

14 February 2022

Committee	Council
Date	Tuesday, 22 February 2022
Time of Meeting	6:00 pm
Venue	Tewkesbury Borough Council Offices, Severn Room

ALL MEMBERS OF THE COUNCIL ARE REQUESTED TO ATTEND

Agenda

1. ANNOUNCEMENTS

1. When the continuous alarm sounds you must evacuate the building by the nearest available fire exit. Members and visitors should proceed to the visitors' car park at the front of the building and await further instructions (during office hours staff should proceed to their usual assembly point; outside of office hours proceed to the visitors' car park). Please do not re-enter the building unless instructed to do so.

In the event of a fire any person with a disability should be assisted in leaving the building.

2. To receive any announcements from the Chair of the Meeting and/or the Chief Executive.

2. APOLOGIES FOR ABSENCE



3. DECLARATIONS OF INTEREST

Pursuant to the adoption by the Council on 26 June 2012 of the Tewkesbury Borough Council Code of Conduct, effective from 1 July 2012, as set out in Minute No. CL.34, Members are invited to declare any interest they may have in the business set out on the Agenda to which the approved Code applies.

4. MINUTES

1 - 6

To approve the Minutes of the meeting held on 25 January 2022.

5. ITEMS FROM MEMBERS OF THE PUBLIC

- a) To receive any questions, deputations or petitions submitted under Council Rule of Procedure.12.

(The deadline for public participation submissions for this meeting is 16 February 2022).

- b) To receive any petitions submitted under the Council's Petitions Scheme.

6. MEMBER QUESTIONS PROPERLY SUBMITTED IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

To receive any questions submitted under Rule of Procedure 13. Any items received will be circulated on Monday 21 February 2022.

(Any questions must be submitted in writing to Democratic Services by, not later than, 10.00am on Monday 14 February 2022).

7. RECOMMENDATION FROM EXECUTIVE COMMITTEE

The Council is asked to consider and determine recommendations of a policy nature arising from the Executive Committee as follows:-

(a) Budget 2022/23

7 - 32

(If a Councillor intends to move a Motion or Amendment in relation to the Council's annual budget, the text of the proposed Motion or Amendment must be submitted in writing to the Borough Solicitor by 9.00am on the working day preceding the day of the Council meeting).

At its meeting on 2 February 2022 the Executive Committee considered the 2022/23 budget and **RECOMMENDED TO COUNCIL** that:

1. a net budget of £9,821,535 be **APPROVED**;
2. a Band D Council Tax of £134.36, an increase of £5.00pa, be **APPROVED**;
3. growth items be included within the budget for 2022/23, as proposed in Appendix A to the report; and

Item	Page(s)
4. the capital programme, as proposed in Appendix B to the report, be APPROVED .	
<i>The report before the Council incorporates the amendments sent to the Executive Committee separately.</i>	
8. PAY POLICY STATEMENT 2022/23	33 - 44
To approve the Pay Policy Statement 2022/23.	
9. CONTINUATION OF GLOUCESTERSHIRE ECONOMIC GROWTH JOINT COMMITTEE - TO 31 MARCH 2023	45 - 48
To agree the continued operation of the Gloucestershire Economic Growth Joint Committee, with the Council's participation as a member authority, from 4 March 2022 until 31 March 2023 under the terms set out in the associated Inter Authority Agreement and to delegate authority to the Borough Solicitor to agree and complete the appropriate legal documentation to allow the Inter Authority Agreement to be extended to 31 March 2023.	
10. COUNCIL TAX SETTING 2022/23	To Follow
To agree the Council Tax for 2022/23.	
11. SEPARATE BUSINESS	
The Chairman will move the adoption of the following resolution:	
That under Section 100(A)(4) Local Government Act 1972, the public be excluded for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.	
12. LAND ACQUISITION WITHIN THE TEWKESBURY GARDEN TOWN AREA	49 - 61
<i>(Exempt –Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 –Information relating to the financial or business affairs of any particular person (including the authority holding that information))</i>	
To consider the acquisition of land.	
13. APPOINTMENT OF CHIEF EXECUTIVE	To Follow
<i>(Exempt –Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972 – Information relating to any individual)</i>	
To receive a recommendation from the Chief Executive Appointment Committee on the appointment of a new Chief Executive.	

Recording of Meetings

In accordance with the Openness of Local Government Bodies Regulations 2014, please be aware that the proceedings of this meeting may be recorded and this may include recording of persons seated in the public gallery or speaking at the meeting. Please notify the Democratic Services Officer if you have any objections to this practice and the Mayor will take reasonable steps to ensure that any request not to be recorded is complied with.

Any recording must take place in such a way as to ensure that the view of Councillors, Officers, the public and press is not obstructed. The use of flash photography and/or additional lighting will not be allowed unless this has been discussed and agreed in advance of the meeting.

Head of Democratic Services**for Borough Solicitor**

TEWKESBURY BOROUGH COUNCIL

Minutes of a Meeting of the Council held at the Council Offices, Gloucester Road, Tewkesbury on Tuesday, 25 January 2022 commencing at 6:00 pm

Present:

The Worshipful the Mayor
Deputy Mayor

Councillor A S Reece
Councillor J W Murphy

and Councillors:

R A Bird, G F Blackwell, G J Bocking, C L J Carter, C M Cody, K J Cromwell, M Dean, P A Godwin, M A Gore, D W Gray, D J Harwood, E J MacTiernan, J R Mason, H C McLain, P D McLain, C E Mills, H S Munro, C Reid, J K Smith, R J G Smith, V D Smith, M G Sztymiak, S Thomson, R J E Vines, M J Williams and P N Workman

CL.49 ANNOUNCEMENTS

49.1 The evacuation procedure, as noted on the Agenda, was advised to those present.

CL.50 APOLOGIES FOR ABSENCE

50.1 Apologies for absence were received from Councillors K Berliner, R D East, J H Evetts, M L Jordan, P W Ockelton, P E Smith, C Softley, R J Stanley and P D Surman.

CL.51 DECLARATIONS OF INTEREST

51.1 The Committee's attention was drawn to the Tewkesbury Borough Council Code of Conduct which was adopted by the Council on 26 June 2012 and took effect from 1 July 2012.

51.2 There were no declarations of interest made on this occasion.

CL.52 MINUTES

52.1 The Minutes of the meeting held on 7 December 2021, copies of which had been circulated, were approved as a correct record and signed by the Mayor subject to the following amendment to Minute No CL.46.4 (fifth line):

'Another Member raised a query in terms of infrastructure **highlighting infrastructure that was not on the list but identified in the JCS such as schools, particularly the new secondary school identified for the Innsworth/Twigworth development and also a new doctor's surgery for Brockworth, and asked that a list that included all infrastructure identified in the JCS be circulated.** The Head of Development Services said she would look at providing a list of the infrastructure for the JCS'.

CL.53 ITEMS FROM MEMBERS OF THE PUBLIC

53.1 There were no items from members of the public.

CL.54 MEMBER QUESTIONS PROPERLY SUBMITTED IN ACCORDANCE WITH COUNCIL PROCEDURE RULES

54.1 The following questions were received from Councillor Bocking to the Lead Member for Built Environment, Councillor Gore. The answers were given by the Lead Member for Built Environment, Councillor Gore, but were taken as read without discussion.

At Council in June 2021, as a result of a petition, I proposed the following motion which was unanimously passed by this Council

The identification of strategic site allocations will be informed by a Strategic Flood Risk Assessment, prepared as part of the review of the Joint Core Strategy and officers are requested to

- a. ensure that the Strategic Flood Risk Assessment includes a detailed pluvial and fluvial flood risk assessment, to include cumulative impacts, climate change, other influencing factors and all development completed, planned or projected (including major infrastructure projects) since 2014 and that it is commissioned prior to allocating any new sites
- b. consult relevant agencies and Parish Councils to give them an opportunity to present their local evidence for consideration as part of the work carried out in respect of the Flood Risk Assessment referred to in a. above
- c. consider what mechanisms are available to enable flood mitigation requirements to be imposed during the construction phase of development.

Question:

Can you please let me know how far has this work progressed over the last 7 months?

Answer:

As set out in the report in response to the petition, any new strategic development sites will be allocated as part of the JCS review. The JCS review timetable is currently being developed and will be presented to Members in February/March 2022.

- a. Officers have been working in partnership with the Lead Flood Authority, Gloucestershire County Council, to scope the Strategic Flood Risk Assessment which will be required to inform the review of the Joint Core Strategy. This work has not yet been concluded and the study envisaged has not yet been commissioned.
- b. When the Council consults on the JCS, Parish Councils will be able to submit local evidence for the Council to consider.
- c. Officers are working with the Local Lead Flood Authority to determine what mechanisms are available to enable flood mitigation requirements to be imposed during the construction phase of development. This work will be concluded by the time new sites have been allocated.

Question:

Can you provide me with the scope/remit/instructions/terms of reference laid out for the flood risk assessment and projected timescales for its commencement and completion?

Answer:

As set out above, this work has yet to be completed. Once the Strategic Flood Risk Assessment (SFRA) has been concluded, it will be made available to Members and the public. The SFRA will have to conform with the process for undertaking Strategic Flood Risk Assessments set out in government guidance entitled, 'How to prepare a strategic flood risk assessment', updated September 2020.

- 54.2 The Mayor invited supplementary questions and the Member asked the following which the Lead Member for Built Environment advised would be answered in writing:

Question 1:

We know our JCS partner authorities may be reluctant to do more than the bare minimum for flooding as the majority of the strategic sites that provide their housing numbers are in areas of Tewkesbury Borough at risk of flooding, so we passed a motion to offer increased protection. The answers given here show the intention to overturn parts of the unanimously approved full Council motion of 22 June 2021.

My belief was that only full Council could overturn a full Council motion and that it stays in place until then. If this is correct when is our original unanimous full Council motion due back before this Council?

Question 2:

In our Council report from 22 June 2021, it states "the JCS Councils will be required to appoint a suitably qualified specialist in this area of work who will assess all available relevant information before reaching any conclusions in a report", how do Parish Councils make their information available to the suitably qualified specialist?

CL.55 MEMBER ALLOWANCES SCHEME 2022/23

- 55.1 The report of the Head of Democratic Services, circulated at Pages No. 12-25, asked Members to determine a Scheme of Allowances to take effect on 1 April 2022 until 31 March 2023 having regard to the recommendations of the Independent Remuneration Panel as set out in its report at Appendix 1.
- 55.2 The Mayor invited the Chair of the Panel to address the Council. The Chair thanked the Council for inviting the Panel to introduce its report. He explained that, over the years, the Panel (with one new member having joined in the 2019) had met with a large number of Councillors and in October 2021 had interviewed a further four Members to help inform the current recommendations. He felt this was an extremely important way for the Panel to understand the role of Councillors and put on record the hard work undertaken. The Panel's job was to undertake a thorough review looking at data nationally to see how allowances compared as well as taking into account local factors. Having carried out this exercise, on this occasion the Panel was unable to recommend an increase in the Basic Allowance. It had also examined the level of Special Responsibility Allowances and, again, there was no data to suggest any increases were required; however, the Dependent Carers Allowance had not been reviewed for a number of years and it was recommended that the hourly rate be increased by £2.00 to £9.50 per hour.
- 55.3 The Leader of the Council thanked the Panel for its hard work and proposed the recommendations as set out in the Panel's report at Appendix 1 to the report. The recommendation was seconded.
- 55.4 During the discussion which ensued, a Member expressed the view that the allowances were low in terms of the time put into the role of Councillor. He questioned whether rising inflation had been taken into account and whether there were any budgetary issues which had influenced the Panel when making its

recommendation. In response, the Panel Chair reassured the Council that the Panel was truly independent and, as such, it did not have regard to the Council's budget when making its recommendations. The Panel found itself constrained when it looked at Basic Allowances across the country as, nationally, Tewkesbury Borough Council's remained among the highest making it difficult for the Panel to recommend an increase. The Member indicated that inflation was already at 3-4% so, in real terms, allowances were already being eroded and there was a risk they would get to a point where people would be put off from standing for election. In response, the Panel Chair advised that inflation was increasing for everyone and the Panel had felt it would be hard to justify increases to the electorate who were also worried about rising costs in their everyday lives. Another Member indicated that she had undertaken a little research from financial institutions in terms of inflation and found that the Basic Allowance in 2011 of £7,200 was now the equivalent of £5,722 when inflation was taken into account; she was concerned about this given the hard work that Councillors put in. She advised that she was also a resident in the Borough and felt Members should be appropriately paid for what they did. She indicated that she would reluctantly agree to the recommendation from the Panel but she felt it was time to have an in-depth review of allowances going forward. The Chair of the Panel confirmed that he had noted the points made. He also indicated that, when the Panel had recommended the previous increase in allowances, there had been many Members who had felt it was not appropriate to approve so it was a difficult balance. It was suggested by Members that there were areas which the Panel could look at within its next review, including the possibility of different Lead Member Portfolios attracting different payments depending on their workload – although it was understood this may be difficult to determine; whether the allowance for Committee Chairs should be different depending on the amount of meetings and work involved; there were some Committees that met every month and some that only met twice a year but currently the allowance was the same for all and the possibility of introducing attendance allowances.

55.5 A Member thanked the Panel for its recommendation to increase the Dependent Carers Allowance and felt it would really help those with families or carer responsibilities who wished to consider standing for election. Accordingly, it was

RESOLVED

1. That the Basic Allowance and Special Responsibility Allowance remain unchanged for 2022/23.
2. That the Dependent Carers Allowance be increased from £7.50 to £9.50 per hour.
3. That all other parts of the Member Allowance Scheme, as set out at Annex A to the report, remain unchanged.
4. That the Scheme run for a period of one year commencing on 1 April 2022.

CL.56 APPOINTMENT OF CIVIC HEADS FOR THE MUNICIPAL YEAR**Mayor**

56.1 Upon being proposed and seconded, it was

RESOLVED That Councillor John Murphy, be appointed Mayor for the ensuing Municipal Year.

Deputy Mayor

56.2 Upon being proposed and seconded, it was

RESOLVED That Councillor Andrew Reece be appointed as Deputy Mayor for the ensuing Municipal Year.

CL.57 RECOMMENDATION FROM EXECUTIVE COMMITTEE**Treasury and Capital Management**

57.1 At its meeting on 5 January 2022 the Executive Committee had considered a suite of treasury and capital management documents and recommended to Council that the following be adopted: Capital Strategy 2022/23; Investment Strategy 2022/23; Minimum Revenue Provision Statement 2022/23; and Treasury Management Strategy 2022/23.

57.2 The report which was considered by the Executive Committee had been circulated with the Agenda for the current meeting at Pages No. 26-59.

57.3 The Chair of the Executive Committee proposed the recommendation and the Vice-Chair seconded it.

57.4 In response to a query, the Head of Finance and Asset Management advised that each strategy included information on risk but he highlighted a number of key risks to the Council including holding commercial properties and ensuring they remained leased with tenants paying rents and attracting new tenants to any voids; however, there would be a risk to the Council's budget of not having those properties given the significant income generated by them. In terms of the Treasury Strategy, the usual risks were included within the report along with how the strategy sought to mitigate those

57.5 Accordingly, it was

RESOLVED That the following strategies and statements be **ADOPTED**:

- The Capital Strategy 2022/23.
- The Investment Strategy 2022/23.
- The Minimum Revenue Provision Statement 2022/23.
- The Treasury Management Strategy 2022/23.

CL.58 RECOMMENDATION FROM AUDIT AND GOVERNANCE COMMITTEE**Appointment of External Auditor**

58.1 At its meeting on 15 December 2021 the Audit and Governance Committee had considered the appointment of external auditors and recommended to Council that the Public Sector Audit Appointments (PSAA) invitation to 'opt-in' to the sector led national scheme for the appointment of external auditors for the five financial years commencing 1 April 2023 be accepted.

58.2 The report which was considered by the Audit and Governance Committee had been circulated with the Agenda for the current meeting at Pages No. 60-66.

58.3 The Chair of the Audit and Governance Committee proposed the recommendation and the Vice-Chair seconded it.

58.4 Accordingly, it was

RESOLVED That the Public Sector Audit Appointments (PSAA) invitation to 'opt-in' to the sector led national scheme for the appointment of external auditors for the five financial years commencing 1 April 2023 be accepted.

CL.59 SCHEDULE OF MEETINGS

59.1 The report of the Head of Democratic Services, circulated at Pages No. 67-69, set out the proposed Schedule of Meetings for 2022/23. Members were asked to adopt the Schedule as set out at Appendix 1 to the report.

59.2 The Leader of the Council proposed that the Schedule be adopted. Upon being seconded, it was

RESOLVED That the Schedule of Meetings for 2022/23, as set out at Appendix 1 to the report, be **ADOPTED**

The meeting closed at 6:50 pm

TEWKESBURY BOROUGH COUNCIL

Report to:	Executive Committee
Date of Meeting:	2 February 2022
Subject:	Budget 2022/2023
Report of:	Head of Finance and Asset Management
Corporate Lead:	Head of Finance and Asset Management
Lead Member:	Lead Member for Finance and Asset Management
Number of Appendices:	Three

Executive Summary:

The proposed net budget totals £9.82m and, after deducting government support and other financing streams, the resultant Council Tax requirement is £4.81m giving a Band D Council Tax figure of £134.36.

Recommendation:

The Committee is asked to RECOMMEND TO THE COUNCIL:

- i. a net budget of £9,821,535;
- ii. a Band D Council Tax of £134.36, an increase of £5.00 per annum;
- iii. the inclusion of growth items within the budget for 2022/23 as proposed in Appendix A;
- iv. the capital programme as proposed in Appendix B.

Reasons for Recommendation:

The Council must set a balanced budget and a level of Council Tax necessary to meet its revenue needs, but it must be set at a level affordable to the taxpayer and within the parameters set by the government.

Resource Implications:

Set out in this report.

Legal Implications:

Section 32 of the Local Government Finance Act 1992 as amended places a duty on the Council, as Billing Authority, to calculate before 11 March 2022 its budget requirement for 2022/23.

Under section 25 of the Local Government Act 2003, the Section 151 Officer must report on the robustness of the estimates for the purposes of making the appropriate calculations and of the adequacy of the Council's proposed financial reserves.

Risk Management Implications:

As set out within in the report.

Performance Management Follow-up:

Performance reports are presented to Members on a quarterly basis and include details of the revenue and capital budgets performance and updates on the use of reserves.

Environmental Implications:

None directly from this report.

1.0 INTRODUCTION/BACKGROUND

- 1.1** The Council considered the Council's financial position as shown in the Medium Term Financial Strategy (MTFS) at its meeting on 26 January 2021.
- 1.2** The MTFS outlines the budget pressures facing this Council now and in future years. It depicts the gap between the estimated net budget of the Council and the estimated funding available in order to finance that net expenditure. The deficit over the five years of the MTFS is estimated to be in the order of £7.4million.
- 1.3** Given the uncertainties with the majority of funding streams, accentuated by the lack of information provided by the Government as part of the spending review, it has not been possible to provide an updated and reliable MTFS for Council approval during the current financial year. Further modelling did take place and has been shared with Transform Working Group which highlighted a potential 2022/23 deficit of circa £1.1m after allowing for growth and assuming a carry forward of the principal that the Government would not allow any individual authority to see a reduction in its overall Core Spending Power (CSP).
- 1.4** It is hoped that a refresh of the MTFS will happen after the 2022/23 budget has been set but as this report sets out, the offer of another one year financial settlement from the Government and the lack of commentary on funding reform plans, continue to make sound financial planning and projections extremely difficult.
- 1.5** The Spending Review in October headlined a three year funding position for local government coupled with additional general funding of £4.8bn over 3 years in addition to specific social care funding. No further details were provided at the time to help local authorities plan their budgets and medium term projections and the Council had to wait for the Provisional Local Government Settlement, received on 16th December 2021, for some clarity on future funding streams. The following sections of this report provide further detail on the Provisional Settlement but, in summary, the headlines relevant to this Council from the Settlement include:
- A one year only Settlement period, covering 2022-23 despite the three year funding headline from the Spending Review;
 - A 0.5% inflationary increase to Revenue Support Grant;
 - A freeze of the Business Rates Baseline funding although compensation will be paid to Council's for the freeze;
 - An additional one year, one off payment of New Homes Bonus;
 - The extension of the Lower Tier Services Grant for a further year;
 - The introduction of a new one year, one off Services Grant;
 - Continuation of the Council Tax threshold for District Councils being the higher of 2% or £5;
 - A freeze to Core Spending Power for Tewkesbury in 2022-23.
- 1.6** This report now brings together the information from the Settlement with the detailed figures associated with the 2022/23 budget and the work undertaken by the Transform Working Group and makes a proposal for a balanced budget and resultant Council Tax.

The proposal made is in light of the budget deficit for 2022/23 as a result of the impact of the previous bullet points and the detailed analysis of income and expenditure budgets for the next financial year.

- 1.7** Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (nominated Section 151 Officer) to make a statement to the Council on the robustness of the estimates and adequacy of financial reserves. This statement is set out in section 11 of this report. The Council is under a statutory obligation to have regard to this when making its decision on the proposed budget.
- 1.8** In setting the budget for 2022/23, the Council has continued to provide the same level of service as in previous years and in many areas looks to provide an enhanced service. In addition, and despite the financial challenges facing the Council, the proposed budget includes the addition of £450,050 of ongoing growth in our services and £392,548 of one off growth to further support services and Council plan ambitions.
- 1.9** The approval of the 2022/23 budget will mark the start of the process to set a balanced budget for the following year. Much will depend on the Government providing clear information on proposed funding reform for local government in 23/24 and beyond but the Council will also need to consider its expenditure plans over the medium term and look to align those plans with the likely level of resources available.

2.0 LOCAL GOVERNMENT FINANCE SETTLEMENT 2022/23

- 2.1** The Local Government Finance Settlement for 2022/23 includes monetary allocations for a variety of funding streams including New Homes Bonus, Lower Tier Services Grant (LTSG), Services Grant, Revenue Support Grant (RSG), Rural Services Delivery Grant (RSDG) and the Business Rates baseline funding. In addition, it confirms what the Government deem as an excessive Council Tax increase which would be subject to local referendum before it could be introduced.
- 2.2** The provisional Local Government Finance Settlement for 2022/23 was announced on 16th December 2021. The settlement is subject to consultation which will end on 13th January 2022, with a final settlement expected at the end of January. Given that historically the figures contained within the provisional settlement haven't changed on publication of the final settlement, the budget report is based on those figures within the provisional settlement. Any movement to the funding streams will be notified to members and changes to the budget made if necessary.
- 2.3** Despite the Spending Review providing funding quantum for the next three years, the Department of Levelling Up, Housing and Communities (DLUHC) opted to only provide confirmed funding levels for the next financial year. This was in order 'to prioritise certainty for 2022/23' and to 'focus on stability.' A commitment was once again made that over the coming months the Government would 'work closely with the sector and other stakeholders ... to look at the challenges and opportunities facing the sector before consulting on any potential changes.' The 2022/23 Settlement is therefore, in effect, a roll over Settlement with no permanent funding changes being introduced.

2.4 Needs based funding

The Governments assessment of funding support required to deliver services to the Borough, net of the resources that could be raised locally, is provided via three funding

streams, these being, Revenue Support Grant (RSG), Rural Services Delivery Grant (RSDG) and the Business Rates baseline funding.

The figures within the settlement are in line with expectations and Table 1 highlights the confirmed level of support for the next financial year.

Table 1

	2020/21	2021/22	2022/23
Cash levels			
Revenue Support Grant (RSG)	23,157	23,286	23,990
Rural Services Delivery Grant (RSDG)	13,779	14,459	14,459
Business Rates baseline funding	1,846,234	1,846,234	1,846,234
Total	1,883,170	1,883,979	1,884,683
Change in funding (£)			
Revenue Support Grant (RSG)	371	129	704
Rural Services Delivery Grant (RSDG)	0	680	0
Business Rates baseline funding	29,599	0	0
Total	29,970	809	704
Change in funding (%)			
Revenue Support Grant (RSG)	1.63%	0.56%	3.02%
Rural Services Delivery Grant (RSDG)	0.00%	4.94%	0.00%
Business Rates baseline funding	1.63%	0.00%	0.00%
Total	1.62%	0.04%	0.04%

2.5 As can be seen from Table 1, the Council's core funding level in 2022/23 is on a par with that of the current year. An inflationary increase of 3.02%, being closely aligned to the CPI figure for September 2021, has been applied to RSG generating an uplift of £704. The RSDG has been frozen for 2022/23 having previously seen an increase of nearly 5% in the current year.

Also frozen for 2022/23 is the business rates multiplier, despite September's CPI figures, in an effort to support business during the pandemic. The inflationary increase would have seen a small uplift in the business rates baseline funding but that will not happen given the freeze on the multiplier and our baseline funding level will stay the same. The Government are required to compensate local authorities for this decision by providing a section 31 grant of the equivalent value and that will be included in the business rates retained income figures shown in section 4.

2.6 Lower Tier Services Grant

The Lower Tier Services Grant (LTSG) was introduced for 2021/22 as a one off grant. The scheme allocated £111m on a national basis to support lower tier services and effectively provide funding to compensate for reductions elsewhere in the settlement. The funding in Tewkesbury's case ensured that the Council did not see a reduction in Core Spending Power according to the Government's calculations.

Given the roll over nature of the 2022/23 Settlement, the LTSG has been retained for a further year as has the overall quantum of funding for the grant. Tewkesbury's share of the LTSG has increased from £932,465 in the current year to £1,345,362 for 22/23. This is in view of the further reduction in New Homes Bonus funding as detailed at 2.8 and section 3 and once again ensures no reduction to Tewkesbury's Core Spending Power. It is not known whether LTSG will go on beyond March 2023.

2.7 Services Grant

The Services Grant is a new, one-off allocation of £822m coming from the additional £1.5bn per annum that was announced during the Spending Review, with the balance going to support social care. The grant is available for all tiers of local government and is un-ringfenced so that Councils can use it on supporting all services. The grant also includes the compensation for the cost increases in the employers National Insurance Contributions from April 2022.

The government have decided to use the 2013/14 shares of Settlement Funding Assessment to allocate the £822m. This is an interesting choice for allocation basis and has a unique distributional effect, which could be said to be supporting the Levelling Up agenda. As a result, the allocation for Tewkesbury is £127,274.

The government has a clear intention for this grant to be one off for 2022/23. They have prioritised using an available distribution for 2022/23 but intend to work closely with local government on how to best use this funding from 2023/24 onwards. This funding would be excluded from any proposed baseline for transitional support as a result of any proposed system changes.

2.8 New Homes Bonus

The government is proposing to roll-over last year's policy on new Homes Bonus (NHB) for a new round of NHB payments in 2022/23. New legacy commitments ceased to be made in allocations from 2020/21, and the government confirmed in February 2021 that it did not intend to reintroduce the concept of legacy payments. As a result, Tewkesbury will see a NHB allocation of £1,633,094 in 2022/23. Full details are provided in section 3.

2.9 Other grant funding

A new cyber resilience grant was announced at the Spending Review with £12m made available at a national level for 2022/23. Confirmation of individual allocations are still awaited from the Government.

2.10 Council Tax principles

The government has set a core principle of a maximum increase in Council Tax of 1.99% but has given greater freedoms for most precepting bodies. For District Councils, the principle that has been in place since 2016/17, being the higher of £5 or 1.99%, will remain for 2022/23.

The government assumes every authority will increase Band D Council Tax by the maximum allowed. In its Core Spending Power figures, the government has also assumed that the tax base will increase in 2022-23 for each authority in line with their average tax base increase between 2017-18 and 2021-22.

Full details of the Council Tax calculation can be found in section 7.

2.11 Core Spending Power

The Governments preferred measure of financial resources available to Local Government is called the Core Spending Power (CSP) and takes into account all of the grants referred to in the previous paragraphs, New Homes Bonus and Council Tax to forecast the level of total resources available to local government in the coming year. For upper tier authorities it also includes items such as the adult social care precept and the social care support grant.

The headline figure for local government sees an increase of 6.9% in cash terms or £3.46bn in funding for 22/23. This includes assumed increases to Council Tax income of £1.4bn based on maximum Council Tax increases and five year average growth to tax bases. This continues a feature of recent settlements in that a greater burden for funding local government has been placed on the local taxpayer. Also included in the national calculation of CSP is the £822m for the Services Grant, £636m added to social care grants, £162m for social care reform and £447m for baseline funding increases.

- 2.12** Tewkesbury's CSP forecast for 22/23 is, once again, somewhat less than the national average, standing at 0%, and only reaches 0% as a result of the Lower Tier Services Grant and the assumption of Council Tax increases. Table 2 illustrates how Tewkesbury's CSP is calculated:

Table 2 – Tewkesbury's Core Spending Power

	2020-21	2021-22	2022-23
	£ millions	£ millions	£ millions
Settlement Funding Assessment	1.9	1.9	1.9
Business rates multiplier compensation	0.1	0.1	0.2
Council Tax Requirement	4.4	4.6	4.9
New Homes Bonus	3.8	2.5	1.6
Rural Services Delivery Grant	0.0	0.0	0.0
Lower Tier Services Grant	0.0	0.9	1.3
Services Grant	0.0	0.0	0.1
Core Spending Power	10.1	10.0	10.0
Increase (£)		-0.1	0.0
Increase (%)		-1.12%	0.00%

NB 2021-22 adjusted to reflect actual Council Tax levels

- 2.13** It should be noted that whilst the overall CSP of the Council remains unchanged at £10.0m, the split between locally controlled funding and funding from central government continues to come closer together. The Council Tax element of CSP is again expected to rise by £0.3m meaning that it will account for around 49% of the Council's CSP, up from 34.7% in 2015/16. This continues the journey of the last seven years which has put an ever increasing emphasis on local tax payers to pay for the cost of services.

Whilst the Council's CSP will have remained relatively cash flat over the last two year period, this is because of an increase in Council Tax income of £500,000 which has replaced central funding of an equivalent amount.

- 2.14** Funding beyond 2022/23 is currently not known. Whilst the Spending Review in 2021 provided for a three year funding position, DLUHC has only provided one year local government settlement. It is hoped that the Department will engage with local government as soon as possible to provide clarity on funding reform early in the financial year and to enable a two year settlement to be reached in good time.

3.0 NEW HOMES BONUS

- 3.1** The Provisional Settlement for 2021/22 confirmed that New Homes Bonus (NHB) would be withdrawn over a three year period after much speculation in the preceding couple of years. Despite a consultation on a replacement scheme taking place in early Spring 2021, no further announcements have been made. It therefore came as no surprise that the government have decided to roll over the scheme and award one more year of funding.

- 3.2** For 22/23, local authorities will receive NHB payments in respect of the following years
- Year 9 final legacy payment
 - Year 12 (payments earned based on data from October 2021 – no legacy payments associated with this year)

Years 10 and 11 were only awarded for that specific year and did not attract the usual three years worth of legacy payments.

- 3.3** For Year 12, which is based on growth between October 20 and October 21, the value of the NHB will be £677,928. Whilst this is on a par with the year 11 allocation, it is significantly down on previous years partly as a result of the governments inclusion of a payment threshold but also reflecting the slow down in new property delivery experienced in the Borough over the last eighteen months. Only 529 new properties were added to the valuation list in the twelve months to October 2021 whereas 852 were added in the period to October 2019.

Table 3 details the projection of NHB over the next two years.

Table 3 – Projection of NHB

	2020/21	2021/22	2022/23	2023/24 Projection
Year 6	£0	£0	£0	£0
Year 7	£750,088	£0	£0	£0
Year 8	£898,713	£898,713	£0	£0
Year 9	£965,166	£965,166	£965,166	£0
Year 10	£1,148,789	£0	£0	£0
Year 11	£0	£644,982	£0	£0
Year 12	£0	£0	£667,928	£0
Year 13	£0	£0	£0	£0
	£3,762,756	£2,508,861	£1,633,094	£0
Variance (£)	£489,358	-£1,253,895	-£875,767	-£1,633,094
Variance (%)	14.94%	-33.32%	-34.91%	-100.00%

- 3.4** As can be seen from the table, the Council will receive £1.63m in 2022/23 from the NHB scheme. This is a reduction of £0.88m on the current levels. All of the £1.63m will be used to support the base budget of the Council. The table also forecasts the elimination of NHB in the following year with a cliff edge reduction of £1.63m currently projected.

- 3.5** Given that the Government are only funding 2 years of NHB rather than the usual 4 years, the surplus within the NHB scheme, estimated at £346m out of the £900m allocation, would normally be returned to local government pro rata to the top slice of Revenue Support Grant that funds NHB. The Government has, once again, opted not to follow this requirement of the system but have instead used the surplus to fund the Lower Tier Services Grant of £111m, the Social Care grant at £150m and also funded the inflationary uplift in needs based funding.

- 3.6** No details were presented in the Provisional Local Government Settlement as to what, if anything, might replace the NHB scheme and what transitional arrangements might look like. The only comment made was found in the press release accompanying the Settlement and stated:

'The government remains committed to reforming New Homes Bonus to improve how housing growth is incentivised, and our response to the consultation on the New Homes Bonus will be published in the coming months.'

It is therefore currently impossible to forecast potential sums due from NHB or a revised scheme beyond March 2023.

4.0 BUSINESS RATES RETENTION

- 4.1** In recent years Tewkesbury has benefited from significant amounts of retained business rates income to support its base budget. The budgeted current year retained income is much reduced at £130,047 as a result of expectations around issues such as empty properties, appeals and bad debts linked to the impact of coronavirus. The in year performance is much improved against this base position with a significant surplus expected to be accrued. This puts the Council in a good position to consider retained business rates in 2022/23.

- 4.2** As part of the retention calculation, the Council will receive compensation from the Government for their decision to freeze the business rates multiplier and therefore deny local authorities the expected inflationary increase to the business rates baseline position. This is the second year where the government has decided to do this and as a result the compensation total currently stands at £151,694 as indicated within our CSP figures. The government also provides compensation for other historical adjustments to the business rates multiplier.

- 4.3** Reform of the business rates retention scheme has long been an ambition of the government with a move to 75% retention widely expected and a number of pilots run to test the scheme and its benefits. Following comments by the new Secretary of State about 75% retention and its incompatibility with the levelling up agenda, it no longer appears that this move will happen and the sector will remain on 50% retention. The figures for 2022/23 are based on this level of retention.

The national reset of the retention scheme, whereby accumulated growth in individual authorities is taken back by the government and potentially redistributed amongst the whole local government sector, has also been earmarked to happen for a number of years but has been delayed in successive years. A further year's delay is now in place for 2022/23 but indications are that the reset will happen in 2023/24.

- 4.4** The calculation of business rates due and therefore retained by the Council is contained within our NNDR1 return to DLUHC and is based on the standstill position highlighted in the preceding paragraph, the compensation due highlighted at 4.2, the underlying growth of the business community within the Borough and the reassessment of provisions made for appeals and bad debts. The calculation also includes the recently announced reduction in rateable value associated with one specific Virgin Media hereditament. The resultant level of expected business rates retention for Tewkesbury Borough Council is £1,220,552 for 2022/23.

4.5 In addition to the budgeted in year retention, the Council budgets for the surplus or deficit arising on the Business Rates Collection Fund in the previous year. Given the impact of the pandemic and the Government's rate relief programme in 2020/21, there was a substantial deficit within the collection fund of which Tewkesbury's share totalled £4.65m resulting in a significant negative impact on our 2021/22 base budget position. This impact was however, matched off within our budget by a business rates reserve funded from s31 Government grant intended to meet the cost of the retail relief provided.

For the coming year, the position is of a similar nature with a significant deficit arising on the business rates collection fund to be matched off with the creation and use of a new reserve funded from s31 grant. The collection fund deficit included in the 2022/23 budget stands at £1,179,606, including a deficit relating to the change in Virgin Media's hereditament valuation and a deficit of £936,116 relating to the Covid-19 Additional Relief Fund (CARF), whilst the transfer to or from reserves is adjusted by a similar amount to leave no net impact on the budget.

4.6 In addition to our own, individual performance, Tewkesbury has been a member of the Gloucestershire Pool which incorporates all Gloucestershire authorities and, through the inclusion of the County Council, results in a much reduced levy payment being applied, therefore generating higher levels of retained income within Gloucestershire. This increased retention is shared directly amongst the Councils and also with the Strategic Economic Development Fund in Gloucestershire.

Given the Government's decision not to make any alterations to the business rates retention scheme in 2022/23 and thus maintain the intrinsic benefit of pooling, Section 151 officers have risk assessed the proposed pool and believe there is sufficient benefit and risk mitigation to maintain the pool for a further year. Tewkesbury will therefore continue within the Pool for 22/23 and any additional retention delivered by the pool arrangements will be treated as a windfall bonus at the year end. The windfall can be used to boost a number of our long term planning reserves such as vehicle replacement, asset maintenance and IT replacement and therefore mitigate the need for additional ongoing budget growth.

5.0 GROWTH

5.1 Following a decade of austerity in local government and with the Borough expanding rapidly in recent years, our services, across the Council, are under severe pressure to meet the demands placed upon them. In addition, the ambition of both national and local government continues to present new challenges and financial demands whilst the impact of the pandemic has presented both opportunities and challenges. Alongside this, the withdrawal of new homes bonus – traditionally used to support growth in the Council - without a replacement scheme has created further financial pressures and removed a growth funding resource from our budget position. The restriction on Council Tax increases as well as new restrictions on commercial property investment also mean that there is limited ongoing funding available to support the growth requests put forward.

5.2 It is against this backdrop that growth bids were requested from services and from which nearly £1.5m of ongoing funding was requested. Clearly this level of additional ongoing cost is not affordable for the Council and so choices needed to be made so that a balanced budget proposition could be developed. In order to assess the growth bids an exercise was undertaken to:

remove bids that could be funded, at least on a temporary basis, by alternative sources

highlight bids where a one off funding solution was acceptable

highlight bids where further work was required

identify bids that could be delayed

As a result of this exercise:

£179,918 of bids have been included in the budget on a one off basis

£212,630 of bids have had alternative sources of funding identified

£608,857 of bids have not been supported at this time

- 5.3** Having completed this exercise, it left 15 bids where it was felt that ongoing resources were needed to meet the identified requirement. Given that information on funding from the government arrived very late and the Council was unaware what funding, if any, it would have available to support growth, the 15 remaining bids were prioritised without knowing whether they were affordable or whether cuts would be required to support the highest priority bids. Nine 'levels' of priority were established and each bid was assessed by Corporate Leadership Team and categorised.

Appendix A details the growth bids and, for the ongoing growth, details the prioritisation level assigned to it.

- 5.4** Upon calculation of the overall position of the base budget, it was identified that all 15 bids could be afforded without additional support from reserves or reductions in other service areas and no line would need to be drawn based on affordability. This level of affordability is as a result of the substantial savings identified for inclusion in the new base budget such as pension fund contributions and MRF savings as well as increases in income and funding levels, particularly the retained business rates position. As a result, £450,050 of ongoing growth can be recommended for approval in the 2022/23 budget.

- 5.5** Despite the inclusion of £450,050 of ongoing growth in the coming budget, on top of the £416,000 included in the current year, it is likely that there will continue to be large demands for additional ongoing funding in the coming years for the reasons outlined at 5.1. The 2023/24 budget will need to consider in particular the increased capacity requirements that will be needed in both our residual waste and recycling services.

6.0 PROPOSED BUDGET

- 6.1** The base estimates for the Council in 2022/23 have been compiled, including the proposed growth, and are detailed in table 4.

Table 4

	2021/22 Budget	2022/23 Budget	Variance (£)	Variance (%)
Chief Executives unit	£270,911	£283,874	£12,963	4.78%
Deputy Chief Executive	£128,445	£0	-£128,445	-100.00%
Monitoring Officer	£81,819	£132,200	£50,381	61.58%
Corporate Services	£2,473,907	£2,865,781	£391,874	15.84%
Democratic Services	£774,715	£852,387	£77,672	10.03%
One Legal	£243,658	£285,037	£41,379	16.98%
Development Services	£1,218,309	£1,373,380	£155,071	12.73%
Community Services	£4,674,581	£4,830,437	£155,856	3.33%
Finance and Assets	-£595,770	-£801,561	-£205,791	-34.54%
TOTAL	£9,270,575	£9,821,535	£550,960	5.94%

- 6.2** The budget proposals for 2022/23 include a number of variances against the current year and are summarised in the following paragraphs.

6.3 Additional costs

- The current year estimate for staff salary growth was set at 0% following comments from the Chancellor about pay restraint and the ensuing local government settlement. Subsequent to this, negotiations between employers and the Unions have resulted in the rejection of a 1.75% pay offer and the ballot of members for industrial action. As a result of the current impasse, the salary growth figure for 2022/23 includes a backdated increase of 2% for the current year.
- A salary growth assumption of 2% has also been made for the year commencing 1st April 2022.
- An increase to employer National Insurance contributions of 1.25% with effect from 1st April 2022
- With consumer price inflation running at 5.1% at the time of writing, this has inevitably affected a number of individual budget lines within the Council such as computer licences, diesel and insurances
- The cost of gas and electric is also rising but the Council is currently insulated from the steep rises being reported in the press as a result of its contract arrangements with supplier West Mercia Energy where energy has been purchased in advance of need and in advance of the significant price increases. Increases of 13% on electric and 23% on gas have been included with the budget for 22/23
- Each year a forecast of likely planning income is made by the Development Control Manager based on intelligence of likely major applications in addition to the standard level of minor applications. As a result of this year's exercise a small reduction in planning application income is forecast. It should be noted that the government has not increased planning application fees for a number of years. In addition to the reduced income, extra budgetary provision has been made for the cost of planning appeals and the specialist input require for planning applications.
- An increase to the overtime provision within the Ubico budgets to cater for partial round growth in residual waste and recycling. This is an interim measure before full round growth is needed, probably in 2023/24
- An increased cost for the operation of the transfer station relating to comingled recycle as a result of Environment Agency recommendations, increased pest control and general inflationary pressures. Increased tonnage collected has also increased the cost as it has done with tipping charges for trade waste collections.
- The 2 office accommodation units within the Council offices remain vacant after 12 months of advertising and whilst a change of marketing approach may help to secure a tenant for one space it has been recognised that the Council are unlikely to fill both spaces given such limited demand for office accommodation both in Tewkesbury and nationally. The budget has therefore been reduced to reflect that and a decision taken to relocate One Legal to one of the vacant units. This space should provide scope for extended One Legal operations in future years.

6.4 Budget savings and increase income

- Council took the decision to delete the vacant Deputy Chief Executive post in summer 2021. The net saving from this deletion, amendments to the Heads of Service roles and the inclusion of the Borough Monitoring Officer as a full time corporate officer have been included in the 2022/23 budget
- For a third year, the Council is able to reduce its contribution to the pension fund deficit. A further reduction of £196,000 has been factored into the base budget resulting in an annual contribution of £1.269m, a reduction of £699,000 from the position three years ago. This is the last planned reduction and a further valuation of the fund will take place in 2022
- The bulky waste service has been subject to a transformation programme over the last 18 months which has seen a change in service provider, a change to the fee structure and the digitisation of the booking service. As a result, the service has moved from a loss generating service to a fee earning service. In addition, the digitisation of bookings has allowed capacity to be released in customer services.
- A new Materials Recovery Facility (MRF) operator has been contracted for the current year and based on current performance the Council is able to reduce the estimated cost of service provision by £84,000
- A £35,000 reduction in the cost of processing digital transactions as a result of a tender for merchant acquirer services
- An increase of £104,000 expected from treasury activities given the performance of the Council's pooled investments and expected higher interest rates
- The annual review of Council controlled fees and charges in areas such as cemeteries, licensing and garden waste resulting in inflationary increases in all areas.

6.5 The finance available to fund the Net Budget Requirement is as follows:

Table 5

Financing stream	2021/22 Budget	2022/23 Budget	Variance (£)	Variance (%)
Revenue Support Grant	-£23,285	-£23,990	-£705	3.03%
Rural Services Delivery Grant	-£14,459	-£14,459	£0	0.00%
Business Rates Baseline	-£1,846,233	-£1,846,233	£0	0.00%
Retained Business Rates	£4,519,103	-£40,947	-£4,560,050	100.91%
New Homes Bonus	-£2,508,861	-£1,633,094	£875,767	-34.91%
Council Tax Collection Fund surplus	-£24,832	-£98,009	-£73,177	294.69%
Minimum Revenue Provision	£882,413	£905,359	£22,946	2.60%
Net Transfer to / (from) reserves	-£4,649,020	-£785,929	£3,863,091	-83.09%
Council Tax Hardship Fund	-£93,201	£0	£93,201	-100.00%
Lower Tier Services Grant	-£932,465	-£1,345,362	-£412,897	44.28%
Services Grant	£0	-£127,275	-£127,275	100.00%
Total	-£4,690,840	-£5,009,939	-£319,099	6.80%
Service Expenditure b/fwd	£9,270,575	£9,821,535	£550,959	5.94%
Balance to be funded by Tax Payers	£4,579,735	£4,811,596	£231,860	5.06%

6.6 Table 5 highlights the financing streams as described in the previous sections. Despite the £875,000 reduction in NHB, other funding streams such as the LTSG and business rates retention in particular have more than compensated for that loss.

6.7 Also included within the financing streams are:

- An increase in the Minimum Revenue Provision of £22,946 reflecting the annuity method of calculation used
- Contributions to the vehicle replacement reserve and commercial property reserve of £500,000 and £225,000 respectively offset with the use of £100,000 from the open spaces reserve to fund the enhanced resource requirement in grounds maintenance, the use of £936,116 CARF reserve and £342,046 retail relief reserve to support the deficit on the business rates collection fund and other contributions from specific reserves giving a total net transfer from reserves of £785,929
- A Council Tax collection fund surplus of £98,009

6.8 As a result of the movement on individual funding streams, the net total of funding available to the Council has increased by £319,099 or 6.8%.

6.9 After deducting the funding streams from the net cost of services, the balance of expenditure to be funded by Council Tax Payers is £4,811,595 for 2022/23, an increase of £231,860 on the current year.

7.0 COUNCIL TAX

7.1 As highlighted earlier in the report, the government expects all Councils to increase Council Tax to the maximum level permissible before a referendum is required. The increased Council Tax delivers the national headline 6.9% increase in CSP but in Tewkesbury's case, simply replaces the lost of government funding.

This funding pressure comes on top of the current inflationary pressures (CPI was 5.1% in December) affecting the cost of delivering existing services and the growth required to meet the additional demand of our services.

It is therefore recommended that a £5 per annum increase at Band D level, equivalent to 3.87%, is approved, generating an additional £179,056 of ongoing income to support the Council's core services.

7.2 The level of increase proposed is in line with the Government's set threshold, of £5 or 1.99%, whichever is the higher, for determining whether a District Council Tax increase is excessive and should be put to a local referendum. Thresholds for other precepting bodies are:

- 1.99% for basic Council Tax and 1% for the Adult Social Care (ASC) levy for upper tier authorities
- ability to add any unused parts of the 3% ASC Precept flexibility available in 2021/22
- £10 for Police and Crime Commissioners (£15, £10 and £24 in preceding years).
- There are again no thresholds for Town and Parish Councils.

7.3 The proposed increase will be the seventh successive year that the Council will have increased the Council Tax. This follows the period from 2011 to 2016 where Tewkesbury decided to freeze its share of the Council Tax in order to support its taxpayers during tough economic times. The proposed increase would set the Band D Council Tax at £134.36 per annum and most likely keep the Council around the sixth lowest District Tax in England. The proposed tax would also keep the Council in the lowest quartile for Council Tax charges and would be approximately £43 lower than the lower quartile threshold and some £70 short of the average District Council for 2022/23.

7.4 The impact of this proposal on the Borough taxpayers is illustrated in Table 6.

Table 6

Band	No. of properties	Percent of total	Annual Council Tax 21/22	Annual Council Tax 22/23	Annual Increase
A	6,658	15.47%	£86.24	£89.57	£3.33
B	6,729	15.63%	£100.61	£104.50	£3.89
C	12,032	27.95%	£114.99	£119.43	£4.44
D	6,283	14.60%	£129.36	£134.36	£5.00
E	5,566	12.93%	£158.11	£164.22	£6.11
F	3,554	8.26%	£186.85	£194.08	£7.22
G	2,018	4.69%	£215.60	£223.93	£8.33
H	205	0.48%	£258.72	£268.72	£10.00

7.5 The Council's recent record on Council Tax is shown in table 7 for information.

Table 7

Year	Council Tax £	Increase Pa £	Increase %
2013/14	99.36	0.00	0.00
2014/15	99.36	0.00	0.00
2015/16	99.36	0.00	0.00
2016/17	104.36	5.00	5.03
2017/18	109.36	5.00	4.79
2018/19	114.36	5.00	4.57
2019/20	119.36	5.00	4.37
2020/21	124.36	5.00	4.19
2021/22	129.36	5.00	4.02
2022/23	134.36	5.00	3.87

7.7 As highlighted previously, the growth of the Council's tax base has been suppressed in comparison to previous years. Given the development taking place in the Borough, the average annual increase in the tax base has been 2.2% resulting in the number of band D equivalents increasing by around 777 units. Whilst growth has taken place in 2021, albeit at reduced levels, the level of discount awarded through the Local Council Tax Reduction Scheme has remained exceptionally high as the number of working age claimants has grown throughout the pandemic. As a result, the tax base for 2022/23 has been calculated at 35,811.22 an increase of 408.22 band D equivalents or 1.15%.

7.8 Table 8 highlights the movement on the tax base, the balance to be funded by tax payers and the corresponding tax increase required whilst table 9 breaks down the additional tax receipts between the tax base increase and the tax charge increase.

Table 8

	2021/22	2022/23	Variance
Balance to be funded by Tax Payers	£4,579,735	£4,811,596	£231,861
Tax base	35,403.02	35,811.22	408.20
Council Tax @ Band D	£129.36	£134.36	£5.00

Table 9

Council Tax raised through tax base increase	£52,804.75
Council Tax raised through charge increase	£179,056.10
Additional Council Tax raised	£231,860.85

7.9 Table 9 illustrates that the Council will be able to raise a further £231,860 of Council Tax income through tax rate and tax base increases. Within the Government's CSP assessment, they have assumed that the Council will be able to raise an additional £279,394 from these increases. This shortfall of £47,534 in actual Council Tax collectable, due to over estimating the growth of the tax base, means that even with the maximum permissible increase in Council Tax, the Council will not attain the 0% change in CSP laid out by the government. The actual change in CSP is a 0.47% reduction.

8.0 RISKS

8.1 The Council's budget is prepared using best estimates for the level and timing of expenditure, budget & efficiency savings and available resources. However, a number of uncertainties exist which could have an impact on the budget of the Council:

- Government Support – the settlement is only provisional and is subject to change. Funding levels beyond 2022/23 are, as yet, unknown. A prudent view of future years funding has been included in the MTFP.
- Impact of Coronavirus – the budget has been prepared without estimation of both the cost of a continuation of the pandemic or an estimate of potential government support. It is hoped that there will be a much reduced impact in 22/23 and will be matched off by Government funding if required.
- Business Rates – Until such time as the issues with backdated appeals have been resolved, accurately forecasting the level of business rate income is difficult. Provisions are made within the scheme to deal with expected bad debts and appeals but these may not be sufficient. The Council is also a member of the Gloucestershire Pool and so the performance of neighbouring authorities with regards to rates retention will impact on Tewkesbury's overall retention.
- Interest rate forecasts – rates continue at a historically low levels despite the recent increase. The current base rate is 0.25%. Our Treasury estimates, informed by our advisors, are based upon a number of increases to the base rate over the next twelve months but further increases cannot be ruled out, given potential economic and inflationary pressures. Changes will affect both the level of return from investments but also the cost of borrowing.
- Budgetary control – whilst every effort is made by services to operate within their set budgets, in some circumstances, overspends are unavoidable.
- The cost of disposing of recycle is significant and is subject to the market and the quality and quantity of materials collected. Best estimates of prices and tonnages have been made, reflecting the likely position, but this could be subject to significant change. Impact from this change will also affect the level of recycling credit income generated.

- A contract sum with our waste provider Ubico has been agreed for the new year. This is not a fixed sum and the Council is liable for any overspend incurred by the contractor.
- As previously indicated, there is currently no agreement with regards to either the 2021 or 2022 pay award. The budget therefore carries a risk that there is insufficient money within it to meet the agreement that will be made between the Unions and employers. A pay award reserve exists to support backdated and excess pay awards.
- New budgetary pressures may emerge e.g. the external funding of the Garden Town may not be agreed and delivered
- Rental levels from our commercial property portfolio remain at risk given the current flux in the economy. It is as a result of this risk that the Council sets aside £225,000 per annum from its current rental stream to meet void costs or the costs of inducements for new tenants.
- Inflation – increased cost as a result of inflation has been factored into expenditure budgets but it cannot be guaranteed that these increased budgets will be sufficient to meet costs as prices continue to rise and supplies are restricted
- Cost of living – given cost of living increases forecast to impact households, it is possible that forecast income levels will not be achieved as households decide against expenditure in areas such as garden waste collection or planning applications, or simply do not have the funds to meet taxation obligations. As a result, income levels may reduce and arrears may increase.

8.2 As detailed in the following section, the Council does hold reserves which can meet unforeseen costs highlighted within the risks.

9.0 REVENUE RESERVES

9.1 As at 31 March 2021, the Council had earmarked reserves totalling £16.19m. This is a significant increase on the previous year and reflects planned contributions to reserves, the release of a business rates collection fund surplus and the receipt of external grants for both covid related and non-covid related activities. The release of a business rates collection fund surplus in particular has allowed the creation of a £2.78m MTFS reserve which is set aside to support the Council budget whilst funding reform is reviewed and delivered.

Other reserves exist to manage risk to the authority, such as the business rates reserve and the commercial property reserve, whilst other reserves plan for future expenditure, such as the vehicle replacement reserve and the asset management reserve. The remainder of the reserves provide for service specific activities and in many cases are funded via external grant.

9.2 In addition, there is an uncommitted General Fund working balance of £800,000. This reserve was increased by £250,000 in June 2019 in recognition of how low it was in comparison to other District Councils. This was highlighted within CIPFA's Financial Resilience Index. This year's index suggests that this uncommitted balance is still low and should be increased should funds become available at the year end outturn.

9.3 The latest financial outturn projection for 2021/22 suggests that the budget is on track to be delivered in line with original estimates. This means, on current projections, there will be no surplus at year end to increase reserves but neither will there be a deficit requiring further reserve contributions. The Council is also a member of the Gloucestershire Business Rates Pool and the latest estimate of the Pool's position suggests that Tewkesbury will be due a business rates windfall of over £500,000 at year end which can support increased reserve provision.

9.4 The Council's reserves are in their strongest position for sometime and allow for the delivery of a number of specific service actions as well as guarding against significant financial impact from planned funding reviews. The revenue reserves are reviewed and approved annually as part of the closure of accounts. A Financial Outturn report will be taken to Executive Committee in July to approve the reserves of the Council for 2022/23.

10.0 CAPITAL PROGRAMME

10.1 The current capital programme is shown at Appendix B and covers forward forecasts of the next five years.

10.2 The programme is reduced in size in comparison to previous years and currently totals £13.57m over the next five years. The reduction in the size of the programme is largely as a result of the cessation of the acquisition phase of the commercial property portfolio. The portfolio, currently valued at £60m, is of an appropriate size and risk for our Council. Recent changes to the regulatory framework have also made it clear that the purchase of assets solely for the yield they attract is not an appropriate activity for a local authority.

10.3 Significant expenditure within the remaining programme includes the delivery of a bridge at Ashchurch to support the delivery of the Garden Town. This totals £8.1m and is funded entirely from external grants. Also included in the programme is the re-provision of a large proportion of the vehicle fleet expected to total £4m and funded from revenue set aside. Historical levels of expenditure on Disabled Facilities Grants (DFGs) are projected throughout the programme and are financed entirely by government grant. The programme also now includes a number of activities associated with the carbon reduction programme such as the solar car park canopy at the Council offices, the replacement heating system for the Council offices and rollout of a number of electric vehicle charging units.

10.4 Further additions to the capital programme can be made at any time of the year following Council approval. Members must be mindful of the revenue consequences, both negative and positive, of any decision to commit further capital expenditure.

11.0 STATEMENT OF CHIEF FINANCE OFFICER

11.1 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer to make a statement on the robustness of the estimates and adequacy of financial reserves when considering its budget and Council Tax. The Act requires Councillors to have regard to the report in making decisions at the Council's budget and Council Tax setting meeting.

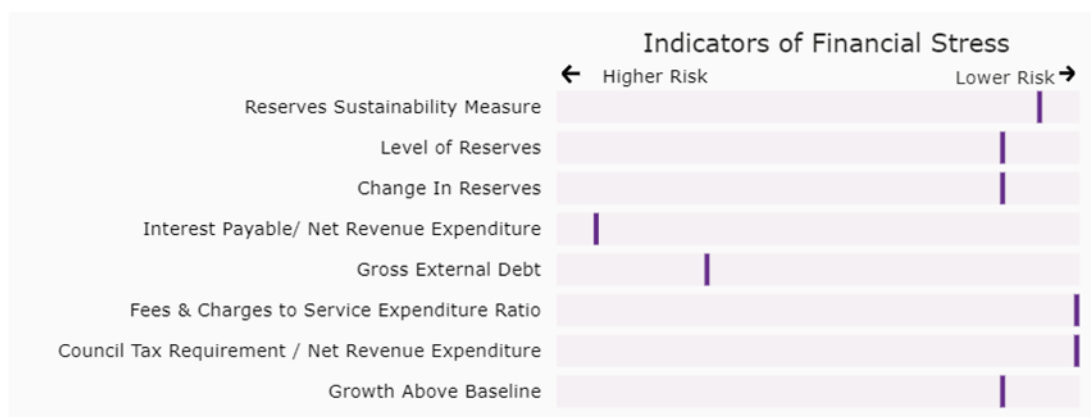
11.2 The basis on which the budget for 2022/23 has been prepared has been set out very clearly in this report and in previous MTFS reports. I am satisfied that the budgets for the General Fund and the Capital Programme have been based on sound assumptions. The Council has a good record for only including in the budget income estimates that are deliverable. The Councils core expenditure requirements are well understood, budgeted for accordingly and delivered in accordance with the estimates. It is on this basis that I am satisfied the estimates are robust.

11.3 The grant settlement for 2022/23 and the cost pressure on service areas have had a significant impact on the Council's finances and the current economic climate continues to challenge the financial affairs of the Council.

The high level of uncertainty surrounding the future of local government finance also causes great difficulty. The forecast impact of the withdrawal of New Homes Bonus, without confirmation of a replacement scheme or transitional funding, leaves the Council facing a £1.6m cliff edge in 2023/24. In addition to this, the potential reset of the business rates retention system in 2023/24 is likely to result in significant reductions in retained business rates which will cause further significant financial challenges in the coming years. Potential changes to the funding distribution model, should the Fair Funding Review be concluded, also appear to have a negative impact on Shire Districts.

11.4 Given these financial uncertainties and challenges, it is imperative that our income streams are secure, our services continue to make efficiency improvements and we have adequate reserves to provide a contingency and to effect change if necessary. I am pleased to say that in all three regards the Council is now well placed.

11.5 The Council's income from fees and charges is generally in good health, despite the impact of the pandemic. The majority retain a good customer base and inflationary increases continue to be applied on an annual basis to the fee charged. As a result, our fees and charges as a percentage of service expenditure is relatively high when compared to other district Councils. The Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Resilience Index for 2021, shown below, highlights this together with other indicators of financial risk, the vast majority of which show the Council to be well placed in comparison to other Councils.



11.6 A potential threat to fees and charges is the government's intention to make garden waste free of charge to the customer. For 22/23, Tewkesbury expects to charge its garden waste customers £1.035m and therefore if the government do move forward with their intention, the Council will expect to see compensation in full and on an ongoing basis.

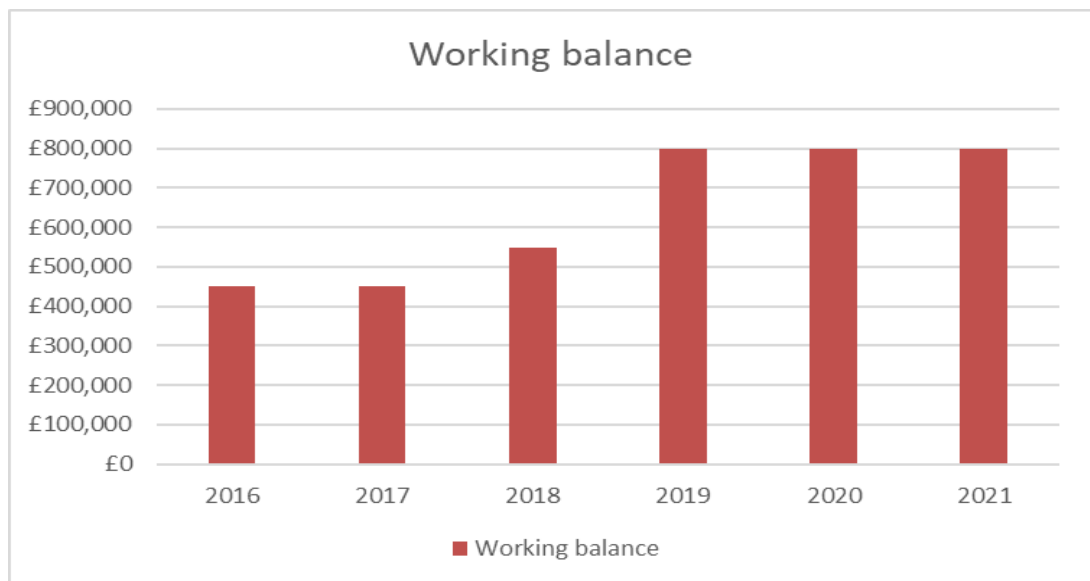
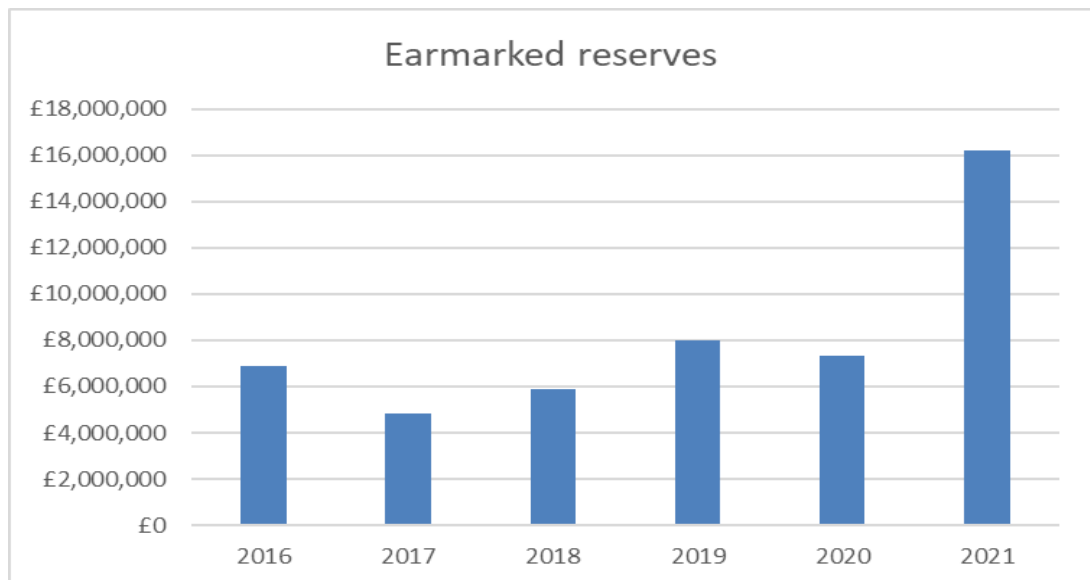
11.7 With regards to Council Tax, which is the largest of the funding streams available to the Council, the position is improving but remains low in comparison to other districts and is therefore a higher risk when it comes to financial resilience. The level of Council Tax income is becoming ever more important to local authorities as the government continues to reduce central funding in favour of higher levels of funding from Council Tax payers. Over the last seven years, the percentage of Tewkesbury's Core Spending Power taken from Council Tax has risen from 34.7% to 48.6%. Nationally the figure now stands at 58.9% of CSP. Tewkesbury's percentage is naturally lower given that the tax that is charged is the sixth lowest in England. In addition, the Council's tax base is relatively

modest given the rural nature of the Borough and the conversion rate from actual properties into band d equivalents.

These two issues combine to leave the Council with a relatively modest income stream from Council Tax compared to other authorities which not only means less cash to pay for services but also heightened risk to medium term financial planning due to a smaller proportion of 'certain' funding as opposed to the uncertainties and volatility of other funding streams.

11.8 The formation of the Business Transformation team has enabled a number of services to benefit from their support. A number of service reviews have already been undertaken with more already underway and others planned. Investment in this service area will mean that the Council can improve both the scale and speed of transformation within our services.

11.9 In terms of reserves, the Council has seen these grow over the last 5 years as illustrated in the tables below. Whilst some of the reserves are held for specific purposes, many are at the discretion of the Council and could be utilised to support areas of need should the Council run into financial difficulties. As can be seen, both the earmarked reserves and the working balance have grown over the last five years funded in large part by windfalls of business rates retention, year end surpluses and specific grants.



- 11.10** The requirement for financial reserves is acknowledged in statute. Section 32 and 43 of the Local Government Finance Act 1992 requires billing authorities to have regard to the level of reserves needed for meeting future expenditure when calculating the budget requirement.
- 11.11** The Council's earmarked reserves are set in July of each year by the Executive Committee with scrutiny being undertaken on a quarterly basis by both the Executive Committee and the Overview and Scrutiny Committee. The earmarked reserves contain specific project and service reserves as well as risk and forward management reserves. The overall level of reserves is considered to be good and places the Council in a low risk position as highlighted by the Chartered Institute of Public Finance and Accountancy (CIPFA) Financial Resilience Index at 11.5
- 11.12** The General Fund balance on its own is low when comparisons are made with other District Councils and will require additional monies being added to it at the earliest opportunity. However, in making judgement about the adequacy of reserves, bringing both allocated and unallocated reserves together gives assurance that the overall level of reserves is acceptable.
- 11.13** Overall, I am satisfied that the projected levels of reserves and balances held by the Council are adequate for the forthcoming year but we will continue to review the position as necessary to ensure adequacy of reserves for future years.

12.0 CONSULTATION

- 12.1** Consultation on the budget has taken place with the Transform Working Group. In addition, a public and business consultation has taken place on general budgetary principles.

13.0 OTHER OPTIONS CONSIDERED

- 13.1** The proposal within this report is for the Council to increase Council Tax by £5 or 3.87%. In producing a balanced budget proposal, officers have considered a number of options for Council Tax. A summary of different levels of Council Tax is shown in the table below alongside the impact on the Council's on-going deficit.

Table 10 – Council Tax increase options

Council Tax 21/22	Council Tax 22/23	Increase	Increase	Ongoing income produced	Ongoing savings required
£129.36	£134.36	£5.00	3.87%	£179,056	£0
£129.36	£129.36	£0.00	0.00%	£0	£179,056
£129.36	£130.36	£1.00	0.77%	£35,811	£143,245
£129.36	£130.65	£1.29	1.00%	£46,325	£132,731
£129.36	£131.36	£2.00	1.55%	£71,622	£107,434
£129.36	£131.95	£2.59	2.00%	£92,651	£86,405
£129.36	£132.36	£3.00	2.32%	£107,434	£71,622
£129.36	£133.24	£3.88	3.00%	£138,976	£40,080
£129.36	£133.36	£4.00	3.09%	£143,245	£35,811

- 13.2** A range of options are available within the set threshold. A decrease on the Council Tax has been ruled out given the financial outlook for the Council, as has an excessive Council Tax increase as it is not believed that the public would vote in favour of an increase in excess of £5 in a local referendum.

13.3 It has been necessary to increase Council Tax by £5 in order to meet the financial challenges facing the Council. Whilst lower Council Tax increases were considered, these did not provide the income required to fund the demand pressures within services. The use of one-off sums to replace an ongoing income stream is not considered prudent and only results in the need for ongoing savings to be postponed. The use of one-offs to support a budget should only be considered as a last resort.

13.4 The recommended increase in Council Tax is also made against the background of a £3.8m projected deficit over the next five years and the uncertainty about government policy for local government finance. This leaves the Council in a risky position and it is therefore of paramount importance that the Council takes the decision to increase financing streams within its control as and when it can and to their full extent.

14.0 RELEVANT COUNCIL POLICIES/STRATEGIES

14.1 In line with Medium Term Financial Strategy approved by Council on 26 January 2021.

15.0 RELEVANT GOVERNMENT POLICIES

15.1 The Government has set down excessive Council Tax increase rules. Any increase in Band D Council Tax over a set limit will trigger a local referendum. The proposal for an increased Council Tax of £5 at Band D will mean that no referendum is required for Tewkesbury.

16.0 RESOURCE IMPLICATIONS (Human/Property)

16.1 No redundancies are included within the budget proposals for 2022-23 whilst a number of both permanent and one off posts will be added to the establishment.

17.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

17.1 None directly arising from this report.

18.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

18.1 Changes may be required to the way services are provided in order to reduce costs. Service managers are responsible for undertaking Equalities Impact Assessments for any changes they make to any services they provide and where appropriate, EIAs will have been undertaken.

19.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

19.1 Approval of Medium Term Financial Strategy – Council 26 January 2021

Background Papers: Medium Term Financial Strategy

Contact Officer: Head of Finance and Asset Management
Tel: 01684 272005

Appendices: A - Growth Proposals.
B – 2021-26 Capital Programme.
C – Detailed estimates 2022/23.

Growth requests 2022/23

Appendix A

Section A Growth included in the base budget on an ongoing basis

1	Director of One Legal	£36,750	New post shared equally with other partners in One Legal
1	Carbon Reduction Officer	£46,000	New post approved by Council in October
1	Driver market supplements	£67,700	Driver shortage has forced market prices up
2	Information Governance Officer	£35,500	New post to improve capacity in this area
3	External audit costs	£10,000	Increasing regulatory requirements increasing cost of audit
3	Disaster Recovery & IT back up system replacement	£30,000	End of life technology to be replaced and upgraded to counter threats to IT infrastructure
3	Borough Elections	£41,000	Annual contribution to reserve. Previously met from new homes bonus every four years
4	One Legal Business Development Manager	£15,000	New post shared equally with other partners in One Legal
4	Revenues Inspection Officer	£16,000	New part time post to improve capacity in this area
4	Business Rates Officer	£36,600	New post to improve capacity in this area
6	Digital Officer	£45,000	Temporary officer now made permanent
7	IT helpdesk operator	£30,000	Temporary officer now made permanent
7	IT Team Leader	£6,500	Temporary role now made permanent
9	Ubico Fleet apprentice	£9,000	New post to support TBC's fleet requirements and look at new technology
-	Neighbour notification letters	£25,000	Allocation made in advance of detailed costings and member approval

£450,050

28

Section B Growth included on a one off basis

-	IT Network Officer	£43,518	Funding to cover a twelve month fixed term contract
-	Audit plan - IT audit	£10,000	Funding to support external audit review of IT set up
-	Economic Development Strategy	£10,000	Funding to support four yearly review due in 2022
-	Business Transformation operating budget	£50,000	Top up allocation to assist delivery of transformational programme
-	Economic Development & Tourism Assistant	£29,800	Funding to cover a twelve month fixed term contract
-	Grants Officer	£36,600	Funding to cover a twelve month fixed term contract

£179,918

Section C Growth funded by alternative sources

-	Regeneration Officer	£60,000	Borough Growth reserve to be utilised to support employment on a fixed term contract
-	Housing team additional capacity	£41,030	Housing & homeless reserve to be utilised to support employments on fixed term contracts
-	Cyber Officer - market supplement	£20,000	PCI compliance reserve to support two year market supplement
-	s106 Officer	£40,000	Use of s106 reserve to support two year post pending admin charge on s106 agreements
-	Environmental Health Officer	£15,000	Service structure realignment to provide ongoing required funding
-	Revenues Officer	£36,600	New burdens funding for business grants to be assessed at year end

£212,630

Section D **Growth not funded**

-	In cab technology	£30,000	Replacement funding to be met from one off funding when required
-	Housing strategy	£3,000	One off funding to meet need in 2025
-	West Cheltenham garden village	£100,000	Need to be assessed at year end and potential allocation from business rates pool windfall to be used
-	Asset maintenance sinking fund contribution	£100,000	Need to be assessed at year end and potential allocation from business rates pool windfall to be used
-	Licensing team additional capacity	£13,000	Need to be assessed upon completion of service review project
-	Revenues & Benefits Performance & Improvement Manager	£40,000	Need to be assessed upon completion of service review project
-	Additional waste round	£135,000	Growth delayed until 2023/24 - use of increased overtime in interim period
-	Additional recycling round	£135,000	Growth delayed until 2023/24 - use of increased overtime in interim period
-	Increased vehicle fleet replacement contribution	£52,857	Growth delayed until 2023/24 - use of increased overtime in interim period
		£608,857	

Ongoing growth prioritisation levels

- 1 The request has been previously agreed / allocated
- 2 The request is to meet a new, mandatory government requirement where existing capacity is insufficient
- 3 The choice been made for us and is unavoidable
- 4 The request will generate additional direct income or savings in excess of the cost of growth and can therefore support other growth bids
- 5 The request is for a statutory service area and is unavoidable
- 6 The request is for a support service area and is required to maintain essential infrastructure
- 7 The request is for a support service area and is required to maintain current core support levels to front line services
- 8 The request is for a discretionary service area and supports a council priority
- 9 All growth items that don't meet previous levels

Forecast Capital Programme 2020 - 2027

Appendix B

Scheme	2020/21 Actual £	2021/22 Forecast £	2022/23 Forecast £	2023/24 Forecast £	2024/25 Forecast £	2025/26 Forecast £	2026/27 Forecast £	Total £
Council Projects								
Land & Property								
The Grange watercourse, Bishops Cleeve	2,264	21,358	0	0	0	0	0	23,622
Asset Management Plan	0	284,000	1,100,000	0	0	0	0	1,384,000
Ashchurch bridge project	792,334	1,973,666	3,366,465	2,000,000	0	0	0	8,132,465
	794,598	2,279,024	4,466,465	2,000,000	0	0	0	9,540,087
Vehicles								
Vehicle replacement programme	40,367	120,000	0	0	4,000,000	0	0	4,160,367
	40,367	120,000	0	0	4,000,000	0	0	4,160,367
Equipment								
Asset Capitalisation	70,078	100,000	100,000	100,000	100,000	100,000	100,000	670,078
Car park machines	0	57,070	0	0	0	0	0	57,070
Electric charging points	0	0	100,000	0	0	0	0	100,000
ICT Strategy - Equipment	90,331	105,000	0	0	0	0	0	195,331
One Legal case management system	27,000	0	0	0	0	0	0	27,000
HR systems	5,500	5,000	8,465	0	0	0	0	18,965
	192,909	267,070	208,465	100,000	100,000	100,000	100,000	1,068,444
Capital Investment Fund								
Commercial property investment	19,740,309	0	0	0	0	0	0	19,740,309
	19,740,309	0	0	0	0	0	0	19,740,309
Capital Grants								
Old scheme capital grants	0	25,054	0	0	0	0	0	25,054
Community Grants Working Group	0	87,464	0	0	0	0	0	87,464
	0	112,518	0	0	0	0	0	112,518
Housing and Business Grants								
Disabled Facilities Grants	424,928	500,000	500,000	500,000	500,000	500,000	500,000	3,424,928
	424,928	500,000	500,000	500,000	500,000	500,000	500,000	3,424,928
Capital Expenditure	21,193,111	3,278,612	5,174,930	2,600,000	4,600,000	600,000	600,000	38,046,653
GF Expenditure	1,452,802	3,278,612	5,174,930	2,600,000	4,600,000	600,000	600,000	18,306,344
Capital investments	19,740,309	0	0	0	0	0	0	19,740,309
	21,193,111	3,278,612	5,174,930	2,600,000	4,600,000	600,000	600,000	38,046,653
Anticipated Capital Receipts								
Right-to-buy receipts	89,036	20,000	20,000	20,000	20,000	20,000	20,000	209,036
Land Sales	66,270	0	0	0	0	0	0	66,270
Other receipts	56,294	0	0	0	0	0	0	56,294
Capital Receipts	211,600	20,000	20,000	20,000	20,000	20,000	20,000	331,600
Capital Resources required								
Capital Receipts	235,540	400,946	108,465	100,000	100,000	100,000	100,000	1,144,951
Capital Grants	1,217,262	2,757,666	4,641,465	2,500,000	500,000	500,000	500,000	12,616,393
Direct revenue financing	0	120,000	425,000	0	4,000,000	0	0	4,545,000
Borrowing - external	19,740,309	0	0	0	0	0	0	19,740,309
Capital resources consumed	21,193,111	3,278,612	5,174,930	2,600,000	4,600,000	600,000	600,000	38,046,653
Opening Capital Receipts								
Received in year	1,113,424	1,089,484	708,538	620,073	540,073	460,073	380,073	
Utilised in year	211,600	20,000	20,000	20,000	20,000	20,000	20,000	
	-235,540	-400,946	-108,465	-100,000	-100,000	-100,000	-100,000	
Capital receipts available	1,089,484	708,538	620,073	540,073	460,073	380,073	300,073	

Proposed Budget 2022/2023 by cost centre

Appendix C

		21/22 Gross		22/23 Gross		Variance
		Operating Income	Operating Expenditure	Operating Income	Operating Expenditure	
Chief Executive Unit	CECE	-	£270,911	-	£283,874	£12,963
Chief Executive Unit Total		-	£270,911	-	£283,874	£12,963
Deputy Chief Executive	DCEX	-	£128,445	-	-	£128,445
Deputy Chief Executive Total		-	£128,445	-	-	£128,445
Borough Solicitor	CCBS	-£43,651	£125,470	-	£132,200	£50,381
Borough Solicitor Total		-£43,651	£125,470	-	£132,200	£50,381
Corporate Services						
Head of Corporate Services	CCCS	-	£89,366	-	£154,483	£65,117
Internal Audit	CCDP	-	£110,189	-	£153,640	£43,451
Corporate Management	CORM	-	£14,540	-	£15,990	£1,450
Central Establishment	CEST	-	£45,800	-	£35,940	£9,860
ICT	CCCI	-	£621,590	-	£742,746	£121,156
Policy and Communications	CCPC	-	£444,935	£1,500	£471,969	£25,534
Digital Transformation	CDOT	-	£362,674	-	£327,335	£35,339
Human Resources	CCHR	-	£199,237	-	£215,123	£15,886
Youth Training	YTRN	-	£45,764	-	£60,938	£15,174
Corporate Training	CTRN	-	£50,000	-	£50,000	-
Council Tax Reduction Scheme Administration	CTBA	£73,647	-	£87,672	-	£14,025
Housing Benefits Admin	HBAD	£169,290	-	£170,512	-	£1,222
Housing Benefit-Rent Allowances	RALL	£13,563,430	£13,544,132	£9,000,000	£9,000,000	£17,298
Council Tax	CTAX	£100,000	£14,000	£100,000	£14,000	-
Non Domestic Rates	NNDR	£126,059	£6,000	£126,780	£6,000	£721
Revenues & Benefits	FRRB	-	£958,106	£1,106,081	£1,106,081	£147,975
Corporate Services Total		£14,032,426	£16,506,333	£9,488,464	£12,354,245	£391,874
Democratic Services						
Civic Expenses	CIVE	-	£10,400	-	£10,400	-
Elections	ELEC	-	£11,600	-	£53,300	£41,700
Electoral Registration	EREG	£3,000	£74,150	£2,500	£71,560	£2,090
Democratic Representation & Management	MEMB	-	£413,815	-	£426,681	£12,866
Standards Committee	STND	-	£1,700	-	£2,750	£1,050
Democratic Services	CCDE	-	£266,050	-	£290,196	£24,146
Democratic Services Total		£3,000	£777,715	£2,500	£854,887	£77,672
One Legal Services						
Legal Services	CCLE	£1,720,915	£1,964,573	£2,471,587	£2,756,624	£285,037
One Legal Services Total		£1,720,915	£1,964,573	£2,471,587	£2,756,624	£285,037
Development Services						
Development Control	BDDC	-	£1,232,583	-	£1,234,841	£2,258
Local Land Charges	LAND	£127,000	£35,233	£127,000	£35,276	£43
Planning Development	PLND	£947,470	£89,518	£926,835	£148,000	£79,117
Building Regulations	BREG	-	£43,128	-	£33,713	£9,415
Development Group	BDSM	-	£87,263	-	£104,574	£17,311
Street Naming & Numbering	SNAN	£25,000	£15,000	£25,000	£15,000	-
Joint Core Strategy	JCSB	£46,577	£166,577	£60,216	£120,216	£60,000
CIL Management	CILM	£95,181	£95,181	£99,847	-	£60,000
Planning Policy	PPOL	-	£6,227	-	£6,227	-
Planning Policy Section Costs	BOPP	-	£190,330	£3,813	£261,891	£67,749
Economic & Community Development	BDET	£22,000	£268,373	£22,000	£280,644	£12,271
Community Development	CODV	£3,649	£13,649	-	£10,000	-
Community Grants	COMG	-	£36,000	-	£36,600	£600
Economic Development	ECOV	-	£2,500	-	£12,500	£10,000
Glos County Flooding Works	GCCF	-	£2,000	-	£1,000	£1,000
Growth Hub	GRHU	£8,920	£95,324	£7,920	£126,188	£33,864
Market	MARK	£27,538	£27,538	£33,500	-	-
General Grants & Donations	SECG	-	£53,620	-	£53,620	-
Tourism Marketing & Development	TOGN	-	£7,250	-	£7,250	-
Tourism - Tewkesbury TIC	TOTC	£48,000	£102,350	£46,000	£102,623	£2,273
Tourism - Winchcombe T.I.C.	TOWC	£39,787	£39,787	£44,980	£44,980	-
Development Services Total		£1,391,122	£2,609,431	£1,397,111	£2,770,491	£155,071

		21/22			22/23			Variance
		Gross Operating Income	Gross Operating Expenditure	Net Operating Expenditure	Gross Operating Income	Gross Operating Expenditure	Net Operating Expenditure	
Community Services								
Bulk Waste Service	BULK	-£90,000	£112,174	£22,174	£105,000	£49,555	£55,445	£77,619
New Bin Deliveries	BIND	-£13,500	-	-£13,500	£3,000	£67,118	£64,118	£77,618
Cleansing Operations	CLAD	-	£558,875	£558,875	-	£554,318	£554,318	£4,557
Fly Tipping	FLYT	-	-	-	-	£19,000	£19,000	£19,000
Food Waste Collection Service	FODW	£639,560	£639,560	£639,560	-	£660,364	£660,364	£20,804
Garden Waste Collection Service	GADN	-£991,000	£535,416	£-455,584	£-1,035,099	£591,442	£-443,657	£11,928
Grounds Maintenance Operations	GRND	-£15,000	£452,597	£437,597	£-15,000	£475,223	£460,223	£22,626
Recycling Collection Service	RECY	-£657,000	£1,696,918	£1,039,918	£-688,400	£1,791,743	£1,103,343	£63,425
Trade Waste Collection Service	TRDE	-£280,000	£376,597	£96,597	£-307,000	£371,970	£64,970	£-31,627
Household Waste Collection Service	WSTE	-	£1,040,145	£1,040,145	-	£978,267	£978,267	£61,878
Housing Strategy	HOST	-	£24,000	£24,000	-	£4,192	£4,192	£-19,808
Homelessness - Administration	HOME	-£70,000	£94,900	£24,900	£-89,100	£128,864	£39,764	£14,864
Housing Advice	HOAD	-	£13,295	£13,295	-	£12,750	£12,750	£-545
Housing Services	DCHS	-	£266,751	£266,751	-	£288,361	£288,361	£21,610
Homelessness Prevention	HPRE	-£10,000	£10,400	£400	£-12,500	£12,919	£419	£19
Housing Private Rented Sector	HPRS	-£23,000	£23,000	-	£-23,000	£23,000	-	-
HomeSeeker Plus	HSEK	-£40,339	£40,339	-	£-43,378	£43,378	-	-
Burial Expenses	BURE	-£2,000	£3,500	£1,500	£-2,000	£3,500	£1,500	-
Contaminated Land	COLA	-	£3,000	£3,000	-	£4,000	£4,000	£1,000
Environmental Health	DCEH	-	£720,043	£720,043	-	£888,849	£888,849	£168,806
Dog Control	DGGW	-	£3,600	£3,600	-	£3,600	£3,600	-
Environmental Health Fixed Penalty Notice	EHPF	-	-	-	£-1,000	-	£-1,000	£-1,000
Environmental protection	ENVC	-£2,600	£3,000	£400	£-2,600	£3,000	£400	-
Food Safety	FOOD	-£4,000	£1,300	£-2,700	£-1,000	£1,388	£388	£3,088
Homes Improvement Agency	HIAG	-	£15,000	£15,000	-	£5,000	£5,000	£-10,000
Local Air Pollution Control	LAPC	-£7,000	£845	£-6,155	£-7,504	£900	£-6,604	£-449
Licensing	ULCS	-£120,957	£4,228	£-116,729	£-137,275	£5,000	£-132,275	£-15,546
Noise Pollution Control	NOPO	-	£1,000	£1,000	-	£1,551	£1,551	£551
Pest Control	PEST	-£1,000	£300	£-700	-	-	-	£700
Water Pollution	WAPO	-£700	£300	£-400	£-2,000	£314	£-1,686	£-1,286
Workforce Health & Safety	WHAS	-	£1,507	£1,507	-	£1,316	£1,316	£-191
Private Sector Housing Notices	PSHN	-	-	-	£-10,000	-	£-10,000	£-10,000
Crime and Disorder Act	CDIS	-	£3,460	£3,460	-	£7,761	£7,761	£4,301
Head of Community Services	DCCS	-	£332,215	£332,215	-	£295,033	£295,033	£-37,182
Emergency Planning	EMRG	-	£21,412	£21,412	-	£18,664	£18,664	£-2,748
Litter Pickers	LITT	-	£3,000	£3,000	-	£3,000	£3,000	-
Community Services Total		-£2,328,096	£7,002,677	£4,674,581	-£2,484,855	£7,315,292	£4,830,436	£155,855
Finance & Asset								
Counter Fraud Unit	COUF	-	£62,292	£62,292	-	£69,711	£69,711	£7,419
Finance & Asset Management	DCFA	-	£103,956	£103,956	-	£117,255	£117,255	£13,299
New Homes Bonus	NHBO	-	£50,000	£50,000	-	-	-	£-50,000
Salary Savings	ZSAL	-£155,000	-	£-155,000	£-100,000	-	£-100,000	£55,000
Climate Change Costs	CLIM	-£13,000	£70,000	£57,000	-	£20,000	£20,000	£-37,000
External Audit & Inspections	AUDF	-	£63,750	£63,750	-	£90,000	£90,000	£26,250
Bank Charges	BACH	-	£123,500	£123,500	-	£89,300	£89,300	£-34,200
Financial Management	DCFS	-	£446,835	£446,835	-	£488,046	£488,046	£41,211
Insurances Holding Account	INSU	-	£202,968	£202,968	-	£222,000	£222,000	£19,032
Pensions Compensation	PENC	-	£72,000	£72,000	-	£70,000	£70,000	£-2,000
Non Distributable Costs	PNDC	-	£1,465,000	£1,465,000	-	£1,269,000	£1,269,000	£-196,000
Treasury Management	TMAN	-	£23,970	£23,970	-	£25,450	£25,450	£1,480
Interest on Balances	INTB	-£345,000	£480,000	£135,000	£-439,000	£467,000	£28,000	£-107,000
Central establishment	ACES	-	£45,000	£45,000	-	£39,000	£39,000	£6,000
Cemetery Bishops Cleeve	BCCF	-£49,485	£28,928	£-20,557	£-52,500	£33,901	£-18,599	£1,988
Bowling Green	BGRE	-£1,825	-	£-1,825	£-1,831	-	£-1,831	£-6
Holiday Caravan Site	CARH	-£45,000	-	£-45,000	-	-	£-45,000	-
Car Parking	CARP	-£642,538	£278,580	£-363,958	£-655,500	£262,679	£-392,821	£-28,863
Cemetery	CEMG	-£64,000	£57,471	£-6,529	-	£58,131	£-6,669	£140
Churchyard Maintenance Bishops Cleeve	CMBC	-	£6,222	£6,222	-	£6,346	£6,346	£124
Asset Management	DCFP	-£10,000	£407,450	£397,450	£-10,000	£477,814	£467,814	£70,364
Depots	DEPS	-£11,750	£21,156	£9,406	£-12,250	£21,273	£9,023	£-383
Land Drainage and Flood Prevention	DRAI	-	£52,402	£52,402	-	£59,272	£59,272	£6,870
Fleet Cars	FLEC	-£20,000	£55,870	£35,870	-	£48,060	£48,060	£12,190
Golf Course	GOLF	-£25,000	-	£-25,000	£-26,000	-	£-26,000	£-1,000
Homeless Properties	HOUS	-£37,885	£24,625	£-13,260	£-43,279	£27,325	£-15,954	£-2,694
Mop Fair	MFAR	-£13,310	£7,472	£-5,838	£-13,443	£7,020	£-6,423	£-585
Outdoor Sports & Recreation Facilities	OSRF	-£1,705	-	£-1,705	-	-	£-1,672	£33
Play Areas and Parks	PARK	-£1,500	£10,000	£8,500	£-1,500	£15,000	£13,500	£5,000
Public Offices	POFF	-£326,437	£324,111	£-2,326	£-284,553	£335,472	£50,919	£53,245
Retained Assets	RETA	-£7,000	£21,900	£14,900	£-6,000	£27,020	£21,020	£6,120
Roses Theatre	ROSE	-	£550	£550	-	£500	£500	£50
Naming And Numbering Of Streets	NOST	-	£5,000	£5,000	-	£7,000	£7,000	£2,000
Leisure Centre Investment	TNLF	-£160,000	-	£-160,000	£-167,324	-	£-167,324	£-7,324
Clevedon Properties	CLEV	-£97,853	-	£-97,853	£-102,733	-	£-102,733	£-4,880
Challenge House	CHAL	-£967,230	-	£-967,230	£-967,230	-	£-967,230	-
The Chase	CHAS	-£315,207	£50,466	£-264,741	£-319,095	£54,354	£-264,741	£-0
Edmund House	EDMU	-£229,724	-	£-229,724	£-229,724	-	£-229,724	-
SPL House	SPLH	-£243,409	-	£-243,409	£-243,409	-	£-243,409	-
Wicks	WICK	-£316,478	-	£-316,478	£-316,478	-	£-316,478	-
Walton on the Naze - Marks	WOTN	-£233,039	-	£-233,039	£-233,039	-	£-233,039	-
Property Investment Savings Plan	PROP	-	£20,000	£20,000	-	£10,000	£10,000	£-10,000
Vaughan Pak, Tipton	TIPT	-£401,237	£60,326	£-340,911	£-456,246	£76,074	£-380,172	£-39,261
Volvo, Crawley	VOLV	-£502,958	-	£-502,958	£-502,958	-	£-502,958	-
Finance & Asset Total		-£5,237,570	£4,641,800	£-595,770	-£5,295,564	£4,494,003	£-801,561	£-205,791
Grand Total		-£24,756,780	£34,027,355	£9,270,575	-£21,140,081	£30,961,615	£9,821,534	£550,959

TEWKESBURY BOROUGH COUNCIL

Report to:	Council
Date of Meeting:	22 February 2022
Subject:	Pay Policy Statement
Report of:	Head of Corporate Services
Corporate Lead:	Chief Executive
Lead Member:	Lead Member for Organisational Development
Number of Appendices:	One

Executive Summary:

The Localism Act 2011 requires the Council to approve and publish a Pay Policy Statement relating to the pay of its workforce each financial year. This Pay Policy Statement 2022-23 has been slightly updated from the previous statement and sets out Tewkesbury Borough Council's (the 'council') approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.

Recommendation:

To approve the Pay Policy Statement 2022-23.

Reasons for Recommendation:

To fulfil our obligations under the Localism Act 2011.

Resource Implications:

A clear pay policy statement reduces risks associated with lack of clarity in relation to pay.

Legal Implications:

The Localism Act 2011 requires relevant authorities to prepare and publish an annual Pay Policy Statement which outlines the local authority's approach to the pay of its workforce and in particular the pay of its senior staff. The authority is also required to publish specific information on the pay and reward of senior staff earning more than £50,000 on its website in line with the guidance in the Local Government Transparency Code 2015.

Risk Management Implications:

A clear Pay Policy Statement reduces risks associated with lack of transparency and consistency in relation to pay.

Performance Management Follow-up:

The HR & OD Manager to be responsible for publishing the Pay Policy Statement 2022-23 on the transparency section of the Council's website.

Environmental Implications:

None.

1.0 INTRODUCTION/BACKGROUND

1.1 The Localism Act 2011 requires the Council to approve and publish a Pay Policy Statement relating to the pay of its workforce each financial year. This Pay Policy Statement 2022-23 has been slightly updated from the previous statement and sets out Tewkesbury Borough Council's (the 'council') approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011.

Amendments have been highlighted as tracked changes for convenience.

2.0 AMENDMENTS TO PREVIOUS PAY POLICY STATEMENT

2.1 The Pay Policy Statement was more significantly updated last year, so this year only minor changes.

Changes are largely around changing statistics and finances, but also covers the new salary sacrifice scheme available and removes references to the now deleted Deputy Chief Executive post.

3.0 OTHER OPTIONS CONSIDERED

3.1 The Council is legally required to approve and publish this statement so no other options are possible.

4.0 CONSULTATION

4.1 The S151 Officer and key members of the Finance Team have been consulted.

5.0 RELEVANT COUNCIL POLICIES/STRATEGIES

5.1 None.

6.0 RELEVANT GOVERNMENT POLICIES

6.1 Localism Act 2011.

7.0 RESOURCE IMPLICATIONS (Human/Property)

7.1 Clarity around issues relating to pay is important for the smooth and effective operation of the Council. Clarity is provided by this statement.

8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

8.1 None.

9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

9.1 A clear framework for issues relating to pay, which is then consistently applied, protects public money and reduces the risks of equalities issues developing.

10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

10.1 None.

Background Papers: None.

Contact Officer: HR & OD Manager, 01684 272239,
eleanor.hutchison@teWKesbury.gov.uk

Appendices: Tracked changes version of the proposed Pay Policy Statement 2022-23

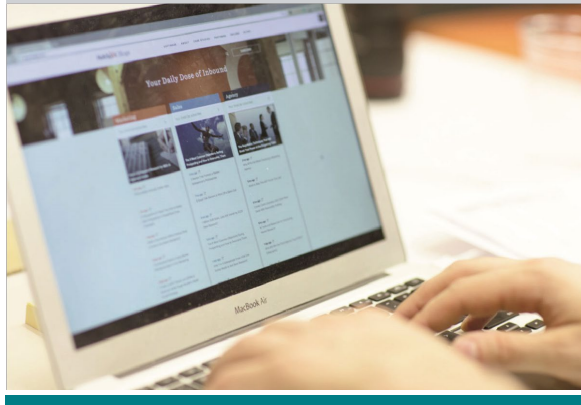
Pay policy statement

20221/20232



contents

Introduction and purpose	1
Accountability and decision making	1
Responsibility and scale	1
The council's pay strategy	1
Pay design	2
Pay structure	2
Other employment-related arrangements	3
Pay arrangements	3
Lowest paid employees	5
Pay multiple	5
Payments on termination of employment	6
Publication of pay statement	6



Introduction and purpose

Under section 112 of the Local Government Act 1972, the council has the “power to appoint officers on such reasonable terms and conditions as authority thinks fit”. This Pay Policy Statement (the ‘statement’) sets out Tewkesbury Borough Council’s (the ‘council’) approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the council’s approach to setting the pay of its employees by identifying:

- the methods by which salaries of all employees are determined
- the detail and level of remuneration of its most senior staff ie ‘chief officers’, as defined by the relevant legislation
- the Employee Appointments and Disciplinary Committee is responsible for ensuring the provisions set out in this statement are applied consistently throughout the council and recommending any amendments to the full council.

This policy statement has been approved by the council and is effective from 1st April 2022. It will be subject to review annually and in accordance with new or proposed legislation to ensure that it remains relevant and effective.

Accountability and decision making

In accordance with the constitution of the council, the Employee Appointments and Disciplinary Committee oversee the decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the council, with responsibility for all but the most senior posts delegated to the Head of Paid Service.

Responsibility and scale

For 2021/22 the council was directly responsible for a net revenue budget of £8,969.2m and for the employment of 205,222 staff. There is a capital programme of £39,915.1m over the next 5 years. The council’s capital receipt reserves currently stand at £1,14m with earmarked reserves of £16,330.8m and a general fund balance of £800,000. Our Band D council tax is one of the lowest in England.

As set out in our Council Plan (2020 – 2024), the council provides services to a total population of approximately 92,599,624 residents made up of 43,045,421,76 households spread across 160 square miles.

The council’s pay strategy

In determining the pay and remuneration of its employees, the council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the Equal Pay requirements contained within the Equality Act, the council ensures that all pay arrangements can be objectively justified through the use of Job Evaluation methods.

The council takes the following approach (or equivalent) to assessing individual and overall pay levels.

- Defining the role – this describes the activities, responsibilities, accountabilities and behaviours which relate to each job and helps ensure that the role and its requirements is fully understood

Formatted: Not Highlight

Formatted: Not Highlight

Formatted: Not Highlight

Formatted: Not Highlight

Formatted: Not Highlight

Formatted: Not Highlight

Formatted: Not Highlight

by the individual and the manager. This allows the council to assess the performance of its staff and so improves efficiency and effectiveness.

- Determining the job size – this process ranks all the council's jobs by using job evaluation techniques in order to ensure fairness and transparency and to allow for direct comparison between roles.
- Determining overall pay levels – this allows the council to assess the right pay policy and pay levels based on a number of key factors, including ability to pay, national pay comparators, local and regional pay comparators, etc
- Determining pay structure – pay is frequently made up of a number of elements. This council has adopted an approach which includes (basic pay, incremental progression related to service or performance, financial and non-financial benefits etc). The council uses fixed point salaries (where there is no pay progression) and pay grades made up of incremental pay levels. Where different pay arrangements apply to different groups of staff the reasons are clearly evidenced and documented. The council's approach to pay is detailed below and where different arrangements are in place these are explained.
- Recruiting the right staff – where necessary the council may apply market supplements or other individual pay levels for specific roles in order to ensure that it can recruit the best staff. This approach will only be adopted where there is clear evidence of recruitment difficulty and any such payments will be time limited and in accordance with council policy.

Pay design

The council's pay policy is based on the National Joint Council (NJC) and the Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities conditions of service, which include pay scales, supported by the associated job evaluation processes. Any pay schemes increases are negotiated nationally and one or

more of the nationally negotiated pay schemes which apply to local government employees.

The most recent pay award was 2.75% per cent in April 2020.

In determining its grading structure and setting overall pay levels for all posts the council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

Pay structure

Pay grades and progression

To encourage employees to develop in their role and to improve their performance the council has arranged its pay levels within 11 pay grades (Grade A to Grade K) and where grades contain between 3 and 5 pay levels or increments. There is a secondary payscale for roles at Head of Service level and above which is arranged in 8 pay grades (SM8 to SM1) where grades have 5 pay levels. New employees will usually be appointed to the minimum pay level for the relevant grade and will go up an increment following successful completion of their probationary period and annually in each April thereafter [to the top of grade](#).

Fixed pay rates

The council also uses fixed pay rates or points, primarily for those who have TUPE transferred from other authorities who used fixed pay points.

Other employment-related arrangements

Local government pension scheme

2

All employees are automatically enrolled into the Local Government Pension Scheme. The employee contribution rates, which are defined by statute, currently range between 5.5 per cent and 12.5 per cent of pensionable pay ~~depending on full time equivalent salary levels~~. The Employer contribution rates are set by Actuaries advising each of the 89 local LGPS funds and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. ~~For the period 1st April 2020 to 31st March 2023 the primary employer contribution rate is 20.9%. The current average rate is for employers to pay two thirds of the scheme's costs.~~

Benefits schemes

The council believes that it has a responsibility to help support the health, wellbeing and welfare of its employees in order to ensure that they are able to perform at their best. As part of this approach, and in common with other large employers it provides or makes arrangements which include salary sacrifice schemes ~~(currently limited to those already in the this includes those in the~~ childcare voucher scheme, ~~the Cycle To Work scheme and within the next year should also include an Electric and Ultra Low Emission Vehicle car scheme)~~ and discounted membership to Tewkesbury Leisure Centre.

Employment arrangements

The council's policy and procedures with regard to recruitment of chief officers is set out within the council's Constitution. Chief officers are defined by the council's constitution as being the Chief Executive, ~~Deputy Chief Executive~~ and the Borough Solicitor. ~~At the time of writing (Jan 2021), the Deputy Chief Executive role is vacant and pending a review of management arrangements.~~

When recruiting to all posts the council will take full and proper account of equal opportunities requirements, fair recruitment processes and the relevant legislation. The determination of the remuneration to be offered to any

newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment and will only be approved in accordance with the Constitution

Where the council is unable to recruit to a post at the designated grade, it may consider the use of temporary market forces supplements in accordance with its relevant policies.

In exceptional circumstances, where the council remains unable to recruit to a chief officer or senior manager post or where there is a need for interim support to provide cover for a vacant post, the council may consider engaging an individual through a 'contracts for service'. Such arrangements can be advantageous because they can reduce employment costs and are flexible because they can be used for short periods of time without the need to pay termination payments.

Such arrangements will be kept under regular review.

Pay arrangements

The council has chosen to apply the JNC payscales (Senior Managers Payscale) to senior management posts including chief officers and Heads of Service.

For the purposes of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act and defined by the council's constitution as being the Chief Executive, ~~and~~ Borough Solicitor ~~and Deputy Chief Executive (post currently vacant)~~. All payments are pensionable, except where it is specified otherwise.

The posts falling within the statutory definition are set out below, with details of their basic salary as at 1 April 2022~~1~~:

3

- Chief executive – the current salary of the post is £119,955 per annum. The salary falls within a range of 5 incremental points between £109,053 FTE, rising to a maximum of £119,955 FTE. The postholder is an employee on a permanent employment contract
- Borough solicitor – the current salary of the post is £94,876 per annum on SM3 of the Senior Managers payscale. The SM3 pay range covers £85,095 - £94,876. The Borough Solicitor is an employee of the council on a permanent employment contract.
- The salaries of posts designated as SM fall within a range of 35 incremental points between SM8 £47,979 FTE rising to a maximum of SM2 £105,782 FTE.

Performance-related pay and bonuses

The council does not apply any bonuses or performance related pay to its chief officers.

Other pay arrangements
(not limited to Chief Officers)

Pay supplements

From time to time it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract where specific circumstances require this and where it can be justified in accordance with council policies. Such allowances are negotiated nationally or locally through collective bargaining arrangements and/or as determined by council policy. The council will ensure that the requirement for additional allowance or supplement is objectively justified by reference to clear and transparent evidence.

The council uses the following payments:

Additional hours payments

The council does not operate a time off in lieu (TOIL) policy, instead all hours will be recorded under the flexi-scheme. Additional hours worked must be taken as flexi under the rules of the scheme unless exceptionally, it is pre-agreed to be paid by the lead Corporate Leadership Team member for that department. Any payment will be at flat-rate except where the hours are undertaken in unsocial periods. Heads of service may also arrange for additional hours accrued to be taken over a longer period than usually acceptable within the flexi-time scheme. Where a head of service requires an employee on the main payscale (not those on the senior management payscale) or below to occasionally work in unsocial hours (8pm – 7am on week days, weekends and bank holidays), those hours will be remunerated at time-and-a-half. This will not apply where the standard working hours fall during unsocial hours (eg for Tourist Information Centres).

Returning officer fees

The Returning Officer fees for national elections are determined by regulation. Fees for Returning Officers in respect of local elections are set down in the Gloucestershire scale of fees and use the same methodology as that for national elections. Returning officer fees may be pensionable, dependent on the type of election they are claimed for.

Real living wage enhancement

The council has made a commitment to providing a Real Living Wage and therefore any officer who would fall below this level on the payscales is paid an enhancement to get them to this level.

Standby allowances

A standby allowance (sometimes known as on-call) is paid to ~~two~~ members of staff who are contractually required to provide cover for unscheduled out of hours work, respond to emergencies outside normal working hours, who deal with any out of hour emergencies that arise.

4

Formatted: Indent: Left: -0.03 cm

This is a fixed weekly payment, multiplied by the number of weeks in the year that the member of staff is required to be on standby.

On-call

An allowance is payable when an officer is contractually required to provide out of hours (eg weekend and bank holiday) on-call cover.

Honorarium payments

The council has a scheme for the payment of allowances for undertaking additional duties. These allowances are divided into two classifications, either employees temporarily undertaking the full range of work of a higher graded post or a proportion of additional duties.

Subsistence allowance (non-pensionable) There is no automatic entitlement to a subsistence allowance merely because employee's duties involve them in spending a proportion of working time away from their administrative centres or bases. Before employees become entitled to receive subsistence allowances they must, for business reasons, have been prevented from following their normal meal arrangements and they will have had to incur additional expenditure on the purchase of a meal.

Professional fees (non-pensionable) The council will pay one professional subscription per year to an employee where it is requirement to be a member of a professional organization in order to carry out the duties and responsibilities of their post.

First aid and mental health first aid A monthly allowance is paid to trained officers who undertake first aid and mental health first aid duties for the council.

Additional responsibilities payments

This is an extra-ordinary payment where the honorarium scheme is not appropriate but where an officer is required to take on significant additional responsibility / seniority for a period of time.

Lowest paid employees

The lowest paid persons employed under a contract of employment with the council are employed on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the council's grading structure. As at 1 April 2021⁹, this is £17,842 per annum pro rata.

The council employs some apprentices who are not included within the definition of 'lowest paid employees' as they are employed under separate apprenticeship pay guidelines set by the government.

Pay multiple

As described above the council uses an established process of defining roles, determining job size and salary levels. This process determines the relationship between the rate of pay for the lowest paid and senior manager post, including chief officers, described as the pay multiple. The current pay multiple between the lowest paid (full time) employee and the Chief Executive is 1:6.46 and; between the lowest paid (full time) employee and average chief officer is 1:5.~~8679~~. The multiple between the median (average) full time equivalent earnings and the Chief Executive is 1:3.~~5394~~.

This is broadly in line with the multipliers published by neighbouring councils and is well within the limits of the Hutton Review of Fair Pay in the Public Sector (2010), which recommends a maximum of 1:20 ratio between the highest and lowest remunerated posts.

Formatted: Not Highlight

Formatted: Not Highlight

Payments on termination of employment

On the termination of employment, chief officers would not be entitled to an enhanced pension [outside our standard pension discretions policy](#) and any redundancy payment payable would be calculated in the same way as any other member of staff [using the relevant council policies](#).

Any other payments falling outside the provisions [within the constitution](#) or the relevant periods of contractual notice are subject to a formal decision made by the full council or relevant elected members, committee or panel of elected members with delegated authority to approve such payments and will be determined on a case by case basis.

It is not the council's policy to re-employ or to contract with senior managers who have been made redundant from the council unless there are exceptional circumstances where their specialist knowledge and expertise is required for a defined period of time or unless a period of 2 years has elapsed since the redundancy and circumstances have changed.

Where an employee has been made redundant and receives a redundancy payment (and therefore without a pension) there should be no reemployment/engagement until the expiry of the period for which the number of weeks' redundancy payment has been given, e.g. if the employee has received a redundancy payment equal to 16 weeks pay, the earliest re-employment/engagement could be considered would be 16 weeks after the date of termination. An earlier date may be approved by exception following authorisation by the Chief Executive but in all cases the minimum break of service will be four calendar weeks.

Publication of pay statement

Upon approval by the full council, this statement will be published on the council's website:



Produced by Tewkesbury Borough Council
.2022+

TEWKESBURY BOROUGH COUNCIL

Report to:	Council
Date of Meeting:	22 February 2022
Subject:	Continuation of Gloucestershire Economic Growth Joint Committee – To 31 March 2023
Report of:	Chief Executive
Corporate Lead:	Chief Executive
Lead Member:	Leader of the Council
Number of Appendices:	None

Executive Summary:

To consider a request to extend the operation of the Gloucestershire Economic Growth Joint Committee (GEGJC) until 31 March 2023 and to delegate authority to the Borough Solicitor to amend the associated Inter Authority Agreement (IAA) (dated 4 September 2014) accordingly.

Recommendation:

The Council RESOLVES that:

- 1. the Gloucestershire Economic Growth Joint Committee continues to operate with the Council’s participation as a member authority, from 4 March 2022 until 31 March 2023, under the terms set out in the associated Inter Authority Agreement, and**
- 2. authority is delegated to the Borough Solicitor to agree and complete the appropriate legal documentation to allow the Inter Authority Agreement to be extended until 31 March 2023.**

Reasons for Recommendation:

To allow the continuation of the GEGJC for a further year pending a review of governance arrangements.

Resource Implications:

None, the administration costs of the GEGJC are met from the Strategic Economic Development Fund (SEDF).

Legal Implications:

The IAA no longer includes a provision requiring 12 months’ notice being served by any of the partner authorities to any proposal to extend the life of the committee. Therefore, it is permissible to extend the agreement if all the Gloucestershire local authorities agree.

Risk Management Implications:

The risk of not extending GEGJC would leave the county with no joint administrative body for the management and allocation of the SEDF established under business rates pool arrangements. The proposed extension of the IAA until 31 March 2023 to enable the Joint Committee to continue to operate until that date does not present any particular risks to the authority.

Performance Management Follow-up:

Further reports in respect of the future of GEGJC and county wide economic governance arrangements will be forwarded to Council as required.

Environmental Implications:

None.

1.0 INTRODUCTION/BACKGROUND

- 1.1** In July 2020 Council considered a report and resolved that the operation of the GEGJC should be extended for a period of 18 months to expire on 4 March 2022. Similar extension approvals were granted at that time by all the other Gloucestershire local authorities that together make up the membership of the GEGJC. The collective decision in 2020 removed the requirement for 12 months' notice for any future changes to the agreement.
- 1.2** The 18-month extension period was agreed to allow Gloucestershire local authorities to continue to work collaboratively together on Gloucestershire's economic development through the Joint Committee. At its June 2020 meeting, the Joint Committee also identified that it would be supporting the economic recovery of the county because of the economic impact of COVID-19. The 18-month extension was to enable the Joint Committee to oversee the strategy development and delivery, as the principal partnership based economic co-ordination forum.
- 1.3** GEGJC is the joint administrative body that manages and allocates funding from the Gloucestershire SEDF which is part of the Gloucestershire Business Rates Pool arrangements. Without a joint administrative body capable of making joint decisions, the SEDF could not function.
- 1.4** All GEGJC member authorities recognised that a review of governance arrangements relating to economic strategy coordination should be undertaken at the appropriate time to avoid duplication and ensure best fit with government agendas. It was anticipated that this would be undertaken in the 18-month extension period, but this has not been achieved.

2.0 THE CURRENT POSITION

2.1 Leadership Gloucestershire considered the future governance arrangements for leading economic growth in the county at its meeting in June 2021. Leadership Gloucestershire was mindful that the government would be publishing the DLUHC 'Levelling Up' White Paper which will potentially impact the future governance and partnership arrangements. It was anticipated, at that time, that the White Paper could be available before Christmas 2021 which would allow Officers and Members time to consider the issues raised by its proposals and develop governance proposals in respect of the future economic agenda for Gloucestershire.

2.2 Unfortunately, the anticipated White Paper was delayed and has only recently been published. Consequently, at its meeting in January 2022 Leadership Gloucestershire considered three options in respect of the continuation of GEGJC pending publication of the anticipated White Paper:

1. Do nothing and let GEGJC terminate in March 2022 – this will mean there is no formal partnership decision making body on economic issues and specifically no joint administering body for the SEDF. Unless alternative governance arrangements were established for the SEDF, the funds would need to be handed back to the business rates pool authorities.
2. Extend the life of the GEGJC for say 12 months or for as long as needed and carry on as at present. This is the simplest option and will not require significant work to amend the IAA. It will simply require a resolution from each local authority before 4 March 2022 to continue GEGJC for the period agreed.
3. An alternative to option 2, would be to extend the life of the GEGJC, but limit agenda items to SEDF decisions. The Gloucestershire City Region Board could then be used for all other strategic discussion, offering a wider partnership forum for these items. This option could be delivered by simply managing the GEGJC agenda and could be done without the need for significant amendments to the IAA.

2.3 Leadership Gloucestershire agreed that option 2 was the simplest and least disruptive option. It was agreed therefore that:

- The GEGJC IAA is extended until 31 March 2023 to enable the GEGJC to continue until that time.
- A review of the governance arrangements in respect of the future economic agenda for Gloucestershire is undertaken in that time, taking into account the Government's proposals in the Levelling Up White Paper.
- All GEGJC member authorities are therefore requested to formally approve the extension of the GEGJC IAA.

3.0 OTHER OPTIONS CONSIDERED

3.1 Included in the report.

4.0 CONSULTATION

4.1 Leadership Gloucestershire.

5.0 RELEVANT COUNCIL POLICIES/STRATEGIES

5.1 Council Plan and Covid 19 recovery Plan, Economic Development and Tourism Strategy.

6.0 RELEVANT GOVERNMENT POLICIES

6.1 Department of Levelling Up Housing and Communities – Levelling Up White Paper: February 2022.

7.0 RESOURCE IMPLICATIONS (Human/Property)

7.1 None.

8.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

8.1 None.

9.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

9.1 None.

10.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

10.1 Council Resolution to extend the GEGJC IAA – July 2020.

Background Papers: Report to Council 28 July 2020 : Gloucestershire Economic Growth Joint Committee - Extension of Operating Period

Contact Officer: Chief Executive Tel: 01684 272001

Appendices: None.

Document is Restricted

Document is Restricted

Document is Restricted

Document is Restricted

Document is Restricted