produced at later stages on detailed budget proposals and the overall budget
Disability	Not Relevant			
Gender re-assignment	Not Relevant			
Marriage/civil partnership	Not Relevant			
Pregnancy and maternity	Not Relevant			
Race	Not Relevant			
Religion and belief	Not Relevant			
Sex	Not Relevant			
Sexual orientation	Not Relevant			

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EQUALITY IMPACT ASSESSMENT

EqIA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Outcome, action and public reporting

Screening Assessment Outcome	Yes / No / Not at this stage	Further Action Required / Action to be taken	Responsible Officer and / or Lead Strategic Group	Timescale for Resolution of negative impact / Delivery of positive impact
Was a significant level of negative impact identified?	No	Not at this stage		
Does the strategy, policy, plan etc require amendment to have a positive impact?	No	Not at this stage		

If you answered **yes** to either / both of the questions above a Full Assessment is advisable and so please proceed to Stage 2. If you answered “No” or “Not at this Stage” to either / both of the questions above please consider any next steps that may be taken (e.g. monitor future impacts as part of implementation, re-screen the project at its next delivery milestone etc).

ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

EQUALITY IMPACT ASSESSMENT

EqIA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Stage 2 : Full assessment

2.1 : Scope and define

2.1.1 Who are the main beneficiaries of the proposed strategy / policy / plan / project / service / procedure? List the groups who the work is targeting/aimed at.

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EQUALITY IMPACT ASSESSMENT

EqIA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

2.1.2 Who has been involved in the creation of the proposed strategy / policy / plan / project / service / procedure? *List those groups who the work is targeting/aimed at.*

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2.2 : Information gathering/evidence

2.2.1 What secondary data have you used in this assessment? *Common sources of secondary data include: censuses, organisational records.*

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2.2.2 What primary data have you used to inform this assessment? *Common sources of primary data include: consultation through interviews, focus groups, questionnaires.*

ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

EQUALITY IMPACT ASSESSMENT

EqlA : Medium-Term Financial Strategy and Plan 2023/24-2027/28



Eliminate discrimination, harassment, victimisation

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EQUALITY IMPACT ASSESSMENT

EqlA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Protected Characteristic	Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)	If yes, to what level? (High / Medium / Low)	Negative impact : Does the proposal disadvantage them (Yes / No)	If yes, to what level? (High / Medium / Low)	Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

Advance equality of opportunity

ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

EQUALITY IMPACT ASSESSMENT

EqlA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Protected Characteristic	Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)	If yes, to what level? (High / Medium / Low)	Negative impact : Does the proposal disadvantage them (Yes / No)	If yes, to what level? (High / Medium / Low)	Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

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EQUALITY IMPACT ASSESSMENT

EqlA : Medium-Term Financial Strategy and Plan 2023/24-2027/28

Foster good relations

Protected Characteristic	Advancing the Equality Duty : Does the proposal advance the Equality Duty Statement in relation to the protected characteristic (Yes/No)	If yes, to what level? (High / Medium / Low)	Negative impact : Does the proposal disadvantage them (Yes / No)	If yes, to what level? (High / Medium / Low)	Please provide explanatory detail relating to your assessment and outline any key actions to (a) advance the Equality Duty and (b) reduce negative impact on each protected characteristic.
Age					
Disability					
Gender reassignment					
Marriage and civil partnership					
Pregnancy and maternity					
Race					
Religion and belief					
Sex					
Sexual orientation					

2.4 Has your delivery plan been updated to incorporate the activities identified in this assessment to mitigate any identified negative impacts? If so please summarise any updates.

These could be service, equality, project or other delivery plans. If you did not have sufficient data to complete a thorough impact assessment, then an action should be incorporated to collect this information in the future.

ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD

EQUALITY IMPACT ASSESSMENT

EqIA : Medium-Term Financial Strategy and Plan 2023/24-2027/28