

TEWKESBURY BOROUGH COUNCIL

**Minutes of a Meeting of the Executive Committee held at the Council Offices,
Gloucester Road, Tewkesbury on Wednesday, 1 February 2023 commencing at
2:00 pm**

Present:

Chair
Vice Chair

Councillor R A Bird
Councillor J R Mason

and Councillors:

G F Blackwell, M Dean, R D East (Substitute for R J E Vines), M A Gore, M L Jordan,
E J MacTiernan and M G Sztymiak

also present:

Councillor R J G Smith

EX.83 ANNOUNCEMENTS

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

EX.84 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

84.1 Apologies for absence were received from Councillors D J Harwood, R J Stanley and R J E Vines. Councillor R D East was acting as a substitute for the meeting.

EX.85 DECLARATIONS OF INTEREST

85.1 It was noted that, since the publication of the Agenda, the Council had approved a new Code of Conduct.

85.2 The Committee's attention was drawn to the Tewkesbury Borough Code of Conduct which was adopted by the Council on 24 January 2023 and took effect on 1 February 2023.

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

EX.86 MINUTES

86.1 The Minutes of the meeting held on 4 January 2023, copies of which had been circulated, were approved as a correct record and signed by the Chair.

EX.87 ITEMS FROM MEMBERS OF THE PUBLIC

87.1 There were no items from members of the public.

EX.88 EXECUTIVE COMMITTEE FORWARD PLAN

88.1 Attention was drawn to the Committee's Forward Plan, circulated at Pages No.8-12. Members were asked to consider the Plan.

88.2 Accordingly, it was

RESOLVED: That the Executive Committee's Forward Plan be **NOTED**.

EX.89 BUDGET 2023/24

89.1 The report of the Head of Finance and Asset Management, circulated at Pages No. 13-38, set out a proposed net budget total, government support and other financing streams, along with the Council Tax requirement and growth items. The Committee was asked to recommend to Council a net budget of £11,300,458; a Band D Council tax of £139.36, an increase of £5 per annum; inclusion of growth items within the budget for 2023/24 as proposed in Appendix A to the report; and the capital programme as proposed in Appendix B to the report.

89.2 Attention was drawn to Paragraph 2 of the report which set out the local government finance settlement 2023/24 announced on 19 December 2022 and confirmed at the end of January 2023. The settlement was provided using a needs based funding assessment of the support required to deliver services to the Borough, net of the resources that could be raised locally, and was provided via the three streams of Revenue Support Grant; Rural Services Delivery Grant; and Business Rates Baseline funding. Table 1 in the report, showed that the Council's needs based funding had seen an increase of £203,217, or 10.78%, for 2023/24 - there were a number of factors that had contributed to that increase - Revenue Support Grant for 2023/24 contained two previously specific grants that had been rolled together as the government attempted to simplify the grants system – the grants and their values were: Council Tax Support Administration Subsidy and Family Annexe Council Tax Discount grant; an uplift to the core Revenue Support Grant; a freeze to the rural element of funding; and an uplift to the Business Rates baseline funding. A Funding Guarantee of 3% had been put in place in recognition of current inflationary pressures which had been introduced as one-off funding for 2023/24. This would guarantee that all Councils would see at least a 3% increase in their Core Spending Power before any decisions about organisational efficiencies, use of reserves or Council Tax levels were made. For Tewkesbury, this meant a 3% uplift in its current Core Spending Power of £10million which would result in an uplift in funding support of £300,000. In addition, the Council would benefit from any increase in Council Tax it agreed to rather than it simply replacing lost funding - a £5 increase in Council Tax would generate approximately £184,000 so the new Funding Guarantee would see an increase in Core Spending Power of £484,000.

89.3 Members were advised that last year's policy on New Homes Bonus would be rolled over for a new round of payments in 2023/24. Tewkesbury would see a New Homes Bonus allocation of £1,240,366 in 2023/24. Business Rates Retention was looking healthy with retention of £1.98 million which was a significant increase on the current year and Virgin Media had been moved to the central list meaning that risk to the Council had been eliminated which was great news. The amount of business rate relief support provided by the government, and the robustness of the local business community, meant a one-off surplus had been generated within the collection fund of which Tewkesbury's share totalled £377,475 – that one-off surplus had been included within the 2023/24 budget. In addition to its individual performance, Tewkesbury Borough would remain a member of the Gloucestershire

Business Rates Pool which generated higher levels of retained income within Gloucestershire. Given the financial challenges facing the Council, particularly from the impact of inflation and growth of the Borough, Tewkesbury Borough's share of the additional retention accumulated by the pool arrangements would now be included within the base budget as an expected funding stream – an estimate of £225,000 had been included within the 2023/24 budget and would therefore directly support the delivery of ongoing services. Any retention generated over that level would be treated as a windfall bonus at the year-end; the windfall could be used to boost a number of long-term planning reserves such as vehicle replacement, asset maintenance and IT replacement and therefore mitigate the need for additional ongoing budget growth. There had been many requests made for growth from service areas and, whilst it was not able to afford them all, due to the positive business rates position the Council had been able to afford more growth than originally anticipated which was good. In addition to the ongoing funding recommended, one-off funding was also included in the budget proposal largely as a result of the additional rounds required for the waste and recycling operation with four new vehicles required to meet the need.

- 89.4 The proposed budget was set out at Section 6 of the report and included details of additional costs and reduced income, budget savings and increased income with table 4 providing the base estimates and table 5 setting out the finance available to fund the net budget requirement. The Council Tax proposals were detailed at Section 7 of the report and showed that the proposed increase would be the eighth successive year the Council would have increased Council tax by the maximum £5 per year. The Council's budget was prepared using best estimates for the level and timing of the expenditure, budget and efficiency savings and available resources; however, there were a number of uncertainties which could have an impact on the budget of the Council and those were identified in the risks section of the report. The capital programme was reduced in size compared to previous years and currently totalled £19.02million over the next five years – the reduction in the size of the programme was largely as a result of the cessation of the acquisition phase of the commercial property portfolio; there was significant expenditure within the remaining programme including the delivery of a bridge at Ashchurch to support the delivery of the Garden Town – this totalled £11.2million across the life of the project based on latest estimates and was funded entirely from external grants. Section 25 of the Local Government Act 2003 required 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 required Councillors to have regard to the report in making decisions at the Council's budget and Council Tax setting meeting. That statement was included in the report at Paragraph 11 and noted that the Chief Finance Officer was satisfied the estimates were robust. The proposal within the report was for the Council to increase Council Tax by £5, or 3.72%, which was the maximum allowable for Tewkesbury under the current referendum thresholds. In producing a balanced budget proposal, Officers had considered a number of options for Council Tax and a summary of the different levels was shown at table 10 of report alongside the impact on the Council's ongoing deficit. A range of options were available within the set thresholds; also highlighted were a number of options that had been suggested as higher monetary thresholds for district Councils and, whilst those were not currently available to the Council without a referendum, the table highlighted the additional ongoing income that would be raised by those levels of increased Council Tax and the percentage uplift on an existing Band D Council Tax. A decrease in the Council Tax had been ruled out given the financial outlook and challenges ahead for the Council. It had been necessary to recommend an increase in Council Tax by £5 in order to meet the financial pressures facing the Council. Whilst lower Council tax increases had been considered, those 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 was not considered

prudent and only resulted 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. The recommended increase in Council Tax was also made against the background of a £6.2million projected deficit over the next five years and the uncertainty about government policy for local government finance. This left the Council in a risky position, it was therefore of paramount importance that it took the decision to increase financing streams within its control as and when it could and to its full extent.

89.5 A Member raised a question in relation to the capital programme and particularly the Ashchurch Bridge funding. In response, the Head of Finance and Asset Management explained that at current estimates, the cost of the bridge had increased to £11.2million – Housing Infrastructure Fund (HIF) had already been awarded and the deficit against that was being discussed - it was hoped to have agreement soon with the programme proceeding over the next 12-18 months. The HIF money remained available until March 2024 so it was guaranteed at the moment, and there was just a need to secure the balance required to fund the bridge.

89.6 Accordingly, it was

RESOLVED: That it be **RECOMMENDED TO COUNCIL:**

1. That a net budget of £11,300,458 be **APPROVED**.
2. That a Band D Council Tax of £139.36, an increase of £5 per annum, be **APPROVED**.
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 **APPROVED**.

EX.90 ARMED FORCES COVENANT

90.1 The report of the Community and Economic Development Manager, circulated at Pages No. 39-42, sought to re-affirm support for the government's community covenant scheme by re-signing the Armed Forces Covenant with the aim of showing the Borough Council's continued commitment to the Armed Forces and their families based within the Borough.

90.2 Members were advised that the Armed Forces Covenant existed between the people of the UK, the Armed Forces and their families and it laid out the principles which should exist in the relationship between the Armed Forces and the rest of the nation, including respect, support and fair treatment – it made clear that no one who had served should face disadvantage from their service and that, in some cases, special consideration was appropriate. The aims of the Covenant were to encourage local communities to support the Armed Forces community in their areas; encourage the Armed Forces community to help and support the wider community, whether through participation in events and joint projects or other forms of engagement; promote understanding and awareness among the public of issues affecting the Armed Forces community; recognise and remember the sacrifices made by the Armed Forces community; and encourage activities which would help integrate the Armed Forces community into local life.

90.3 A Member questioned how much match-funding had been provided so far, where that money came from and how it was approved by the Panel. The Community and Economic Development Manager explained that there was a specific fund which could be applied for if there was a project the Armed Forces and the community

wished to work on together. To date, no such application had been made and the Panel was not a Borough Council Panel but a National Funding Panel.

90.4 The Lead Member for Community proposed the signing of the Armed Forces Covenant and indicated that she knew the Lead Member for Health and Wellbeing was keen to re-sign and, upon being seconded, it was

RESOLVED: That the Gloucestershire Armed Forces Community Covenant be signed.

The meeting closed at 2:25 pm