

13 February 2023

<b>Committee</b>	Council
<b>Date</b>	Tuesday, 21 February 2023
<b>Time of Meeting</b>	6:00 pm
<b>Venue</b>	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 24 January 2023 of the Tewkesbury Borough Council Code of Conduct, effective from 1 February 2023, as set out in Minute No. CL.72, Members are invited to declare any interest they may have in the business set out on the Agenda to which the approved Code applies.



	Item	Page(s)
4.	<b>MINUTES</b>	1 - 15
	To approve the Minutes of the meeting held on 24 January 2023.	
5.	<b>ITEMS FROM MEMBERS OF THE PUBLIC</b>	
	a) To receive any questions, deputations or petitions submitted under Council Rule of Procedure.12.	
	<i>(The deadline for public participation submissions for this meeting is 15 February 2023).</i>	
	b) To receive any petitions submitted under the Council's Petitions Scheme.	
6.	<b>MEMBER QUESTIONS PROPERLY SUBMITTED IN ACCORDANCE WITH COUNCIL PROCEDURE RULES</b>	
	To receive any questions submitted under Rule of Procedure 13. Any items received will be circulated on Monday 20 February 2023.	
	<i>(Any questions must be submitted in writing to Democratic Services by, not later than, 10.00am on Monday 13 February 2023).</i>	
7.	<b>RECOMMENDATIONS FROM EXECUTIVE COMMITTEE</b>	
	The Council is asked to consider and determine recommendations of a policy nature arising from the Executive Committee as follows:-	
	<b>(a) Budget 2023/24</b>	16 - 43
	<i>(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 Corporate Director by 9.00am on the working day preceding the day of the Council meeting).</i>	
	At its meeting on 1 February 2023 the Executive Committee considered the 2023/24 budget and <b>RECOMMENDED TO COUNCIL:</b>	
	1. That a net budget of £11,300,458 be <b>APPROVED</b> .	
	2. That a Band D Council Tax of £139.36, an increase of £5 per annum, be <b>APPROVED</b> .	
	3. That the growth items for 2023/24, as proposed in Appendix A, be included within the budget.	
	4. That the capital programme, as proposed in Appendix B, be <b>APPROVED</b> .	
	The report considered by the Executive Committee, plus an amendment made since the Executive Committee meeting, is attached for consideration.	

	<b>Item</b>	<b>Page(s)</b>
<b>8.</b>	<b>PAY POLICY STATEMENT</b>	44 - 55
	To approve the Pay Policy Statement.	
<b>9.</b>	<b>COUNCIL TAX SETTING 2023/24</b>	
	To agree the Council Tax for 2023/24.	
<b>10.</b>	<b>SEPARATE BUSINESS</b>	
	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.	
<b>11.</b>	<b>SEPARATE MINUTES</b>	56 - 62
	To approve the separate Minutes of the meeting held on 24 January 2023.	

### **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  
Corporate Director**

## TEWKESBURY BOROUGH COUNCIL

**Minutes of a Meeting of the Council held at the Council Offices, Gloucester Road, Tewkesbury on Tuesday, 24 January 2023 commencing at 6:00 pm**

### **Present:**

Deputy Mayor

Councillor A S Reece

### **and Councillors:**

K Berliner, 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, M L Jordan, E J MacTiernan, J R Mason, C E Mills, J P Mills, H S Munro, A S Reece, C Reid, J K Smith, P E Smith, R J G Smith, V D Smith, C Softley, P D Surman, M G Sztymiak, M J Williams and P N Workman

### **CL.59 ANNOUNCEMENTS**

- 59.1 The evacuation procedure, as noted on the Agenda, was advised to those present.
- 59.2 The Deputy Mayor welcomed members of the Independent Remuneration Panel to the meeting.

### **CL.60 APOLOGIES FOR ABSENCE**

- 60.1 Apologies for absence were received from Councillors R D East, J H Evetts, J W Murphy (Mayor), P W Ockelton, R J Stanley, S Thomson and R J E Vines.

### **CL.61 DECLARATIONS OF INTEREST**

- 61.1 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.
- 61.2 There were no declarations of interest made on this occasion.

### **CL.62 MINUTES**

- 62.1 It was proposed and seconded that the Minutes of the Council meeting held on 6 December 2022, copies of which had been circulated, be amended at Minute No. CL.57.1 to remove the wording 'at the time of a national cost of living emergency' on the basis that this simplified and distorted the debate which had taken place under separate business.
- 62.2 The Corporate Director confirmed this was a simple amendment which could be made if Members were so minded; when summarising, it was often difficult to give a flavour of the debate without disclosing the confidential nature and the deletion of those words would be acceptable should Members feel it was appropriate. A Member stated that he had mentioned the national cost of living emergency in the comments he had made during the debate so it was appropriate that be reflected in the Minutes. In response, the Corporate Director explained that what had been said was not under question; however, as this was a summary to let the public know what decision had been made, what was missing was the further context. In her

view, the wording that was proposed to be omitted would not make a material difference in that respect as this was recorded in the full Minute under Separate Business. Another Member expressed the view that the wording of the open Minute should remain unchanged as this was the main influence on the discussion that had taken place. The proposer of the amendment felt that the open Minute in its current form was not balanced.

62.3 Upon being put to the vote, the motion to amend the Minutes fell. It was subsequently proposed, seconded and

**RESOLVED** That the Minutes of the meeting held on 6 December 2022 be **APPROVED** as a correct record and signed by the Deputy Mayor.

### **CL.63 ITEMS FROM MEMBERS OF THE PUBLIC**

63.1 There were no items from members of the public.

### **CL.64 MEMBER QUESTIONS PROPERLY SUBMITTED IN ACCORDANCE WITH COUNCIL PROCEDURE RULES**

64.1 There were no Member questions.

### **CL.65 MEMBER ALLOWANCES SCHEME 2023/24**

65.1 The report of the Head of Democratic Services, circulated at Pages No. 12-21, asked Members to determine the Scheme of Allowances to take effect on 1 April 2023 until 31 March 2024 having regard to the recommendations of the Independent Remuneration Panel as set out in its report at Appendix 1.

65.2 The Deputy Mayor invited the Chair of the Independent Remuneration Panel to address the Council. The Chair introduced the rest of the Panel members and thanked the Council for inviting them to present their report. Over the years, the Panel had interviewed over half of the Council with 10 interviews taking place in October 2022. The Panel had found those meetings very helpful in terms of gaining a better understanding of what Members did. It was important to note that, Tewkesbury Borough Council's Basic Allowances had historically been one of the highest, both locally and across the country; this had meant that, in recent years the Panel had been unable to recommend an increase. Whilst Tewkesbury Borough Council's Basic Allowance remained amongst the highest in the country, the Panel had recognised the impact of inflation and felt it was appropriate to recommend an increase of 4%, or £300, effective from 1 April 2023. It was also recommended that the Special Responsibility Allowances increase by the same amount i.e. 4%. The Dependant Carers' Allowance had been increased in 2022/23 and a further increase was recommended for 2023/24 from £9.50 to £10.42 in line with the National Living Wage. The Chair of the Panel thanked the Head of Democratic Services and the Democratic Services Officer for their assistance throughout the process and hoped that Members would feel able to adopt the recommendations of the Panel.

65.3 In proposing the recommendation in the report, the Leader of the Council indicated that he was very grateful to the Independent Remuneration Panel for the hard work which it carried out year on year with regard to this matter. It was a complex and demanding task and he thanked the Panel on behalf of the Council. In seconding the proposal, a Member indicated that he had been privileged enough to be interviewed by the Panel and commended the diligence of the process.

65.4 A Member noted that Tewkesbury Borough Council's Basic Allowance was above average and he asked if that was still the case - the report appeared to suggest the gap was reducing but the Council remained in the top tier in terms of allowances

paid. In response, the Chair of the Panel confirmed Tewkesbury Borough Council's Basic Allowance remained one of the highest but a substantial number of other Councils were now creeping up so, whilst the gap remained, it was smaller than it once was. The Panel had been keen to acknowledge the impact of inflation and although it could not recommend an increase in line with that, a modest increase was felt to be appropriate. In response to a query as to the demographics of the Members that had been interviewed, the Chair of the Panel explained that the Panel had been keen to see Members who had not been interviewed before. Given the Borough Council elections in May, the Panel would be open to talking to any Councillors who were willing to be involved in the process during the next review.

65.5 During the discussion which ensued, a Member indicated that she was under the impression that some of the Lead Member Portfolios were more demanding than others and yet the Special Responsibility Allowance remained the same for all Lead Members so she asked if it was possible to receive an annual report in order for Members to understand exactly what was required for each Portfolio. The Deputy Mayor noted that Lead Members all brought a report to Council but at different stages over the course of the four-year term. The Leader of the Council confirmed that was the system which had been in place for a long time but had unfortunately been interrupted by the pandemic.

65.6 A Member felt it was important to be mindful of members of the public and he felt that increasing Members' allowances might not be viewed in the best light given the cost of living crisis. His personal view was that the existing allowances were adequate and that an increase was unnecessary so he would like to see that money put to better use. Another Member accepted this point but indicated that one of the main purposes of Member Allowance Schemes was to provide some financial provision for Councillors to undertake their duties. His fear was that not increasing the Member Allowances would discourage people with young families and those in full-time employment, who may need to take unpaid leave to fulfil some of their Council duties, from standing as Councillors which would limit the diversity of the Council and restrict the role to a privileged few. He considered the Independent Remuneration Panel's review to be very fair and he would be supporting the proposal. This view was shared by another Member who had a young family and believed that it was important to make it appealing to others in similar situations who wanted to represent their communities. The Member who had suggested that the allowances should remain unchanged recognised the need to support people who wanted to become Councillors, and he was not saying that the allowances should not be increased in future, but given the current cost of living crisis, he felt it was the wrong time to make changes, particularly when the Basic Allowance remained one of the highest in the country. In response, a Member pointed out that it was an election year so it was an optimum time to make the role more appealing and encourage people to run for election. Another Member indicated that she had been a Councillor since 2011 and there had been no significant increase to the Members' Allowances during that time. Councillors were not exempt from the cost of living crisis and she reminded Members that, if they felt strongly about it, there was an option to re-pay a portion of their allowance so individual Councillors could choose not to accept an increase should they so wish.

65.7 Accordingly, it was

**RESOLVED**

1. That the Basic Allowance be increased from £7,350 to £7,650 for 2023/24.
2. That the Special Responsibility Allowances be payable as follows:
 

Leader of the Council	£9,150
Deputy Leader of the Council	£6,860
Other Lead Members	£4,575
Support Members	£180
Committee Chairs	£2,290
Mayor	£2,290
Deputy Mayor	£1,400
3. That the Dependent Carers' Allowance be increased from £9.50 per hour to £10.42 per hour.
4. That the Scheme run for a period of 12 months commencing on 1 April 2023 and ending on 31 March 2024.
5. That all other provisions within the existing 2022/23 Member Allowances Scheme be unchanged and remain in place for 2023/24.

**CL.66 APPOINTMENT OF CIVIC HEADS FOR THE MUNICIPAL YEAR**

**Mayor**

66.1 Upon being proposed and seconded, it was

**RESOLVED** That Councillor Andrew Reece, be appointed Mayor for the ensuing Municipal Year.

**Deputy Mayor**

66.2 Upon being proposed and seconded, it was

**RESOLVED** That Councillor Jill Smith be appointed as Deputy Mayor for the ensuing Municipal Year.

**CL.67 RECOMMENDATIONS FROM EXECUTIVE COMMITTEE**

**Medium Term Financial Strategy**

67.1 At its meeting on 4 January 2023, the Executive Committee had considered the Medium Term Financial Strategy and recommended to Council that the Medium Term Financial Strategy 2023/24-2027/28 be adopted.

67.2 The report which was considered by the Executive Committee had been circulated with the Agenda for the current meeting at Pages No. 22-38.

67.3 The Chair of the Executive Committee proposed the recommendation and it was duly seconded. Accordingly, it was

**RESOLVED** That the Medium Term Financial Strategy 2023/24-2027/28 be **ADOPTED**.

## Treasury and Capital Management

- 67.4 At its meeting on 4 January 2023, the Executive Committee had considered a suite of treasury and capital management documents and recommended to Council that the following be adopted: Capital Strategy 2023/24; Investment Strategy 2023/24; Minimum Revenue Provisions Statement 2023/24; and Treasury Management Strategy 2023/24.
- 67.5 The report which was considered by the Executive Committee had been circulated with the Agenda for the current meeting at Pages No. 39-72.
- 67.6 The Chair of the Executive Committee proposed the recommendation and the Vice-Chair seconded it.
- 67.7 In response to a query as to whether there was anything which Members should be made particularly aware of, the Head of Finance and Asset Management advised that the papers outlined the Council's approach which was managed by the Finance Manager and her team and there was nothing which gave him any concern.
- 67.8 Accordingly, it was
- RESOLVED** That the following strategies and statements be **ADOPTED**:
- Capital Strategy 2023/24
  - Investment Strategy 2023/24
  - Minimum Revenue Provision Statement 2023/24
  - Treasury Management Strategy 2023/24

## CL.68 CODE OF MEMBERS' CONDUCT

- 68.1 The report of the Monitoring Officer, circulated at Pages No. 73-96, recommended a revised Code of Members' Conduct following consideration by the Standards Committee and consultation with all Members. The Council was asked to adopt the Code of Members' Conduct, attached at Appendix 2 to the report, with effect from 1 February 2023.
- 68.2 In proposing the recommendation in the report, the Chair of the Standards Committee was pleased to be recommending to the Council a revised Code of Members' Conduct for adoption with effect from 1 February 2023. Members would see from the report that the current Code of Conduct had been in effect since July 2012 and he was glad to say, that, having served on the Standards Committee for 10 years and been Chair for the past five years, it had served them well - Members were clear about what was required and there had been very few complaints of non-compliance by Borough Councillors. Following a review of ethical standards in Local Government, the Committee on Standards in Public Life observed that the freedom of Councils to devise their own individual Codes of Conduct, rather than a national model, was potentially confusing for the public, particularly where substantially different Codes were adopted by authorities in the same geographic area. Therefore, the Monitoring Officers for all Gloucestershire authorities had recognised the benefit of introducing a common Code of Conduct for use across all tiers of local government in Gloucestershire. The Code attached at Appendix 2 to the report, which the Standards Committee was recommending for adoption, was the Code which the Monitoring Officers supported, with limited variation to reflect each Council's governance arrangements. It was very similar in content and style to the Council's existing Code, but had been updated and took into account the model Code produced by the Local Government Association (LGA). Gloucestershire County Council and Cheltenham Borough Council had recently adopted a version of this Code. Following approval by the Standards Committee, all Councillors were



consulted on the draft Code of Conduct and no concerns or suggested amendments were raised. He therefore had no hesitation in recommending the Code for adoption. Members would also note from the report that, following approval of the Code, the Monitoring Officer would be recommending adoption of a suitably amended draft to the Town and Parish Councils in the Borough. The proposal was seconded by the Vice-Chair of the Standards Committee who echoed these sentiments.

68.3 A Member questioned who decided whether a Member was in breach of the Code of Conduct and what happened if the Members disagreed with the claim. In response, the Monitoring Officer advised that this came under the procedure which had been adopted for complaints, much of which had been delegated to her as the Monitoring Officer. She had the benefit of being able to consult two independent persons who were completely impartial in their view, and it would be a matter of judgement, taking into account the facts and circumstances of the case. If something was disputed, it would be investigated and potentially determined by the Standards Committee.

68.4 Accordingly, it was

**RESOLVED** That the Code of Members' Conduct, as attached at Appendix 2 to the report, be **ADOPTED** with effect from 1 February 2023.

## **CL.69 GLOUCESTERSHIRE STATEMENT OF COMMON GROUND**

69.1 The report of the Head of Development Services, circulated at Pages No. 97-134, asked Members to approve the Gloucestershire Statement of Common Ground as set out at Appendix 1 to the report.

69.2 In proposing the recommendation in the report, the Lead Member for Built Environment explained that the main purpose of the Gloucestershire Statement of Common Ground was to record the six District Councils' agreement on matters which required a degree of co-ordination in local plan-making across the county. The County Council and GFirst Local Enterprise Partnership (LEP) were also signatories to the Statement as they too had important roles in promoting growth and sustainable development. The formal background to the Statement was the legislation which imposed a duty to co-operate upon local planning authorities and other key parties to maximise the effectiveness of activities in plan-making and any other supporting work where they could be considered to be strategic matters i.e. issues which may have a significant impact on at least two planning areas. Being able to show the authorities had discussed, co-ordinated and collaborated with each other was a key legal requirement in submitting local plans for examination by the Planning Inspectorate, and one which Inspectors rigorously investigated. The Statement of Common Ground was not itself a statutory document and did not itself set policies or bind the parties to specific courses of action; it was intended to be a living document which could be updated as necessary when circumstances and priorities changed over time. It also set the framework for individual agreements between neighbouring plan-making authorities on specific matters such as cross-boundary development sites and set out a commitment for an action plan on key areas of common interest – to be co-ordinated by the County Council – which would help draw together an overall picture of strategic planning for the county as a whole. A draft Statement of Common Ground was first prepared by a Strategic Planning Co-ordinator in May 2020 on behalf of the Gloucestershire Economic Growth Joint Committee. Since that time, discussion had been ongoing at the Leaders' Board which consisted of all District Council Leaders, the Leader of the County Council and representatives from the LEP. The Statement included a series of 37 high level agreements dealing with a broad range of matters including addressing the climate and ecological emergencies, housing and economic needs, the Green Belt, transport, natural environment, health and social infrastructure, infrastructure

delivery and minerals and waste. Tewkesbury Borough Council had been active in those discussions and many actions which it had identified as important had been included or amended, for example, meeting housing needs; being careful to take into account potential impacts on communities; transport infrastructure and recognising the differences between urban and rural areas; and flood risk. Appendix 3 of the Statement set out a list of areas that were not agreed by Tewkesbury Borough Council in the discussions. On balance, these were identified, not because they were not important issues, but because they were felt to be matters which could, and therefore should, be addressed through the Joint Core Strategy/Joint Strategic Plan review, or in district local plan reviews. It should be noted that all other local authorities had now signed the Statement and Tewkesbury Borough Council was not able to suggest further amendments at this stage as this would require the agreement of wording with any other parties. The proposal was duly seconded by the Leader of the Council.

- 69.3 A Member questioned who had made the decisions regarding the list of 'agreements' not agreed by Tewkesbury Borough Council, as set out at Appendix 3 of the Statement, and was advised this was the Leader of the Council and the Lead Members for Built Environment and Clean and Green Environment. A Member indicated that she wished to propose an amendment to exclude Appendix 3 from the Statement and the Deputy Mayor sought clarification as to whether that was possible given that the proposer of the motion had stated that any further amendments would require the agreement of wording with any other parties. The Corporate Director advised that an amendment on that basis would be acceptable as Appendix 3 of the Statement was, to a degree, freestanding as it was something which Tewkesbury Borough Council was proposing be added and would not impact the decisions of any of the other district authorities. No other amendments would be possible at this stage. On that basis, the Member proposed an amendment to remove Appendix 3 and this was duly seconded. The proposer of the amendment emphasised that she was pleased to see the document coming to Council as it was long overdue and she appreciated the hard work that had gone into producing it; however, she was concerned it had not been taken to the Executive or Overview and Scrutiny Committees for consideration. She considered that the exceptions in Appendix 3 undermined what Tewkesbury Borough Council stood for and its position on climate change. A number of the comments alongside the exclusions stated that they were considered by Tewkesbury Borough Council to be "too restrictive" but she understood the document was about co-operation and sharing good practice to drive the best possible outcome. In her view, Appendix 3 raised questions about the authority's commitment to addressing the climate emergency and should be removed from the Statement. The seconder of the amendment indicated that she was disappointed with Appendix 3 as the Council often talked about leading the change and being at the forefront of environmental practices, and she believed Officers did a great job with regard to that, but it lacked political will as demonstrated by Tewkesbury Borough Council being the last authority to approve the document and trying to remove some of the most important elements which was not reflective of the view of the whole Council. She felt the document should have been taken to the Executive or Overview and Scrutiny Committee prior to Council. Tewkesbury Borough Council had approved a motion to declare a climate change emergency and this was embedded in policy, furthermore, Tewkesbury Borough was not the only rural Council in Gloucestershire and yet the rural nature of the borough had been used as a reason for the exclusions in Appendix 3.
- 69.4 A Member was under the impression that the Statement could not be altered at this stage and the proposed amendment would be changing the document so he did not see how it could stand. In response, the Corporate Director advised that, as Appendix 3 set out a list of exclusions which Tewkesbury Borough Council would not agree to, it was within the Council's gift to decide whether to accept that or to delete the appendix thereby falling in line with the remaining authorities who had

approved the Statement. There was no scope to change anything which the other Councils had signed.

- 69.5 A Member asked what harm there would be in reverting to the original document and taking each case on its own merits. In response, the Lead Member for Built Environment explained that, when the document had first been presented to them there was little in relation to rural areas and the three Members had recommended 19 changes to the wording of the document, most of which had been duly altered following discussion, for example, Item 25 in relation to flooding. In terms of the proposed exemptions, there were some things which they could not accept albeit they were important issues, for instance, cycling would become mass transit which, in her view, was not realistic today for Tewkesbury Borough Council and she was not prepared to sign something on that basis. The document needed to be workable and protect Tewkesbury Borough Council reputationally. Where changes to the wording had not been accepted, these had been included in the exclusions along with reasons why they were not agreed and all areas would be covered within the review of the Joint Core Strategy/Joint Strategic Plan. Whilst she could understand some of the reasoning for the exclusions, the Member was concerned how it would look to members of the public that some of the things which were important to them were being taken out. The Leader of the Council clarified that it was not the case that they were being taken out. A Statement of Common Ground had a fairly limited purpose and it was not about decisions around policies and commitments which were taken by the Council, rather, it was about setting out the areas where Tewkesbury Borough Council would work with other authorities which was why the wording was critical. The commentary in Appendix 3 explained why it was not appropriate to accept that wording - Tewkesbury Borough Council had not debated those things as an authority and they had not gone through the proper process which was a consultation exercise as opposed to making decisions on the hoof. As a planning authority, Tewkesbury Borough Council was quite different from the other District Councils with differing needs and issues so it was important not to tie its hands before going through the planning process. The Member expressed the view that there was nothing in the Statement which could tie the authority's hands and she suggested that, going forward, more than three Portfolio Holders should be responsible for deciding what went into the document. The Leader of the Council agreed that it would have been preferable for all Members to be involved in the process but that had not been presented as an option. He pointed out that there had been more Member involvement than at other authorities.
- 69.6 The proposer of the amendment felt that some of the items which had been picked up for exclusion were pedantic and she indicated that mass transit within cycling was a description which was used in the Tewkesbury Borough Plan under transport and accessibility. Paragraph 10.16 of the plan stated that "*Tewkesbury Borough Council will, in conjunction with Gloucestershire County Council, seek to identify and extend existing cycle routes and to introduce new and improved networks in line with the Local Transport Plan*" – it was contradictory to promote this within the Borough Plan but object to it in another document. The seconder of the amendment questioned why Tewkesbury Borough Council was always the last to sign documents and pointed out that she considered Cotswold, Forest of Dean and Stroud District Councils to be rural districts. It was commendable that a lot of amendments had been suggested and she noted that many had been agreed but she felt it would be embarrassing to Tewkesbury Borough Council, the other District Councils and residents of Gloucestershire to include Appendix 3 within the Statement. The Leader of the Council acknowledged the paragraph from the Local Plan and confirmed it was something which the Council supported but it was not the same as talking about cycling as a form of mass transit. Words were important when documents went to examination and care needed to be taken to ensure policies, or things which looked like policies, were not being made outside of the plan-making process. In his view, the Statement of Common Ground should be a

very simple document about the commitment Tewkesbury Borough Council was making to working with other authorities; partners wanted a more lengthy statement but they had not seen the need for that as the two most important issues were the spatial planning issues of housing, and land for economic development. The Council was looking after the interests of residents and the other local authorities and taking its responsibilities as a local planning authority very seriously which he thought was something to be proud of.

- 69.7 A Member questioned whether the document was time sensitive as there had been a lot of concern around it not being brought to the wider Council for consideration and she asked what the repercussions would be if the document was not approved tonight so it could be considered by all Members. In response, the Interim Planning Policy Manager advised that the intention was for the Statement to be subject to ongoing review and, strictly speaking, was not time sensitive. Notwithstanding this, other authorities such as Stroud District Council were about to go into plan examination and it was extremely important to be able to show the county had come to an agreement for the purpose of that. The duty to co-operate was an important policy in the National Planning Policy Framework and was a legal requirement. It was also a reputational matter as it was ideal for the Statement to be in place when all authorities were going through their respective plans. Whilst it was not critical for Tewkesbury Borough Council, the nature of the document set out general intentions so it would be optimal to have it in place as soon as possible. The Member understood that Stroud was going through the local plan process but that was not the case for Tewkesbury Borough Council so she did not think it was critical that it be approved tonight as her concern was that the document did not seem to have the support of the majority of the Council. She questioned how much weight an Inspector would place on the Statement and whether that was different from the duty to co-operate. The Interim Planning Policy Manager confirmed they were one and the same as the Statement of Common Ground was a vehicle to demonstrate the duty to co-operate. In the case of Stroud District Council, whilst that did not directly affect Tewkesbury Borough Council, the authority had a separate undertaking with Stroud in terms of future development needs under the emerging Joint Strategic Plan - one of the options to meet Tewkesbury Borough Council's housing needs may well be in Stroud. Ultimately, all Councils had a common interest to some degree and it was unclear what the Inspector would do if not all authorities were signed up to the Statement; however, his advice would be that it was very important to have a Statement of Common Ground so the Inspector could move on to more significant technical matters being considered. The Member indicated that it was not necessarily the case that the Council would not sign the Statement, she was asking if it was imperative it was signed now or whether it would be possible to do this in a few months time once it had been considered by the Executive or Overview and Scrutiny Committees. The Interim Planning Policy Manager indicated that the only thing he could say was that it had been in train since 2020 so, from his perspective, the sooner it was in place the better. The Chief Executive reiterated that the document itself had been agreed by every other district authority and Gloucestershire County Council so, from his perspective, it would be problematic to get agreement from the other Councils to wait for Tewkesbury Borough Council's Committee cycle.

- 69.8 A Member asked why a decision had been made to bring the Statement straight to Council; if the work had started in 2020 there would have been time to take the document to Executive or Overview and Scrutiny Committees. It seemed to her that Members were being asked to approve a finished document which they were not allowed to change and she questioned why the decision was made not to involve the wider Council. The Leader of the Council explained that Members had been involved on the basis of their respective portfolios. He believed the confusion may come from the fact that it had been instigated by the Gloucestershire Economic Growth Joint Committee which was a countywide body which, like a number of other

countywide groups, involved representatives from other authorities and discussed policy matters in a non-binding way. The Member indicated that she was surprised the Council was being asked to approve a document which it was not allowed to amend in any way. Another Member shared the concerns raised about the document having been in train since 2020 but not being considered by a Committee. He recognised that the decisions regarding the Statement had been made by three Members, one of whom was a keen cyclist themselves, and commentary alongside the removal of the transport provision agreement stated this was due to the nature of the Tewkesbury Borough area and the inclusion and assertion that cycling would become mass transit could not be supported by the Council as it was not achievable or realistic given the rural nature of the borough; however, he indicated that the borough was a very flat area which would be good for cycling so he would like to know who had written those particular words. In response, the Lead Member for Clean and Green Environment indicated that cycling could be a lovely pastime but the reality was that the majority of people would not have cycled to the meeting tonight because it was cold and dark and the roads were icy and dangerous. The County Council was so committed to cycling it was seeking to impose conditions for cycle storage on every planning application for residential development but his view was that developers' money would be better spent on providing safe cycle routes if they wanted to encourage people to cycle. Ultimately, people could not be forced to cycle and the statement set out in Appendix 3 reflected that.

69.9 A Member expressed the view that Tewkesbury Borough was diverse, with high and low density areas, and he was concerned that, by removing the transport provision agreement, this could reduce the amount of benefit that high density areas stood to gain in terms of being more connected via a quality cycling network so he did not understand why the Council wanted to remove it. In response, the Leader of the Council clarified that these were not policies, they were statements of areas the Council agreed to work with other authorities upon. Another Member drew attention to Page No. 111 of the original Statement and the comments on the Green Belt which set out that the parties agreed that changes to the Green Belt boundary would be considered through the local plan making process, particularly the Joint Core Strategy review. Page No. 127, Paragraph 3.19 of the Statement went on to state *"If avoiding development in the Green Belt means that development will have to go elsewhere, then alternative locations must still need to contribute toward the overall spatial strategy and sustainable development objectives. For plans to withstand scrutiny the reasons for rejecting alternatives must be clearly given"* - he felt that removing this from the document would give Tewkesbury Borough more protection over the Green Belt if it was the case that alternative locations could be offered. In terms of the final document, he asked whether it was binding or if it could be changed going forward; if it could be changed going forward then he felt it was appropriate to include the stipulations set out at Appendix 3 at this time and he would like to see Paragraph 3.19 added to that. In response, the Interim Planning Policy Manager explained that the intention was that it be a living document which could, and should, be amended as time went on to reflect its status as a Statement of Common Ground as opposed to a policy document.

69.10 A Member noted from Appendix 3 that climate change agreements 3-6 had been excluded as Tewkesbury Borough Council had not declared an ecological emergency; however, neither had all of the other authorities and yet they had still been willing to approve the Statement. Cotswold, Forest of Dean and Stroud District Councils were all fairly rural and those authorities had signed up to the transport provision agreement so she questioned why Tewkesbury Borough Council should not do the same. She felt that, by its nature, a Statement of Common Ground would be weakened if one of the partners was requesting a number of exclusions that the others were not – effectively they had a Statement of Common Ground but Tewkesbury Borough Council did not. The Leader of the Council

disagreed with this view and felt it was not about how the Council looked, it was about how it behaved and what it achieved – in his opinion it was strong, not weak, not to sign up for something just because others were doing so. He reiterated that Tewkesbury Borough Council was a local planning authority with a very specific set of circumstances and worked hard for its residents. It was considered that what had been put forward in the Statement of Common Ground was trying to make detailed policy analysis and agreement and there were many different factors to take into consideration when it should be a simple exercise. He provided assurance that Tewkesbury Borough Council would work with the other local authorities to explore certain areas which it could agree would feature in its plan but not to the exclusion of everything else in the plan-making process. The other District Councils would be able to say that Tewkesbury Borough Council had agreed to work with them on certain things.

- 69.11 The proposer of the motion to amend the proposal felt it was being inferred by the Leader that this was not the right place to discuss the document and, in response to the Lead Member for Clean and Green Environment, she pointed out that the transport provision agreements would be a way to address the air pollution issue. She felt it was realistic to get people cycling instead of driving as demonstrated by the investment in the new cycle route between Gloucester and Churchdown. The Lead Member for Clean and Green Environment continued to be of the view that people could not be forced to cycle but making cycling safer would encourage people to take it up. He recognised that cycle routes were being introduced between Gloucester and Churchdown and Cheltenham and Bishop's Cleeve but he asked why Winchcombe was not being considered as it was a quiet road – there were many initiatives the County Council could introduce without requiring developers to provide cycle storage.
- 69.12 A Member noted that the Statement was intended to be a fluid document and asked who would decide to change it and how long it should stand before it needed to be reviewed. In response, the Interim Planning Policy Manager advised that, as it was non-statutory and informal, it did not have a shelf life. He was unclear as to who would be responsible for changing it so it may be for others to comment on that; however, the general principle was that any need to change it would emerge through the group which had sponsored it which included the County Council, GFirst LEP and the six District Council teams. The Member raised concern that the LEP would potentially not be in existence for much longer based on the national conversation so he questioned what would happen if one of the parties changed. Another Member asked whether it would be possible for the Statement of Common Ground to be reviewed by the Overview and Scrutiny Committee going forward. In terms of the Gloucester-Churchdown cycle route, his opinion was that it was larger than it needed to be and he felt there was justification for retaining Appendix 3 as this would ensure that future schemes would be the right size for the borough. The Chief Executive advised that a process could be set up to review the Statement but he did not think the Overview and Scrutiny Committee would be the right place for that; however, the problem was that all other parties were content to sign up to the document and were planning work to take forward those things to form a strategic framework so Tewkesbury Borough Council would be out of the scope of that. He could see no appetite among the County Council and other District Councils to participate in any of the review work given they had signed up to the Statement - the point in time for debating this had now passed and the only opportunity for Tewkesbury Borough Council to make changes was via Appendix 3. The purpose of the review, when it reached that stage, was to ensure it reflected the reality of the partnership, national policies and other things which could be made out of date. The existence or otherwise of the LEP would not impact the validity of the document. In summary, whilst the Council could set up a review process, it would have no authority to influence the Statement and Tewkesbury Borough Council would be further unaligned with partner Councils to the point it could become out of

step and there would be areas which an Inspector could see as a disagreement in approach.

69.13 A Member pointed out that two fundamental documents had been considered earlier in today's meeting and had been approved with no debate or questions which was testament to Members being kept fully informed; had that happened with this document she suspected it would also have been supported by Members. The Lead Member for Built Environment advised that she did not sit on the board which had originally considered the Statement; however, a paper had been taken to the Executive Committee in 2019 which had given the Council the appropriate authority to work in partnership with the five other district authorities. The Leader apologised if he had given the impression that the Statement should not be debated but he had intended to demonstrate that the comments being made and the way it talked about detailed policies was illustrative of what should take place in the plan-making process which was why he considered the proposed amendment to remove Appendix 3 to be ill-advised and inappropriate. Without the Appendix, there was a danger of committing to certain things which would be looked at in the examination process that had not been properly explored but would have an impact on Tewkesbury Borough. The proposer of the amendment respected this opinion but did not agree and she emphasised her position which was that it would be better for Tewkesbury Borough Council to remove the exemptions. In terms of the comments about the Churchdown cycleway, whilst it was very large, it was planning for the future so it would be safe for use by parents and children etc. It doubled the width of the pedestrian walkway so it had the option to be used by everyone in the village, other than those travelling by bus or car. She felt that, in the Lead Member for Clean and Green Environment's comments on cycling he had made a perfect case for the exclusions to be kept in the Statement. She noted that the Executive Committee had given a delegation to the three Members to consider the Statement in 2019 but a lot of what had happened since that time had not filtered down to the broader Member base. She felt that the Council should be looking outward but the document reflected a very inward facing attitude. The seconder of the proposed amendment indicated that she would like the Council to approve the Statement of Common Ground but she did not agree with some of the most important points being taken out; if Appendix 3 was removed, she would be happy to approve the Statement. A Member shared this view and considered that putting in a list of exclusions would be seen as a blocker by partner Councils. Another Member indicated that he supported the inclusion of Appendix 3 which made the Statement fit for purpose for Tewkesbury Borough. The Lead Member for Built Environment reiterated that the Statement was not policy and Appendix 3 highlighted areas Tewkesbury Borough Council would like to cover in the Joint Strategic Plan process. In terms of climate change, a climate change emergency had been declared by the Council and a Working Group was in place to address that with measures being introduced such as the solar canopy in the car park. All authorities were committed to the Joint Strategic Plan-making process and the Tewkesbury Borough Plan included all of the comments as set out in Item 18 of the Statement, albeit not mass transit.

69.14 Having been proposed and seconded, a recorded vote was requested and, upon receiving the appropriate level of support, voting on the amendment was recorded as follows:

<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Absent</b>
C L J CARTER	K J BERLINER		R D EAST
C M CODY	R A BIRD		J H EVETTS
D W GRAY	G F BLACKWELL		H C MCLAIN
D J HARWOOD	G J BOCKING		P D MCLAIN
M L JORDAN	K J CROMWELL		J W MURPHY
E J MACTIERNAN	M DEAN		P W OCKELTON
C E MILLS	P A GODWIN		R J STANLEY
J P MILLS	M A GORE		S THOMSON
H S MUNRO	J R MASON		R J E VINES
P E SMITH	A S REECE		
R J G SMITH	C REID		
C SOFTLEY	J K SMITH		
M G SZTYMIAK	V D SMITH		
P N WORKMAN	P D SURMAN		
	M J WILLIAMS		

69.15 With 14 votes in favour and 15 against, the amendment was lost.

69.16 In debating the original motion to approve the Gloucestershire Statement of Common Ground, as set out at Appendix 1 to the report, a Member accepted that a huge amount of work had gone into producing the Statement and it was regrettable that it had not been possible to reach a common ground but he did see it as an aspirational document, therefore, even with the exceptions included at Appendix 3, it would be better to approve the document than lose control of it. Another Member felt there would have been unanimous support for the document had Appendix 3 been removed. Whilst he shared the view this was an aspirational document, he could not support it as it now stood as he felt the exclusions were an embarrassment. A Member indicated that she was very disappointed not to be able to vote for the document but she was in complete agreement with the previous speaker.

69.17 Having been proposed and seconded, a recorded vote was requested and, upon receiving the appropriate level of support, voting was recorded as follows:



<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Absent</b>
K J BERLINER	C L J CARTER		R D EAST
R A BIRD	C M CODY		J H EVETTS
G F BLACKWELL	D J HARWOOD		H C MCLAIN
G J BOCKING	M L JORDAN		P D MCLAIN
K J CROMWELL	C E MILLS		J W MURPHY
M DEAN	J P MILLS		P W OCKELTON
P A GODWIN	H S MUNRO		R J STANLEY
M A GORE	P E SMITH		S THOMSON
D W GRAY	R J G SMITH		R J E VINES
E J MACTIERNAN	C SOFTLEY		
J R MASON	M G SZTYMIAK		
A S REECE	P N WORKMAN		
C REID			
J K SMITH			
V D SMITH			
P D SURMAN			
M J WILLIAMS			

69.18 With 17 votes in favour and 12 against, it was

**RESOLVED** That the Gloucestershire Statement of Common Ground be **APPROVED** as set out at Appendix 1 to the report.

#### **CL.70 SEPARATE BUSINESS**

70.1 The Deputy Mayor proposed, and it was

**RESOLVED** That, under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely discussion of exempt information as defined in Part 1 of Schedule 12A of the Act.

#### **CL.71 SEPARATE MINUTES**

71.1 The separate Minutes of the meeting held on 6 December 2022, copies of which had been circulated, were approved as a correct record and signed by the Deputy Mayor.

**CL.72 HEAD OF PAID SERVICE REPORT**

*(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))*

- 72.1 The Council approved a proposal from the Head of Paid service in accordance with the recommendation set out in the report.

The meeting closed at 9:00 pm

## TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Executive Committee
<b>Date of Meeting:</b>	1 February 2023
<b>Subject:</b>	Budget 2023 – 2024
<b>Report of:</b>	Head of Finance and Asset Management
<b>Head of Service/Director:</b>	Head of Finance and Asset Management
<b>Lead Member:</b>	Lead Member for Finance and Asset Management
<b>Number of Appendices:</b>	Three

**Executive Summary:**

The proposed net budget totals £11.3m and, after deducting Government support and other financing streams, the resultant Council tax requirement is £5.13m giving a Band D Council tax figure of £139.36.

**Recommendation:**

**The Committee is asked to RECOMMEND TO THE COUNCIL:**

- i. a net budget of £11,300,458.
- ii. a Band D Council tax of £139.36, an increase of £5.00 per annum.
- iii. the inclusion of growth items within the budget for 2023/24 as proposed in Appendix A.
- iv. the capital programme as proposed in Appendix B.

**Financial Implications:**

As set out within in the 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 2023 its budget requirement for 2023/24.

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.

**Environmental and Sustainability Implications:**

A growth in budgetary support for the Council's commitment to Climate leadership Gloucestershire is set out within the report.

<p><b>Resource Implications (including impact on equalities):</b></p> <p>As set out within in the report.</p>
<p><b>Safeguarding Implications:</b></p> <p>None.</p>
<p><b>Impact on the Customer:</b></p> <p>None directly from this report.</p>

## 1.0 INTRODUCTION

- 1.1 The Council considered the Council’s financial position as shown in the Medium Term Financial Strategy (MTFS) at its meeting on 24 January 2023.
- 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 £6.2 million.
- 1.3 The latest MTFS is based on updated information provided through the Autumn Statement and the Local Government Settlement Policy Statement. Although both of these provide some clarity on the direction of travel in the short term, much of the previous uncertainty with funding remains and, as a result, financial projections in the medium term are uncertain and subject to significant change. It is hoped that further clarity will be provided at some point to enable sound financial planning and the setting of budgets over the medium term.
- 1.4 The Spending Review in October 2021 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. Despite the setting of a three year funding position, local government settlements have remained on an annual basis and the Council had to wait for the Provisional Local Government Settlement, received on 19 December 2022, for clarity on the immediate funding proposals affecting the 2023/24 budget. The following sections of this report provide further detail on the Provisional Settlement and the Policy Statement but, in summary, the headlines relevant to this Council include:
- A one year only Settlement period, covering 2023/24.
  - A further two-year delay to funding reform.
  - Likewise, a further two-year delay to the Business Rates Retention scheme reset.
  - The introduction of a 3% Funding Guarantee.
  - An additional one year, one off payment of New Homes Bonus.
  - An undertaking to provide clarity on the future of New Homes Bonus before the next settlement.
  - A reduction to the Services Grant in respect of the reversal of the National Insurance increase.
  - Increased flexibility with regards to the Council tax threshold for District Councils being the higher of 3% or £5.
  - An increase to Core Spending Power for Tewkesbury Borough of 4.76%.

- 1.5 This report now brings together the information from the Settlement with the detailed figures associated with the 2023/24 budget and the work undertaken by the Transform Working Group and makes a proposal for a balanced budget and resultant Council tax.
- 1.6 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.
- 1.7 In setting the budget for 2023/24, 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 whilst also investing to meet the demands of the growing population of the Borough. Despite the financial challenges facing the Council, the proposed budget includes the addition of £636,458 of ongoing growth in our services and £677,998 of one-off growth to further support services and council plan ambitions.
- 1.8 As always, the approval of the 2023/24 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 and early information on the funding streams that will support the Borough Council in 2024/25 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 2023/24**

- 2.1 The Local Government Finance Settlement for 2023/24 includes monetary allocations for a variety of funding streams including New Homes Bonus (NHB), Services Grant (SG), Revenue Support Grant (RSG), Rural Services Delivery Grant (RSDG), the new Funding Guarantee (FG) and the Business Rates Baseline (BRB) 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 2023/24 was announced on 19 December 2022. The settlement is subject to consultation which will end on 16 January 2023, with the Final Settlement expected at the end of January. Given that historically the figures contained within the Provisional Settlement have not 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 2021 providing funding quantum for the next three years, the Department of Levelling Up, Housing and Communities (DLUHC) has again opted to only provide confirmed funding levels for the next financial year. This was again in order to prioritise certainty and stability for local government. The Policy Statement attempted to provide some certainty for 2024/25 by confirming delays to funding reform and business rates reset but left questions over the future of NHB and the newly introduced Funding Guarantee. The 2023/24 Settlement is therefore, in effect, another one year roll over Settlement
- 2.4 **Needs based funding**

The Government's 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 (BRB) 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**

	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
<b>Cash levels</b>			
Revenue Support Grant (RSG)*	23,286	23,990	158,117
Rural Services Delivery Grant (RSDG)	14,459	14,459	14,459
Business Rates baseline (BRB)	1,846,234	1,846,234	1,915,324
<b>Total</b>	<b>1,883,979</b>	<b>1,884,683</b>	<b>2,087,900</b>
<b>Change in funding (£)</b>			
Revenue Support Grant (RSG)	129	704	134,127
Rural Services Delivery Grant (RSDG)	680	0	0
Business Rates baseline (BRB)	0	0	69,090
<b>Total</b>	<b>809</b>	<b>704</b>	<b>203,217</b>
<b>Change in funding (%)</b>			
Revenue Support Grant (RSG)	0.56%	3.02%	559.10%
Rural Services Delivery Grant (RSDG)	4.94%	0.00%	0.00%
Business Rates baseline (BRB)	0.00%	0.00%	3.74%
<b>Total</b>	<b>0.04%</b>	<b>0.04%</b>	<b>10.78%</b>

\* RSG for 23/24 contains a number of rolled in grants – see detail below.

**2.5** As can be seen from Table 1, the Council's needs based funding has seen an increase of £203,217 or 10.78% for 2023/24. There are a number of factors that have contributed to this increase including:

- RSG for 23/24 contains two previously specific grants that have been rolled into RSG as the government attempt to simplify the grants system. The grants and their values are:
  - Council Tax Support Administration Subsidy - £87,754.
  - Family Annexe Council Tax Discount Grant - £43,617.
- An uplift to the core RSG of £2,756.
- A freeze to the rural element of the funding.
- A 3.74% uplift to Business Rates baseline funding.

More detail on business rates funding is provided in Section 4 but, in summary, the Council's baseline funding should move in line with September's Consumer Price Index (CPI), which for 2022 was 10.1%, as long as this is passed on to businesses in the form of an uplifted business rates multiplier. In order to support businesses in the current

economic environment, the multiplier has been frozen and, as a result, the Government is required to compensate local authorities in full for the revenue forgone by the Government's decision. Normally this would come through in full in the form of a s31 grant and would be reflected in our retention figures rather than baseline funding. However, for 2023/24 the Government has split this compensation with part (3.74%) being awarded directly to the baseline funding level.

## **2.6 Funding Guarantee**

In previous years, the funding floor for local government was 0% of existing Core Spending Power (CSP). This meant that the worst-case position for local authorities was that the cash amount of their CSP would not change between years. For Councils such as Tewkesbury who were at the 0% floor, courteous of the steep reductions in New Homes Bonus, the Lower Tier Services Grant (LTSG) would be used as a balancing item to ensure that 0% was achieved, paying significant grant if necessary. In reality, even with the LTSG allocation, Tewkesbury was still losing grant funding but was replacing this with increased Council tax receipts.

A new funding floor of 3%, in recognition of current inflationary pressures, has been introduced for 2023/24 in the form of the Funding Guarantee. Currently, this position has only been committed to by the Government for 2023/24 and no similar commitment has been made for future years.

The Funding Guarantee ensures that all Councils will see at least a 3% increase in their Core Spending Power before any decisions about organisational efficiencies, use of reserves or Council tax levels are made. For Tewkesbury, this means that a 3% uplift in its current CSP of £10m will result in an uplift in funding support of £300,000. In addition to this, the Council will also benefit from any increase in Council tax it agrees to, rather than it merely replacing lost funding. With a £5 increase in Council tax generating approximately £184,000, this new Funding Guarantee could therefore see an increase in CSP of £484,000.

The Funding Guarantee will be delivered by uprating existing funding such as the Revenue Support Grant and the Baseline Funding level, adjusting for changes to other grant schemes such as New Homes Bonus and then making an actual Funding Guarantee grant to ensure the 3% target is delivered.

The Funding Guarantee is paid for by repurposing the LTSG and making use of spare monies within the NHB.

For Tewkesbury, the value of the Funding Guarantee in 2023/24 is £1,778,232.

## **2.7 Services Grant**

The Services Grant was introduced as a new, one-off allocation of £822m in 2022/23 in part to compensate authorities for the increased cost of National Insurance. Despite being labelled as a one-off grant, the Services Grant will continue into 2023/24 but at a reduced amount to reflect the reversal of the decision to increase National Insurance contributions.

The allocation for Tewkesbury will fall from £127,275 in the current year to £71,717 in 2023/24.

It is not yet known whether this grant will continue into 2024/25.

## **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 2023/24. 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 £1,240,366 in 2023/24. Full details are provided in section 3.

## 2.9 Council tax principles

The Government has increased the core principle of a maximum increase in Council tax to 2.99%, an increase of 1%, given current levels of inflation. It has also given further freedoms for most precepting bodies such as the additional 2% for the Adult Social Care Levy. For District Councils, the principle that has been in place since 2016/17, being the higher of £5 or 1.99%, has increased to the higher of £5 or 2.99%. This does not offer any greater freedom for those authorities who charge the lowest Council tax and the Government has been lobbied to reconsider this position.

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 taxbase will increase in 2023/24 for each authority in line with their average taxbase increases.

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

## 2.10 Core Spending Power

The Government's 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. The only major funding stream excluded for lower tier authorities is Business Rates retention.

The headline figure for local government sees an increase of 9.2% or £5bn in funding for 2023/24. This includes assumed increases to Council tax income of £1.9bn 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. The figure also includes £1.9bn of additional or repurposed funding for social care.

2.11 Tewkesbury's CSP forecast for 2023/24 is, once again, somewhat less than the national average, standing at 4.76%, but is a significant increase compared to previous years and is in line with other lower tier authorities. Table 2 illustrates how Tewkesbury's CSP is calculated:

**Table 2 – Tewkesbury's Core Spending Power**

	2021-22	2022-23	2023-24
	£ millions	£ millions	£ millions
Settlement Funding Assessment	1.87	1.87	2.07
Business rates multiplier compensation	0.10	0.19	0.33
Council Tax Requirement	4.58	4.81	5.06
New Homes Bonus	2.51	1.63	1.24
Rural Services Delivery Grant	0.01	0.01	0.01
Lower Tier Services Grant	0.93	1.31	0.00
Services Grant	0.00	0.13	0.07
Funding Guarantee	0.00	0.00	1.78
Grants rolled in	0.13	0.13	0.00
<b>Core Spending Power</b>	<b>10.13</b>	<b>10.09</b>	<b>10.57</b>
Increase (£)	-0.10	-0.04	0.48
Increase (%)	-0.93%	-0.43%	4.76%

NB Previous year CSP adjusted to reflect actual council tax levels, hence 0% not achieved



**2.12** The £0.48m increase in CSP is the first increase enjoyed by Tewkesbury Borough Council in four years and is most welcome after a decade of spending reductions. Whilst the uplift is welcome, at 4.76% it remains significantly below current levels of inflation and will not alone cover the increasing cost of providing services.

**2.13** It should also be noted that 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 £0.25m meaning that it will account for around 48% of the Council's CSP, up from 34.7% in 2015/16. This continues the journey of the last eight years which has put an ever-increasing emphasis on local taxpayers to pay for the cost of services.

### **3.0 NEW HOMES BONUS**

**3.1** The Local Government Settlement for 2021/22 confirmed that New Homes Bonus (NHB) would be withdrawn 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 when the government decided to allow a further year of the scheme in 2022/23 and again in 2023/24.

**3.2** For 2023/24, the NHB award will again be awarded for one year only with no legacy payments being awarded in future years. The original scheme made NHB payments for six years for each new property delivered or empty property returned to occupation, but this was reduced to four years in 2018/19 and then the last four awards, including 2023/24, have been for one year only. This has obviously dramatically reduced the value of the scheme to Tewkesbury although the increased levels of house building and the increase to the national average Council tax has offset some of that reduction.

**3.3** For Year 13, which is based on growth between October 2021 and October 2022, the value of the NHB will be £1,240,366. This is the largest single year allocation that Tewkesbury has received and reflects the level of housebuilding in the area over that 12-month period. 900 new properties and returned empty properties were added to the valuation list in the twelve months to October 2022 whereas, in comparison, 529 were added in the period to October 2021. However, it is the first year since the inception of the scheme where only a single year is being paid and is therefore another reduction in overall NHB received by Tewkesbury.

Table 3 details the reducing allocation of NHB.

**Table 3 – Projection of NHB**

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
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	£1,240,366
	<b>£3,762,756</b>	<b>£2,508,861</b>	<b>£1,633,094</b>	<b>£1,240,366</b>
Variance (£)	£489,358	<b>-£1,253,895</b>	<b>-£875,767</b>	<b>-£392,728</b>
Variance (%)	14.94%	<b>-33.32%</b>	<b>-34.91%</b>	<b>-24.05%</b>

**3.4** As can be seen from the table, the Council will receive £1.24m in 2023/24 from the NHB scheme. This is a reduction of £0.39m on the current levels. All of the £1.24m will be used to support the base budget of the Council.

**3.5** Given that the Government is now only funding one year of NHB rather than the previous four years, the surplus within the NHB scheme, estimated at £609m 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 other elements of the settlement including the Funding Guarantee, Social Care grants and inflationary uplifts to 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. There was also no firm commitment to continue with the current one year only funding arrangements. However, the Settlement did state:

'We also recognise the need to help councils plan and we will therefore set out the future position of New Homes Bonus ahead of the 2024/25 local government finance settlement.'

Similar commitments have previously been made and it remains to be seen if this one will be honoured. It is therefore currently impossible to forecast potential sums due from NHB or a revised scheme beyond March 2024.

#### **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 stands at £1.22m as a result of the growth of the business base within the Borough but also the compensation paid by government to local authorities for national decisions such as freezing the business rates multiplier and business rate relief.

**4.2** As highlighted earlier, the Council will receive compensation from the Government for its 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 third year where the Government has decided to do this and as a result the compensation has increased from £188,693 in the current year to £326,257 for 2023/24 as indicated within our CSP figures.

**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. However, following comments by the Secretary of State in 2021 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 2023/24 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 each of those years. The Local Government Finance Settlement Policy Statement in December 2022 has confirmed that the reset will again be delayed for at least the next two years.

- 4.4** The calculation of business rates due to 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 changes to the rateable list as calculated by the national revaluation for 2023 and the transfer of the Virgin Media hereditaments to the Central List. The resultant level of expected business rates retention for Tewkesbury Borough Council is £1.98m for 2023/24.
- 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 amount of business rate relief support provided by the Government and the robustness of our local business community, a one off surplus has been generated within the collection fund of which Tewkesbury's share totalled £377,475. This one-off surplus has been included within our 2023/24 budget.
- 4.6** In addition to our own individual performance, Tewkesbury is a member of the Gloucestershire Business Rates 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 2023/24 and 2024/25 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 2023/24 and 2024/25.

Given the financial challenges facing the Council, in particular from the impact of inflation and the growth of the Borough, Tewkesbury's share of the additional retention accumulated by the pool arrangements will now be included within the base budget as an expected funding stream. An estimate of £225,000 has been included within the 2023/24 budget and will therefore directly support the delivery of ongoing services. Any retention generated over this level 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** After more than 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. 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 the impact of inflationary pressures 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 over £1.3m of additional funding was requested. Clearly this level of additional cost is not affordable for the Council in the current funding climate and so choices needed to be made so that a balanced budget proposition could be developed. Corporate Leadership Team reviewed all bids received and prioritised those bids against the funding that was available.
- 5.3** Having completed this exercise, the final decision on what to include in the budget proposal could not be made until all other parts of the budgetary process had been completed. This was again severely delayed this year given the late notification of the Provisional Settlement and the additional work needed to complete the business rates position as a result of the revaluation and the moving of some hereditaments to the central list. Once the position was known, CLT included growth bids in the budget proposal that were affordable within the funding available and decided against including more bids that would require the use of reserves to support ongoing expenditure.
- 5.4** As a result of the additional funding in the Provisional Settlement and the additional income and savings found within the base budget, highlighted at 6.4, a total of £636,458 of ongoing growth is recommended. This is an increase on the expected level of growth and the amount affordable in the current year of £450,050. The additional funding allows an injection of critical resources into our service areas to meet the growing demand of customers, ensure our IT systems are maintained and secure, provide resources to ensure the timely investment of s106 monies into our communities and meet some of our Council Plan priorities.
- 5.5** The full list of growth items recommended for inclusion in the budget is shown at Appendix A and as can be seen the majority of funding is being directed towards the growth needed in our waste and recycling operation and the restructure required in our licensing service to ensure we are meeting statutory requirements.
- 5.6** In addition to the £636,458 of ongoing funding recommended, £677,998 of one-off funding is also included in the budget proposal. Again, this is largely as a result of the additional rounds required for our waste and recycling operation with four new vehicles required to meet the need at a cost of £498,000.
- 5.7** Appendix A also highlights the growth bids that have not been included in the budget proposal as a result of the lack of available finance. In some cases, funding already exists to maintain the service on a temporary basis whilst in other cases there are further options to explore in order to fund the required expenditure. A total of £474,342 of ongoing expenditure requests have not been included within the budget proposal.
- 5.8** Despite the inclusion of £636,458 of ongoing growth in the coming budget, on top of the £450,050 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.

## 6.0 PROPOSED BUDGET

6.1 The base estimates for the Council in 2023/24 have been compiled, including the proposed growth, and are detailed in table 4.

**Table 4**

	2022/23 Budget	2023/24 Budget	Variance (£)	Variance (%)
Chief Executives unit	£283,874	£292,929	£9,055	3.19%
Corporate Director	£132,200	£133,623	£1,423	1.08%
Corporate Services	£2,865,781	£3,308,415	£442,634	15.45%
Democratic Services	£852,387	£868,179	£15,792	1.85%
One Legal	£285,037	£378,625	£93,588	32.83%
Development Services	£1,373,380	£1,422,638	£49,258	3.59%
Community Services	£4,830,437	£5,976,265	£1,145,828	23.72%
Finance and Assets	-£801,561	-£1,080,216	-£278,655	-34.76%
<b>TOTAL</b>	<b>£9,821,535</b>	<b>£11,300,458</b>	<b>£1,478,924</b>	<b>15.06%</b>

6.2 The budget proposals for 2023/24 include a number of variances against the current year and are summarised in the following paragraphs.

### 6.3 Additional costs and reduced income

- A salary growth assumption of £1,600 on each scale point has been made for the year commencing 1 April 2023. This mirrors the approach taken to the 2022 pay award where agreement was reached for a £1,925 uplift on each scale point. The figure used is driven by the need to meet the expected increase to the National Living Wage and results in an uplift of just under 8% at the lowest scale point and circa 1.3% at the top scale point.
- In addition, the extra cost of the 2022 salary award needs to be included within the base budget. The 22/23 budget was constructed with a 2% assumption for the pay award but the actual award resulted in an additional cost of circa £240,000.
- Also included in the base budget for 2023/24 is the uplift in manpower costs associated with the first phase of the local pay line review approved in Autumn 2022. The cost of this uplift is estimated at £211,000. A prudent estimate of potential cost associated with the phase 2 and phase 3 review has also been included within the base budget to give coverage for any proposals that may arise.
- The overall impact on the total manpower budget is a £1.1m increase in costs equivalent to 11%.
- With consumer price inflation running at 10.7% at the time of writing, this has inevitably affected a number of individual budget lines within the Council. Whilst managers have sought to reduce the impact of inflation on budgets, there are significant increases for expenditure on computer licences, fleet car hire and diesel.
- The cost of gas and electric has risen steeply since the last budget was set but the contractual arrangements with the Council's supplier, where energy has been purchased in advance of need and in advance of the significant price increases, has meant that the price being paid by the Council is around 60% lower than the market price at the time of fixing the price in November. However, this has still resulted in price increase of 39% for electricity and 111% for gas. The cost increase has however been offset by the delivery of the solar canopy project resulting in the need to purchase less electricity and being able to sell any excess energy produced.

- One office accommodation unit within the Council offices remain vacant after over 12 months of advertising and, whilst a recent change of marketing agent may help to secure a tenant for the space, it is prudent to remove the expectation of rental income from our budget given the length of the current void period. This is a loss of £49,000 rental income.
- The contract for services delivered by Ubico has increased by £723,000 (15.4%) for 23/24. This increase is predominately driven by two things:
  - The increased price of diesel resulting in an increased annual cost of £126,000.
  - An allowance made to cover the additional cost of the April 2022 pay award and a 5% pay award assumption for April 2023. Together, these generate an additional £485,000 of ongoing costs.
- It has been necessary to include a sum of £150,000 within the base budget to accommodate the service charges relating to the Council's use of the Swindon Road depot in Cheltenham. Previously, this cost was borne in its entirety by Cheltenham Borough Council.
- External Audit charges continue to increase given the extra requirements imposed on the audit regime and the increased complexity of local authority accounts. An additional £15,000 is included within budget for this. It is expected that costs will again rise for 2024/25 which is the start of a new audit contract period.
- The increase in banking rates has resulted in an expected increase borrowing cost of £166,000.

#### **6.4 Budget savings and increase income**

- A decrease to employer National Insurance contributions of 1.25% with effect from 6 November 2022.
- The Council is able, once again, to reduce its contribution to the pension fund deficit. A further reduction of £99,000 has been factored into the base budget resulting in an annual contribution of £1.17m, a reduction of £798,000 from the position for 2019/20. Further reductions will take place over the following two years as a result of the valuation of the pension fund in 2022.
- The increase in banking rates, and expectations of further increases, has resulted in a significant additional investment interest estimate of £561,000.
- An increase in estimated fee income, as a result of increased fees and additional customers, across a range of services including:
  - Planning - £94,000.
  - Garden waste - £44,000.
  - Licensing - £126,000.
- An increase to the value of recyclate collected has resulted in the charge being made by our Materials Recovery Facility (MRF) operator being reduced by £158,500.
- A reduction in bank fees (following procurement) of £15,000.
- In sourced management of our Tipton investment property saving £23,000.
- Rental of fifth unit at Tipton producing an additional £176,000 of rental income.

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

**Table 5**

<b>Financing stream</b>	<b>2022/23 Budget</b>	<b>2023/24 Budget</b>	<b>Variance (£)</b>	<b>Variance (%)</b>
Revenue Support Grant	-£23,990	-£158,117	-£134,127	559.10%
Rural Services Delivery Grant	-£14,459	-£14,459	£0	0.00%
Business Rates Baseline	-£1,846,233	-£1,915,324	-£69,091	3.74%
Retained Business Rates	-£1,220,553	-£1,980,458	-£759,905	62.26%
Business Rates Pool	£0	-£225,000	-£225,000	-
Business Rates Collection Fund	£1,179,606	-£377,475	-£1,557,081	132.00%
New Homes Bonus	-£1,633,094	-£1,240,366	£392,728	-24.05%
Council Tax Collection Fund surplus	-£98,009	-£160,899	-£62,890	64.17%
Minimum Revenue Provision	£905,359	£926,973	£21,614	2.39%
Net Transfer to / (from) reserves	-£785,929	£820,467	£1,606,396	-204.39%
Lower Tier Services Grant	-£1,345,362	£0	£1,345,362	-100.00%
Services Grant	-£127,275	-£71,717	£55,558	-43.65%
Funding Guarantee	£0	-£1,778,232	-£1,778,232	-
<b>Total</b>	<b>-£5,009,939</b>	<b>-£6,174,607</b>	<b>-£1,164,668</b>	<b>23.25%</b>
Service Expenditure b/fwd	£9,821,535	£11,300,458	£1,478,924	15.06%
<b>Balance to be funded by Taxpayers</b>	<b>£4,811,596</b>	<b>£5,125,851</b>	<b>£314,256</b>	<b>6.53%</b>

6.6 Table 5 highlights the financing streams as described in the previous sections. The new funding guarantee and the increased benefit of business rates retention have resulted in an increase of over £1.16m of financing available to meet the increased cost of our services.

6.7 Also included within the financing streams are:

- An increase in the Minimum Revenue Provision of £21,614 reflecting the annuity method of calculation used.
- The significant use of reserves to support a business rates collection deficit is not required for 23/24 resulting in a substantial movement on the use of reserves figure. In addition, it has been necessary to increase the support to the vehicle replacement reserve to reflect the need for additional vehicle purchases and the projected rising cost of the full fleet replacement.
- A council tax collection fund surplus of £160,899.
- The introduction of partial benefit of being a member of the Gloucestershire Business Rates Pool into the base budget with an income estimate of £225,000. This is a prudent estimate of the likely full benefit of pool membership and taken now given some certainty that any changes to the retention scheme are now likely to be some years away.

6.8 As a result of the movement on individual funding streams, the net total of funding available to the Council has increased by £1,164,668 or 23.25%.

6.9 It has not been necessary to use reserves to support the budget proposal. It was widely expected that a significant contribution from reserves would be needed to balance this year's budget but due to the funding settlement, the increased business rates and the additional income generated in the core budget, this has not been necessary. The £3.1m MTFs reserve remains intact and ready to support future service and budgetary needs.

**6.10** After deducting the funding streams from the net cost of services, the balance of expenditure to be funded by Council Taxpayers is £5,125,851 for 2023/24, an increase of £314,256 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 9.2% increase in CSP and in Tewkesbury's case supports the generation of the expected 4.76% increase in CSP for 2023/24.

Whilst this is the most generous financial settlement for some time for Tewkesbury, the increase in CSP does not meet the current inflationary pressures (CPI was 10.5% 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 3.72%, is approved, generating an additional £183,906 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 2.99%, 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:

- 2.99% for basic Council tax and 2% for the Adult Social Care (ASC) levy for upper tier authorities.
- £15 for Police and Crime Commissioners (£10, £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 eighth successive year that the Council will have increased the Council tax by the maximum £5 per annum. 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 £139.36 per annum and most likely keep the Council around the eighth lowest District Tax in England. The proposed tax would also keep the Council in the lowest quartile for Council Tax charges whilst the shortfall against the lower quartile threshold and the District Council average is likely to increase from £43 and £70 respectively given the ability of the majority of District Council's to increase their Council tax by more than £5, courteous of a 3% uplift on existing Council tax levels.



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 22/23	Annual Council Tax 23/24	Annual Increase
A	6,702	15.29%	£89.57	£92.91	£3.33
B	6,830	15.58%	£104.50	£108.39	£3.89
C	12,317	28.09%	£119.43	£123.88	£4.44
D	6,411	14.62%	£134.36	£139.36	£5.00
E	5,739	13.09%	£164.22	£170.33	£6.11
F	3,601	8.21%	£194.08	£201.30	£7.22
G	2,040	4.65%	£223.93	£232.27	£8.33
H	205	0.47%	£268.72	£278.72	£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 (£)	Increase (%)
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%
2023/24	£139.36	£5.00	3.72%

7.7 As highlighted previously, the growth of the Council's tax base has been suppressed in recent years in comparison to the high growth at the end of the last decade. Tax base growth of 4.1% had fallen to 2.7% and more recently 1.1% reflecting the impact of the pandemic. However, significant development over the last twelve months coupled with a small reduction in the Council Tax Reduction Scheme liability has seen a return to the high levels of tax base growth previously seen. As a result, the tax base for 2023/24 has been calculated at 36,781.36 an increase of 970.14 band D equivalents or 2.71%.

7.8 Table 8 highlights the movement on the tax base, the balance to be funded by taxpayers 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

	2022/23	2023/24	Variance
Balance to be funded by Taxpayers	£4,811,596	£5,125,850	£314,254
Tax base	35,811.22	36,781.36	970.14
Council tax @ Band D	£134.36	£139.36	£5.00

Table 9

Council tax raised through tax base increase	£130,348
Council tax raised through charge increase	£183,906
Additional council tax raised	£314,254

**7.9** Table 9 illustrates that the Council will be able to raise a further £314,254 of Council tax income through tax rate and tax base increases.

## **8.0 RISKS**

**8.1** The Council's budget is prepared using best estimates for the level and timing of expenditure, budget and 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 2023/24 are, as yet, unknown. A prudent view of future years funding has been included in the MTFS.
- 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 – our forecast treasury position is built on the central forecast of rate movements over the twelve-month period. There are significant downside and upside risks to this forecast given the competing economic needs in setting the base rate. 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 recyclate 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. Additional expenditure may be incurred through further price rises such as diesel, vehicle maintenance or PPE purchases or through a pay award settlement in excess of the 5% within their budget.
- As previously indicated, there is currently no agreement with regards to the 2023 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 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 2022, the Council had earmarked reserves totalling £18.13m. This is a significant increase on previous years and reflects planned contributions to reserves, the release of a business rates collection fund surplus and the receipt of external grants for various requirements. Of the total earmarked reserves, a sum of £3.10m is set aside in the MTFs reserve which is used to manage the financial challenges of the Council, either as direct temporary support to the budget or to fund the transitional costs of change.

Other reserves exist to manage risk to the authority, such as the business rates reserve, pay award 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 £1,000,000. This reserve was increased by £250,000 in June 2019 and by £200,000 in June 2022 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 now at a more acceptable level but should be increased further should funds become available at the year-end outturn.

**9.3** The latest financial outturn projection for 2022/23 suggests that the budget is on track to deliver a small surplus although further cost pressure from inflation and service demand cannot be ruled out. This means, on current projections, that it is unlikely that there will be a significant surplus from the base budget at year end to increase reserves, but neither will there be a deficit requiring further reserve contributions. However, the Council is also a member of the Gloucestershire Business Rates Pool and the latest estimate of the Pool's position suggests that Tewkesbury could be due a business rates windfall of around £400,000 at year end, given that this is not budgeted for in 2022/23, which can support increased reserve provision.

**9.4** The Council's reserves are in their strongest position for a long time and allow for the delivery of a number of specific service actions as well as guarding against significant financial impact from inflation and potential changes to the funding of local government. 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 2023/24.

## **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 £19.02m 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 £11.2m across the life of the project based on latest estimates and is funded entirely from external grants. The bridge construction contract is expected to be awarded in March which will provide certainty on cost.

Also included in the programme is the re-provision of a large proportion of the vehicle fleet expected to total £5.2m and funded from revenue set aside. A further report will be submitted to Members about the detailed proposals for the fleet replacement programme. Also included within the fleet purchase figure is the additional £498,000 required for the additional rounds required to be provided to meet the growth of the Borough and to enable safer collections from hard-to-reach places within the Borough.

An increased level of expenditure on Disabled Facilities Grants (DFGs), based on the current year expenditure profile, is projected throughout the programme. This totals £4m over the five year forecast and is financed entirely by Government grant.

The annual asset capitalisation programme, which provides funding for the purchase of waste and recycling receptacles as well as the IT replacement programme, has been uplifted to £125,000 p.a. to reflect increased costs and the shorter expected lifespan of personal devices.

- 10.4** The programme relies heavily on external capital grant funding with £12.29m expected to be received to support the bridge and DFG programmes. Revenue financing of capital expenditure is expected to contribute £5.87m to the capital programme with the majority coming from the vehicle replacement reserve and an allocation from the investment reserve. Given the small balance on the capital receipts reserve, only £0.86m is forecast to be consumed from capital receipts.
- 10.5** 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 2023/24 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 Council's 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 2023/24 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 £1.2m cliff edge in 2025/26. In addition to this, the potential reset of the business rates retention system in 2025/26 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 both the pandemic and current economic climate. 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. The finalised 2022 index is awaited and is expected to show a similar picture to the 2021 position.



**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 2023/24, Tewkesbury expects to charge its garden waste customers £1.08m and therefore if the Government does move forward with its intention, the Council will expect to see compensation in full and on an ongoing basis.

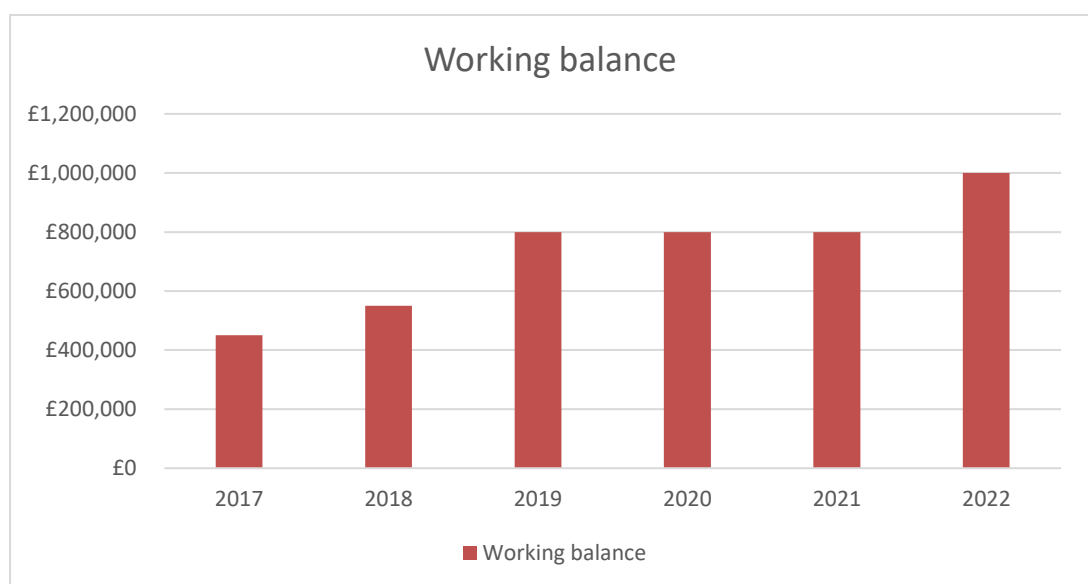
**11.7** With regards to Council Tax, which is the largest of the funding streams available to the Council, the position is improving but remains low in comparison to other districts and is therefore a higher risk when it comes to financial resilience. The level of Council tax income is becoming ever more important to local authorities as the Government continues to reduce central funding in favour of higher levels of funding from Council taxpayers. Over the last seven years, the percentage of Tewkesbury's Core Spending Power taken from council tax has risen from 34.7% to 47.8%. Nationally the figure now stands at 56.8% of CSP. Tewkesbury's percentage is naturally lower given that the tax that is charged is the eighth 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. Investment in this service area will mean that the Council can improve both the scale and speed of transformation within our services. The results of this investment are starting to be seen across service areas, a growing reputation across the sector for transformation and the award of Government funding to support the work of the team.

In addition to this, a number of service reviews are continuing towards a conclusion including both the Planning and Licensing services with further reviews planned. A review of the Council as a whole is also being led by the Corporate Leadership to ensure that the breadth and depth of services that we continue to offer align with our corporate priorities and our funding envelope.

**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 3.72% which is the maximum allowable for Tewkesbury under current referendum thresholds. 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**

<b>Council Tax 22/23</b>	<b>Council Tax 23/24</b>	<b>Increase</b>	<b>Increase</b>	<b>Ongoing income produced</b>	<b>Ongoing savings required</b>
£134.36	£139.36	£5.00	3.72%	£183,907	£0
£134.36	£134.36	£0.00	0.00%	£0	£183,907
£134.36	£135.36	£1.00	0.74%	£36,781	£147,125
£134.36	£136.36	£2.00	1.49%	£73,563	£110,344
£134.36	£137.36	£3.00	2.23%	£110,344	£73,563
£134.36	£138.36	£4.00	2.98%	£147,125	£36,781
£134.36	£141.86	£7.50	5.58%	£275,860	<b>£-91,953</b>
£134.36	£144.36	£10.00	7.44%	£367,814	<b>£-183,907</b>
£134.36	£149.36	£15.00	11.16%	£551,720	<b>£-367,814</b>

**13.2** A range of options are available within the set threshold as detailed within the table. Also highlighted are a number of options that have been suggested as higher monetary thresholds for District Councils. Whilst these are not currently available to the Council without a referendum, the table highlights the additional ongoing income that would be raised by these levels of increased council tax and the percentage uplift on our existing Band D Council tax.

A decrease on the Council Tax has been ruled out given the financial outlook and challenges ahead for the Council.

**13.3** It has been necessary to increase Council Tax by £5 in order to meet the financial pressures 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 £6.2m 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 MONITORING**

**14.1** The delivery of the annual budget is monitored on a monthly basis and reported formally to both Executive Committee and Overview and Scrutiny Committee on a quarterly basis.

#### **15.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES**

**15.1** In line with Medium Term Financial Strategy approved by Council on 24 January 2023.

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**Background Papers:** Medium Term Financial Strategy

**Contact Officer:** Head of Finance & Asset Management  
Tel: 01684 272005

**Appendices:** A - Growth proposals  
B – 2022-27 Capital Programme  
C – Detailed estimates 2023/24



**Growth requests 2023/24**

## Appendix A

<b><u>Section A</u></b>	<b><u>Growth included in the base budget on an ongoing basis</u></b>		
Waste	Additional 22t refuse round	74,494	New round to provide additional capacity to meet current and future growth in the Borough
Waste	Additional 22t recycling round	73,157	New round to provide additional capacity to meet current and future growth in the Borough
Waste	Additional 3.5t refuse round - narrow access	31,123	New round to provide additional capacity at the difficulto reach properties within the Borough
Waste	Additional 3.5t recycling round - narrow access	31,123	New round to provide additional capacity at the difficulto reach properties within the Borough
Licensing	Licensing Service restructure	160,759	Conclusion of staffing element of Licensing review recommendaing an increase of 4fte in team to meet requirements
IT	Cyber Security Trainee	41,500	Additional resource to protect the council's IT systems and network and provide service resilience
IT	ICT Network Officer	41,500	Conversion of temporary post to a permanent one to meet increasing ICT needs
Business Transformation	Corporate Geographical Information System (GIS)	50,000	
Business Transformation	Monsido software	3,295	Required to comply with government accessibility standards (WCAG) for corporate website.
Communications	Orlo software	5,000	Required to effectively manage and monitor social media
Corporate	Corporate resources	44,507	Additional resources to meet growing requirements in corporate services
Planning Policy	Planning Policy Officer	41,500	Additional planning policy resource to meet increasing requirements
Planning Policy	S106 monitoring officer	33,500	Additional resource to monitor and manage the s106 process
Asset Management	Additional Countywide Climate Coordinator support	5,000	Request from Climate Leadership Gloucestershire to add 0.6fte capacity to the coordinator role
		<b>£636,458</b>	
<b><u>Section B</u></b>	<b><u>Growth included on a one off basis</u></b>		
Licensing	Licensing Service restructure	£40,033	12 month fixed term contract for a Licensing Officer
Planning Policy	Planning Policy - Sports, Social and Open Spaces Strategy	£40,000	Funding to deliver an updated 5 year strategy
Asset Management	Climate Risk and Vunerability Statement	£6,250	Request from Climate Leadership Gloucestershire - countywide assessment and busienns case for adaptation and intervention measures
Garden Town	Revenue costs of Garden Town land purchase	£93,715	Estimated management and development costs of land acquisition approved in 2022
Waste	Additional refuse round	£210,000	Additional 22t vehicle acquisition cost
Waste	Additional recycling rounds	£210,000	Additional 22t vehicle acquisition cost
Waste	Additional refuse round - narrow access	£39,000	Additional 3.5t vehicle acquisition cost
Waste	Additional recycling rounds - narrow access	£39,000	Additional 3.5t vehicle acquisition cost
		<b>£677,998</b>	
<b><u>Section C</u></b>	<b><u>Growth not funded</u></b>		
Business Transformation	Adobe licensing	£2,000	Adobe licensing for mock designing new digital services and websites
Business Transformation	Monday - project management software	£1,680	Software to manage the agile nature of the team and to monitor the projects it oversees
Business Transformation	General budget for BTT	£10,000	Operational budget to meet ad hoc requirements
Revenues & Benefits	Remote data base management	£28,000	Outsource databse management for Revenues & Benefits system to current system provider
Revenues & Benefits	Collection rate resources	£74,771	Temporary resources to ensure collection rate is maintained for council tax and business rates
Corporate Services	Information Governance Assistant	£35,291	1 fte to support the Information Governance Officer to deal with the increased number of data requests that are being submitted
Community Development	Community Funding Officer	£36,600	Request to make temporary contract a permanent role
Community Development	Economic Development and Tourism Assistant	£26,000	Request to make temporary contract a permanent role
Development Services	Regeneration Officer	£60,000	Additional resource to meet regeneration needs across the Borough, in particular Tewkesbury Town Centre
Asset Management	AMP sinking fund contribution	£100,000	Annual contribution towards future asset expenditure
Garden Town	Commissioning activity	£100,000	Various commissions required to progress Garden Town ambitions
		<b>£474,342</b>	

## Forecast Capital Programme 2023 - 2028

Appendix B

Scheme	2022/23 Estimate £	2023/24 Forecast £	2024/25 Forecast £	2025/26 Forecast £	2026/27 Forecast £	2027/28 Forecast £	Total £
<b>Council Projects</b>							
<u>Land &amp; Property</u>							
Midwinter land purchase	600,000	835,500	50,000	0	0	0	885,500
Asset Management Plan	598,826	0	0	0	0	0	0
Ashchurch bridge project	2,000,000	8,230,070	0	0	0	0	8,230,070
	<b>3,198,826</b>	<b>9,065,570</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,115,570</b>
<u>Vehicles</u>							
Vehicle replacement programme	394,000	498,000	2,895,000	1,344,000	259,240	210,000	5,206,240
	<b>394,000</b>	<b>498,000</b>	<b>2,895,000</b>	<b>1,344,000</b>	<b>259,240</b>	<b>210,000</b>	<b>5,206,240</b>
<u>Equipment</u>							
Asset Capitalisation	140,021	125,000	125,000	125,000	125,000	125,000	625,000
Electric charging points	25,000	75,000	0	0	0	0	75,000
	<b>165,021</b>	<b>200,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>700,000</b>
<b>Capital Grants</b>							
Old scheme capital grants	22,830	0	0	0	0	0	0
	<b>22,830</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Housing and Business Grants</b>							
Disabled Facilities Grants	800,000	800,000	800,000	800,000	800,000	800,000	4,000,000
	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>4,000,000</b>
<b>Capital Expenditure</b>	<b>4,580,677</b>	<b>10,563,570</b>	<b>3,870,000</b>	<b>2,269,000</b>	<b>1,184,240</b>	<b>1,135,000</b>	<b>19,021,810</b>
<b>Anticipated Capital Receipts</b>							
Right-to-buy receipts	50,000	50,000	50,000	50,000	50,000	50,000	250,000
Land Sales	0	0	0	0	0	0	0
Other receipts	0	0	0	0	0	0	0
<b>Capital Receipts</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>
<b>Capital Resources required</b>							
Capital Receipts	762,851	310,500	175,000	125,000	125,000	125,000	860,500
Capital Grants	3,044,094	9,086,320	800,000	800,000	800,000	800,000	12,286,320
Direct revenue financing	773,732	1,166,750	2,895,000	1,344,000	259,240	210,000	5,874,990
Borrowing - external	0	0	0	0	0	0	0
<b>Capital resources consumed</b>	<b>4,580,677</b>	<b>10,563,570</b>	<b>3,870,000</b>	<b>2,269,000</b>	<b>1,184,240</b>	<b>1,135,000</b>	<b>19,021,810</b>
<b>Opening Capital Receipts</b>							
Received in year	1,310,506	597,655	337,155	212,155	137,155	62,155	
Utilised in year	50,000	50,000	50,000	50,000	50,000	50,000	
	<b>-762,851</b>	<b>-310,500</b>	<b>-175,000</b>	<b>-125,000</b>	<b>-125,000</b>	<b>-125,000</b>	
<b>Capital receipts available</b>	<b>597,655</b>	<b>337,155</b>	<b>212,155</b>	<b>137,155</b>	<b>62,155</b>	<b>-12,845</b>	

## Proposed Budget 2023/2024 by cost centre

Appendix C

		22/23			23/24			Variance
		Gross Operating Income	Gross Operating Expenditure	Net Operating Expenditure	Gross Operating Income	Gross Operating Expenditure	Net Operating Expenditure	
Chief Executive Unit	CECE	-	283,874	283,874	-	292,929	292,929	9,055
<b>Chief Executive Unit Total</b>		<b>-</b>	<b>283,874</b>	<b>283,874</b>	<b>-</b>	<b>292,929</b>	<b>292,929</b>	<b>9,055</b>
Deputy Chief Executive	DCEX	-	-	-	-	-	-	0
<b>Deputy Chief Executive Total</b>		<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>
Corporate Director	CCBS	0	132,200	132,200	-	133,623	133,623	1,423
<b>Corporate Director Total</b>		<b>0</b>	<b>132,200</b>	<b>132,200</b>	<b>-</b>	<b>133,623</b>	<b>133,623</b>	<b>1,423</b>
<b>Corporate Services</b>								
Head of Corporate Services	CCCS	-	154,483	154,483	-	106,079	106,079	-48,404
Internal Audit	CCDP	-	153,640	153,640	-	206,489	206,489	52,849
Corporate Management	CORM	-	15,990	15,990	-	16,705	16,705	715
Central Establishment	CEST	-	35,940	35,940	-	28,468	28,468	-7,472
ICT	CCCI	-	742,746	742,746	-	869,201	869,201	126,455
Policy and Communications	CCPC	-	470,469	470,469	-2,400	530,008	527,608	57,139
Digital Transformation	CCDT	-	327,335	327,335	-	444,555	444,555	117,220
Human Resources	CCHR	-	215,123	215,123	-	258,781	258,781	43,658
Youth Training	YTRN	-	60,938	60,938	-	71,356	71,356	10,418
Corporate Training	CTRN	-	50,000	50,000	-	50,000	50,000	-
Council Tax Reduction Scheme Administration	CTBA	-87,672	-	-87,672	0	-	0	87,672
Housing Benefits Admin	HBAD	-170,512	-	-170,512	-170,512	-	-170,512	0
Housing Benefit-Rent Allowances	RALL	-9,002,000	9,000,000	-2,000	-11,576,000	11,600,000	24,000	26,000
Council Tax	CTAX	-100,000	14,000	-86,000	-100,000	4,000	-96,000	10,000
Non Domestic Rates	NNDR	-126,780	6,000	-120,780	-126,368	2,000	-124,368	-3,588
Revenues & Benefits	FRRB	-	1,106,081	1,106,081	-65,000	1,161,054	1,096,054	-10,027
<b>Corporate Services Total</b>		<b>-9,486,964</b>	<b>12,352,745</b>	<b>2,865,781</b>	<b>-12,040,280</b>	<b>15,348,696</b>	<b>3,308,416</b>	<b>442,635</b>
<b>Democratic Services</b>								
Civic Expenses	CIVE	-	10,400	10,400	-	10,400	10,400	-
Elections	ELEC	-	53,300	53,300	-	54,950	54,950	1,650
Electoral Registration	EREG	-2,500	71,560	69,060	-2,500	80,350	77,850	8,790
Democratic Representation & Management	MEMB	-	426,681	426,681	-	396,464	396,464	-30,217
Standards Committee	STND	-	2,750	2,750	-	1,500	1,500	-1,250
Democratic Services	CCDE	-	290,196	290,196	-	327,015	327,015	36,819
<b>Democratic Services Total</b>		<b>-2,500</b>	<b>854,887</b>	<b>852,387</b>	<b>-2,500</b>	<b>870,679</b>	<b>868,179</b>	<b>15,792</b>
<b>One Legal Services</b>								
Legal Services	CCLE	-2,471,587	2,756,624	285,037	-2,710,617	3,089,242	378,625	93,588
<b>One Legal Services Total</b>		<b>-2,471,587</b>	<b>2,756,624</b>	<b>285,037</b>	<b>-2,710,617</b>	<b>3,089,242</b>	<b>378,625</b>	<b>93,588</b>
<b>Development Services</b>								
Development Control	BDDC	-	1,234,841	1,234,841	-	1,323,913	1,323,913	89,072
Local Land Charges	LAND	-127,000	35,276	-91,724	-127,000	35,343	-91,657	67
Planning Development	PLND	-926,835	148,000	-778,835	-1,010,000	150,500	-859,500	-80,665
Building Regulations	BREG	-	33,713	33,713	-	24,410	24,410	-9,303
Development Group	BDGM	-	104,574	104,574	-	106,080	106,080	1,506
Street Naming & Numbering	SNAN	-25,000	15,000	-10,000	-26,884	16,764	-10,120	120
Joint Core Strategy	JCSB	-60,216	120,216	60,000	-68,526	128,526	60,000	0
CIL Management	CILM	-99,847	99,847	-	-110,147	110,147	-	-
Planning Policy	PPOL	-	6,227	6,227	-	47,272	47,272	41,045
Planning Policy Section Costs	BDPP	-3,813	261,891	258,079	-6,593	358,028	351,435	93,357
Economic & Community Development	BDET	-22,000	280,644	258,644	0	232,277	232,277	-26,367
Community Development	CODV	0	10,000	10,000	-	10,000	10,000	-
Community Grants	COMG	-	36,600	36,600	-	-	-	-36,600
Economic Development	ECDV	-	12,500	12,500	-	2,500	2,500	10,000
Growth Hub	GRHU	-7,920	128,188	120,268	-7,920	109,179	101,259	-19,009
Market	MARK	-33,500	33,500	-	-31,000	31,000	-	-
General Grants & Donations	SECG	-	53,620	53,620	-	53,620	53,620	-
Tourism Marketing & Development	TOGN	-	7,250	7,250	-	7,250	7,250	-
Tourism - Tewkesbury TIC	TOTC	-46,000	102,623	56,623	-46,000	109,899	63,899	7,276
Tourism - Winchcombe T.I.C.	TOWC	-44,980	44,980	-	-42,500	42,500	-	-
<b>Development Services Total</b>		<b>-1,397,111</b>	<b>2,769,491</b>	<b>1,372,380</b>	<b>-1,476,570</b>	<b>2,899,208</b>	<b>1,422,638</b>	<b>50,258</b>
<b>Community Services</b>								
Bulky Waste Service	BULK	-105,000	49,555	-55,445	-121,943	68,297	-53,646	1,799
New Bin Deliveries	BIND	-3,000	67,118	64,118	-2,000	82,703	80,703	16,585
Cleansing Operations	CLAD	-	554,318	554,318	-	627,468	627,468	73,150
Fly Tipping	FLYT	-	19,000	19,000	-	19,000	19,000	0
Food Waste Collection Service	FODW	-	660,364	660,364	-	768,785	768,785	108,421
Garden Waste Collection Service	GADN	-1,035,099	591,442	-443,657	-1,079,416	712,073	-367,343	76,314
Grounds Maintenance Operations	GRND	-15,000	475,223	460,223	-15,500	530,731	515,231	55,008
Recycling Collection Service	RECY	-688,400	1,791,743	1,103,343	-700,720	1,887,783	1,187,063	83,720
Trade Waste Collection Service	TRDE	-307,000	371,970	64,970	-335,500	410,407	74,907	9,937
Household Waste Collection Service	WSTE	-	978,267	978,267	-	1,392,460	1,392,460	414,193

Housing Strategy	HOST	-	4,192	4,192	-	6,000	6,000	1,808
Homelessness - Administration	HOME	-89,100	128,864	39,764	-208,500	261,000	52,500	12,736
Housing Advice	HOAD	-	12,750	12,750	-	13,050	13,050	300
Housing Services	DCHS	-	288,361	288,361	-	319,293	319,293	30,932
Homelessness Prevention	HPRE	-12,500	12,919	419	-43,500	43,833	333	-86
Housing Private Rented Sector	HPRS	-23,000	23,000	-	-40,000	40,000	-	-
Homeseeker Plus	HSEK	-43,378	43,378	-	-46,927	46,927	-	-
Domestic Abuse	DABU	0	0	-	0	0	-	-
Burial Expenses	BURE	-2,000	3,500	1,500	-1,000	2,000	1,000	500
Contaminated Land	COLA	-	4,000	4,000	-	4,375	4,375	375
Environmental Health	DCEH	-	888,849	888,849	-22,000	1,268,876	1,246,876	358,027
Dog Control	DOGW	-	3,600	3,600	-	2,000	2,000	1,600
Environmental Health Fixed Penalty Notice	EHFP	- 1,000	-	-1,000	-800	-	-800	200
Environmental protection	ENVC	-2,600	3,000	400	-1,840	2,100	260	140
Food Safety	FOOD	-1,000	1,338	338	-1,000	1,430	430	92
Glos County Flooding Works	GCCF	0	1,000	1,000	0	250	250	-750
Homes Improvement Agency	HIAG	-	5,000	5,000	-	0	0	-5,000
Local Air Pollution Control	LAPC	-7,504	900	-6,604	-9,500	1,092	-8,408	-1,804
Licensing	LICS	-137,275	5,000	-132,275	-270,801	12,734	-258,067	-125,792
Noise Pollution Control	NOPO	-	1,551	1,551	-	2,652	2,652	1,101
Pest Control	PEST	0	0	0	-	-	-	0
Water Pollution	WAPO	-2,000	314	-1,686	0	0	0	1,686
Workforce Health & Safety	WHAS	-	1,316	1,316	-	1,417	1,417	101
Works in Default	WIDE	-	0	0	- 2,000	2,000	0	0
Private Sector Housing Notices	PSHN	- 10,000	-	-10,000	0	-	0	10,000
Crime and Disorder Act	CDIS	-	7,761	7,761	-	5,332	5,332	-2,430
Head of Community Services	DCCS	-	295,033	295,033	-	317,701	317,701	22,668
Emergency Planning	EMRG	-	18,664	18,664	-	24,442	24,442	5,778
Litter Pickers	LITT	-	3,000	3,000	-	1,000	1,000	- 2,000
<b>Community Services Total</b>		<b>-2,484,855</b>	<b>7,316,292</b>	<b>4,831,437</b>	<b>-2,902,947</b>	<b>8,879,212</b>	<b>5,976,265</b>	<b>1,144,828</b>
<b>Finance &amp; Asset</b>								
Counter Fraud Unit	COUF	-	69,711	69,711	-	82,418	82,418	12,707
Finance & Asset Management	DCFA	-	117,255	117,255	-	118,630	118,630	1,375
New Homes Bonus	NHBO	-	-	0	-	-	-	0
Salary Savings	ZSAL	-	-100,000	-100,000	-	0	0	100,000
Climate Change Costs	CLIM	0	20,000	20,000	-	31,250	31,250	11,250
External Audit & Inspections	AUDF	-	90,000	90,000	-	105,000	105,000	15,000
Bank Charges	BACH	-	89,300	89,300	-	74,600	74,600	-14,700
Financial Management	DCFS	-	488,046	488,046	- 10,300	562,524	552,224	64,178
Insurances Holding Account	INSU	-	222,000	222,000	-	223,855	223,855	1,855
Pensions Compensation	PENC	-	70,000	70,000	-	70,000	70,000	0
Non Distributable Costs	PNDC	-	1,269,000	1,269,000	-	1,170,000	1,170,000	-99,000
Treasury Management	TMAN	-	25,450	25,450	-	21,064	21,064	-4,386
Interest on Balances	INTB	-439,000	467,000	28,000	-1,000,000	633,641	-366,359	-394,359
Central establishment	ACES	-	39,000	39,000	-	38,000	38,000	-1,000
Cemetery Bishops Cleeve	BCCE	-52,500	33,901	-18,599	-65,560	36,239	-29,322	-10,723
Bowling Green	BGRE	-1,831	-	-1,831	-1,880	-	-1,880	-49
Holiday Caravan Site	CARH	-45,000	-	-45,000	-45,000	-	-45,000	-
Car Parking	CARP	-655,500	262,679	-392,821	-641,158	253,576	-387,582	5,239
Cemetery	CEMG	-64,800	58,131	-6,669	-75,830	72,185	-3,645	3,024
Churchyard Maintenance Bishops Cleeve	CMBC	-	6,346	6,346	-	7,049	7,049	703
Asset Management	DCFP	-10,000	477,814	467,814	-33,000	544,704	511,704	43,890
Depots	DEPS	-12,250	21,273	9,023	0	23,950	23,950	14,927
Land Drainage and Flood Prevention	DRAI	-	59,272	59,272	-	61,851	61,851	2,579
Fleet Cars	FLEC	0	48,060	48,060	-	61,240	61,240	13,180
Golf Course	GOLF	-26,000	-	-26,000	-27,000	-	-27,000	-1,000
Homeless Properties	HOUS	-43,279	27,325	-15,954	-46,948	28,025	-18,923	-2,969
Mop Fair	MFAR	-13,443	7,020	-6,423	-13,578	7,020	-6,558	-135
Outdoor Sports & Recreation Facilities	OSRF	-1,672	-	-1,672	-2,000	-	-2,000	-328
Play Areas and Parks	PARK	-1,500	15,000	13,500	-2,500	15,000	12,500	-1,000
Public Offices	POFF	-284,553	335,472	50,919	-276,130	405,557	129,427	78,508
Retained Assets	RETA	-6,000	27,020	21,020	-6,000	34,369	28,369	7,349
Roses Theatre	ROSE	-	500	500	-	500	500	0
Naming And Numbering Of Streets	NOST	-	7,000	7,000	-	8,000	8,000	1,000
Leisure Centre Investment	TNLF	-167,324	-	-167,324	-193,078	-	-193,078	-25,754
Clevedon Properties	CLEV	-102,733	-	-102,733	-102,671	-	-102,671	62
Challenge House	CHAL	-967,230	-	-967,230	-970,949	-	-970,949	- 3,718.96
The Chase	CHAS	-319,095	54,354	-264,741	-320,826	59,659	-261,167	3,573.85
Edmund House	EDMU	-229,724	-	-229,724	-230,071	-	-230,071	- 347.42
SPL House	SPLH	-243,409	-	-243,409	-262,301	-	-262,301	- 18,891.95
Wickes	WICK	-316,478	-	-316,478	-316,715	-	-316,715	- 237.25
Walton on the Naze - Marks	WOTN	-233,039	-	-233,039	-233,144	-	-233,144	- 104.80
Property Investment Savings Plan	PROP	-	10,000	10,000	-	103,715	103,715	93,715
Vaughan Pak, Tipton	TIPT	-456,246	76,074	-380,172	-646,048	88,635	-557,413	-177,241
Volvo, Crawley	VOLV	-502,958	-	-502,958	-499,784	-	-499,784	3,174.04
<b>Finance &amp; Asset Total</b>		<b>-5,195,564</b>	<b>4,394,003</b>	<b>-801,561</b>	<b>-6,022,471</b>	<b>4,942,255</b>	<b>-1,080,216</b>	<b>-278,655</b>
<b>Grand Total</b>		<b>-21,038,581</b>	<b>30,860,115</b>	<b>9,821,534</b>	<b>-25,155,386</b>	<b>36,455,844</b>	<b>11,300,458</b>	<b>1,478,924</b>

## **Amendment to Budget 2023-2024 report as a result of the Ashchurch Bridge position**

### **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 £10.79m 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. In addition, the planned construction of a bridge in Ashchurch to support the delivery of the garden town has also been removed from the capital programme given the recent Court of Appeal and impending withdrawal of external funding.

**10.3** Included within the programme is the re-provision of a large proportion of the vehicle fleet expected to total £4.7m and funded from revenue set aside. A further report will be submitted to members about the detailed proposals for the fleet replacement programme. Also included within the fleet purchase figure is the additional £498,000 required for the additional rounds required to be provided to meet the growth of the Borough and to enable safer collections from hard-to-reach places within the Borough.

An increased level of expenditure on Disabled Facilities Grants (DFGs), based on the current year expenditure profile, is projected throughout the programme. This totals £4m over the five year forecast and is financed entirely by government grant.

The annual asset capitalisation programme, which provides funding for the purchase of waste and recycling receptacles as well as the IT replacement programme, has been uplifted to £125,000 p.a. to reflect increased costs and the shorter expected lifespan of personal devices.

**10.4** The programme relies heavily on external capital grant funding with £4.06m expected to be received to support the DFG programme and the rollout of electric vehicle charging points. Revenue financing of capital expenditure is expected to contribute £5.87m to the capital programme with the majority coming from the vehicle replacement reserve and an allocation from the investment reserve. Given the small balance on the capital receipts reserve, only £0.86m is forecast to be consumed from capital receipts.

**10.5** 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.

## Forecast Capital Programme 2023 - 2028

Scheme	2022/23 Estimate £	2023/24 Forecast £	2024/25 Forecast £	2025/26 Forecast £	2026/27 Forecast £	2027/28 Forecast £	Total £
<b>Council Projects</b>							
<u>Land &amp; Property</u>							
Midwinter land purchase	600,000	835,500	50,000	0	0	0	885,500
Asset Management Plan	598,826	0	0	0	0	0	0
Ashchurch bridge project	450,000	0	0	0	0	0	0
	<b>1,648,826</b>	<b>835,500</b>	<b>50,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>885,500</b>
<u>Vehicles</u>							
Vehicle replacement programme	394,000	498,000	2,895,000	1,344,000	259,240	210,000	5,206,240
	<b>394,000</b>	<b>498,000</b>	<b>2,895,000</b>	<b>1,344,000</b>	<b>259,240</b>	<b>210,000</b>	<b>5,206,240</b>
<u>Equipment</u>							
Asset Capitalisation	140,021	125,000	125,000	125,000	125,000	125,000	625,000
Electric charging points	25,000	75,000	0	0	0	0	75,000
	<b>165,021</b>	<b>200,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>125,000</b>	<b>700,000</b>
<b>Capital Grants</b>							
Old scheme capital grants	22,830	0	0	0	0	0	0
	<b>22,830</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Housing and Business Grants</b>							
Disabled Facilities Grants	800,000	800,000	800,000	800,000	800,000	800,000	4,000,000
	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>800,000</b>	<b>4,000,000</b>
<b>Capital Expenditure</b>	<b>3,030,677</b>	<b>2,333,500</b>	<b>3,870,000</b>	<b>2,269,000</b>	<b>1,184,240</b>	<b>1,135,000</b>	<b>10,791,740</b>
<b>Anticipated Capital Receipts</b>							
Right-to-buy receipts	50,000	50,000	50,000	50,000	50,000	50,000	250,000
Land Sales	0	0	0	0	0	0	0
Other receipts	0	0	0	0	0	0	0
<b>Capital Receipts</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>250,000</b>
<b>Capital Resources required</b>							
Capital Receipts	762,851	310,500	175,000	125,000	125,000	125,000	860,500
Capital Grants	1,494,094	856,250	800,000	800,000	800,000	800,000	4,056,250
Direct revenue financing	773,732	1,166,750	2,895,000	1,344,000	259,240	210,000	5,874,990
Borrowing - external	0	0	0	0	0	0	0
<b>Capital resources consumed</b>	<b>3,030,677</b>	<b>2,333,500</b>	<b>3,870,000</b>	<b>2,269,000</b>	<b>1,184,240</b>	<b>1,135,000</b>	<b>10,791,740</b>
<b>Opening Capital Receipts</b>							
Received in year	1,310,506	597,655	337,155	212,155	137,155	62,155	
Utilised in year	50,000	50,000	50,000	50,000	50,000	50,000	
	<b>-762,851</b>	<b>-310,500</b>	<b>-175,000</b>	<b>-125,000</b>	<b>-125,000</b>	<b>-125,000</b>	
<b>Capital receipts available</b>	<b>597,655</b>	<b>337,155</b>	<b>212,155</b>	<b>137,155</b>	<b>62,155</b>	<b>-12,845</b>	

## TEWKESBURY BOROUGH COUNCIL

<b>Report to:</b>	Council
<b>Date of Meeting:</b>	21 February 2023
<b>Subject:</b>	Pay Policy Statement
<b>Report of:</b>	Head of Corporate Services
<b>Head of Service/Director:</b>	Chief Executive
<b>Lead Member:</b>	Lead Member for Organisational Development
<b>Number of Appendices:</b>	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 2023-24 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 2023–24.**

**Financial Implications:**

All of the financial elements of the Pay Policy Statement are included in the 2023-24 draft budget to be considered and approved by Council separately at its meeting on 21 February 2023.

**Legal Implications:**

This statement will ensure that the Authority complies with the Localism Act 2011. Pay Policy statements must be considered and approved by Council.

**Environmental and Sustainability Implications:**

None.

**Resource Implications (including impact on equalities):**

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

**Safeguarding Implications:**

None.



**Impact on the Customer:**

None.

**1.0 INTRODUCTION**

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 2023-24 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 There are minor changes to the Council's Pay Policy Statement from 2022-23. These include:

- Updating statistics and finances.
- Reflection of the management structure changes which will be in place from 1 April 2023.
- Update in relation to current payscales.
- New electric and ultra low emission vehicle salary sacrifice scheme.

**3.0 CONSULTATION**

3.1 The S151 and Deputy S151 Officers have been consulted.

**4.0 ASSOCIATED RISKS**

4.1 None. Not approving and publishing the statement would mean the Council was not compliant with the requirements of the Localism Act 2011.

**5.0 MONITORING**

5.1 The HR & OD Manager will be responsible for publishing the statement on the Council website before 31 March 2023.

**6.0 RELEVANT COUNCIL PLAN PRIORITIES/COUNCIL POLICIES/STRATEGIES**

6.1 None.

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**Background Papers:** None.

**Contact Officer:** HR & OD Manager Tel: 01684 272239

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**Appendices:** 1. Pay Policy Statement 2023-2024.



# Pay policy statement

2023/2024

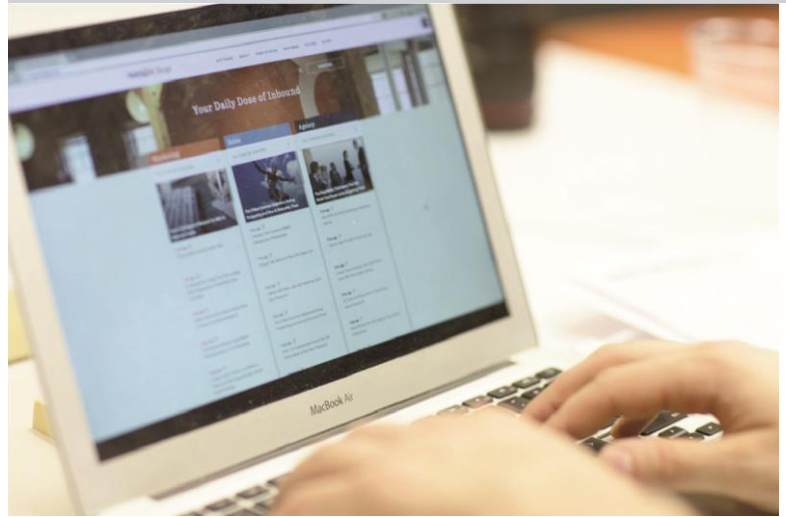


**Transform**  
Tewkesbury Borough



# 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 2023. 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 2022/23 the council was directly responsible for a net revenue budget of £9.2m and for the employment of 222 staff. There is a capital programme of £15.1m over the next 5 years. The council’s capital receipt reserves currently stand at £1 m with earmarked reserves of £30.8m and a general fund balance of £1m. Our Band D council tax is one of the lowest in England.

The council provides services to a total population of approximately 94,900 residents (ONS Census 2021) made up of 44,319 households (Revenues data Jan 2023) 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

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 and retaining 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 and retain the best staff. This approach will only be adopted where there is clear evidence of recruitment/retention 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 last pay award agreement reached between Local Government National Employers and the unions was for £1925 to be added to each point on the payscale, including for chief officers and chief executives, effective from 1<sup>st</sup> April 2022.

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 senior manager roles which is arranged in 7 pay grades (SM6 to SM1, including a subdivision for Corporate Associate Directors) where grades have 5 pay levels. New employees will usually be appointed to the minimum pay level for the relevant grade, unless a higher pay point can be objectively justified, 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

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. 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 employer contribution rate is 19.7%.

### 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 (this includes those in the childcare voucher scheme, the Cycle To Work scheme, 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, and the

Corporate Director (formerly known as Borough Solicitor). Following the implementation of a management team restructure in Quarter 1 of 2023, this will be amended to the Chief Executive, the Executive Director: Place and the Executive Director: Resources and Section 151. Additionally following the full implementation of the management team restructure, the statutory role of monitoring officer will be provided via a contract with One Legal.

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 'contract 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 paycales (Senior Managers Payscale) to senior management posts including chief officers.

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 Corporate Director (formerly known as Borough Solicitor). Following the implementation of a management team restructure in Quarter 1 of 2023, this will be amended to the Chief Executive, the Executive Director: Place and the Executive Director: Resources and Section 151.

Additionally following the full implementation of the management team restructure Q1 of 2023, the statutory role of monitoring officer will be provided via a contract with One Legal.

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 2023:

- Chief executive – the current salary of the post is £123,680 per annum. The salary falls within a range of 5 incremental points between £112,613 FTE, rising to a maximum of £123,680 FTE. The postholder is an employee on a permanent employment contract
- Corporate Director – the current salary of the post is £98,224 per annum on SM3 of the Senior Managers payscale. The SM3 pay range covers £88,259 - £98,224. The Corporate Director is an employee of the council on a permanent employment contract.

From implementation of the management restructure in 2023 the following roles will be chief officers alongside the Chief Executive:

- Executive Director: Resources and s151, paid at SM3 of the Senior Managers payscale which ranges from £88,259 to £98,224 FTE. This postholder will be a permanent employee of the council.
- Executive Director: Place, paid at SM3 of the Senior Managers payscale which ranges from £88,259 to £98,224 FTE. This postholder will be a permanent employee of the council.
- The salaries of posts designated as senior managers fall within a range of 30 incremental points between SM6 £ £64,061 FTE rising to a maximum of SM1 £123,680 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 (Directors from 1<sup>st</sup> April 2023) 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 (Director from 1<sup>st</sup> April 2023) 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 bring them in line with the Real Living Wage hourly rate.

#### Standby allowances

A standby allowance (sometimes known as on-call) is paid to members of staff who are contractually required to provide cover for unscheduled out of hours work. 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.

#### 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 2022, this is £20,258 per annum pro rata which is enhanced to £21,029 per annum pro rata through our Real Living Wage commitment (£10.50 per hour, £10.90 per hour with Real Living Wage top up).

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 1:5.94 and; between the lowest paid (full time) employee and average chief officer is 1:5.34. The multiple between

the median (average) full time equivalent earnings and the Chief Executive is 1:3.76.

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.

### 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 (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:



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