

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

23RD FEBRUARY 2022, AT 3.00 P.M.

PRESENT: Councillors K.J. May (Leader), G. N. Denaro (Deputy Leader),
M. A. Sherrey, P.L. Thomas and M. Thompson

Officers: Mr. K. Dicks, J Howse, Carpenter, Mrs. C. Felton,
Ms. D. Poole, Mrs. J. Bayley-Hill and J Gresham

57/21 **TO RECEIVE APOLOGIES FOR ABSENCE**

An apology for absence was received on behalf of Councillor Shirley Webb.

58/21 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

59/21 **TO CONFIRM THE ACCURACY OF THE MINUTES OF THE MEETING OF THE CABINET HELD ON 16TH FEBRUARY 2022 (TO FOLLOW)**

The minutes of the Cabinet meeting held on Wednesday 16th February 2022 were submitted.

RESOLVED that the minutes of the Cabinet meeting held on 16th February 2022 be approved as a true and correct record.

60/21 **CONSIDERATION OF ANY RECOMMENDATIONS ARISING FROM THE MEETING OF THE OVERVIEW AND SCRUTINY BOARD HELD ON 15TH FEBRUARY 2022 (TO FOLLOW)**

Cabinet was informed that no recommendations had been made at the latest meeting of the Overview and Scrutiny Board held on 15th February 2022.

61/21 **PAY POLICY 2022 - 2023**

The Head of Business Transformation, Organisational Development and Digital Strategy presented the Pay Policy Statement 2022/23. Cabinet was informed that the Council was required to agree a Pay Policy Statement by 31st March every year. The Pay Policy Statement detailed the remuneration for the lowest paid staff, the remuneration for the highest paid staff and the differences between the two. Information was also provided in the report about how the Council calculated the salaries that should be paid to staff employed at different levels in the organisation.

During consideration of this item, questions were raised about the content of the report and whether there had been any changes to pay levels over the preceding 12-month period. Officers confirmed that no changes had been made.

RECOMMENDED that the Pay Policy be approved.

62/21

2022/23 BUDGET AND MEDIUM TERM FINANCIAL PLAN (INCLUDING CAPITAL PROGRAMME)

The Executive Director of Resources presented the 2022/23 Budget and the Medium Term Financial Plan (MTFP) 2022/23 to 2024/25 for Cabinet's consideration. The report detailed the proposed content for the Council's budget in the 2022/23 financial year together with the authority's plans for the full three-year period of the MTFP. The format of the report had been updated to improve clarity. The Finance and Budget Working Group and the Overview and Scrutiny Board had both pre-scrutinised the draft budget proposals but had not made any recommendations on the content of the budget or MTFP.

The 2022/23 budget was robust and balanced. However, the balance had only been achieved using funding from the Council's balances. Officers were anticipating that, without action, the Council's balances would fall below the minimum level considered acceptable by the Council's Section 151 Officer by 2024/25. Therefore, action would need to be taken to ensure that the Council's budget remained sustainable moving forward.

The 2022/23 budget and the MTFP 2022/23 to 2024/25 had been developed in a challenging financial context for local government. There was also unprecedented uncertainty about the future funding arrangements for Councils.

There were various factors impacting on the budget position. This included:

- Inflation, which was higher than in previous years.
- Pay inflation, which was anticipated to be approximately 2 per cent per annum over the period of the plan.
- Budget bids, which placed pressure on the budget.
- Pressures arising from an anticipated reduction in income from car parking fees due to a decline in footfall during the Covid-19 pandemic. The decision not to increase fees for car parking charges would also impact on income from this source.
- The transfer of £382,000 from earmarked reserves to help balance the budget.
- A proposed increase of £5 in Council Tax per year.

Following the presentation of the report, Members thanked Officers for their hard work in preparing the budget. It was acknowledged that this

had occurred at a time when there were significant challenges faced by the Financial Services team.

RECOMMENDED that Council approve

- 1) the overall net general fund revenue budgets of:

2022/23:	£12.069m
2023/24:	£11.947m
2024/25:	£12.076m

- 2) the unavoidable costs:

2022/23:	£0.250m
2023/24:	£0.016m
2024/25:	£0.016m

- 3) the Revenue Bids:

2022/23:	£0.148m
2023/24:	£0.107m
2024/25:	£0.086m

- 4) the Identified Savings:

2022/23:	£0.176m
2023/24:	£0.176m
2024/25:	£0.176m

- 5) an increase of the Council Tax per Band D equivalent of £5 for 2022/23;

- 6) the transfer from General Fund Balances of £0.411m for 2022/23;

- 7) the planned reallocation of £0.382m from Earmarked reserves to General Fund Balances;

- 8) the General Fund capital programme:

2022/23:	£2.410m
2023/24:	£1.390m
2024/25:	£1.946m

and that Council **NOTE**:

- 1) the 2020/21 Capital Outturn; and
- 2) the Chief Financial Officer's (CFO) Opinion on Estimates and Reserve Levels.

COUNCIL TAX RESOLUTIONS 2022/23 (REPORT TO FOLLOW)

The Executive Director of Resources presented the Council Tax Resolutions 2022/23 for Members' consideration. The content of the report was fairly technical. Officers had incorporated information that had been received from precepting organisations, alongside the contribution required for Bromsgrove District Council, when calculating the overall figures.

During consideration of this item, Officers explained that initially the Council Tax Resolutions report 2021/22 had been released in error for consideration at the meeting. This error had been noticed at an early stage and the correct Council Tax Resolutions for 2022/23 had subsequently been issued.

RESOLVED to note that at a Cabinet meeting held on 19th January 2022 Members approved the calculated Council Tax Base 2022/23 as:

- (a) for the whole Council area as 37,511.05 [Item T in the formula in Section 31B of the Local Government Act 1992, as amended (the "Act")]; and
- (b) for dwellings in those parts of its area to which a Parish precept relates the amounts as shown in Column 4 of the attached **Schedule 1**.

RECOMMENDED that Council approve

- 1) the calculation for the Council Tax requirement for the Council's own purposes for 2022/23 (excluding Parish precepts) as **£8,937,309.38**;
- 2) the following amounts be calculated for the year 2022/23 in accordance with sections 31 to 36 of the Act:
 - (a) £43,846,702 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act (taking into account all precepts issued to it by Parish Councils) (*i.e.*, *Gross expenditure*);
 - (b) £33,847,101 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act. (*i.e.*, *Gross income*);
 - (c) £9,999,601 being the amount by which the aggregate of 1.2.2(a) above exceeds the aggregate at 1.2.2(b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act);

- (d) £266.58 being the amount at 1.2.2 (c) above (Item R), all divided by Item T (1.1(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts);
- (e) £1,071,812 being the aggregate amount of all special items (Parish precepts) referred to in Section 34 (1) of the Act (as per the attached **Schedule 3**);
- (f) £238.00 being the amount at 1.2.2 (d) above less the result given by dividing the amount at 1.2.2 (e) above by Item T (1.1 (a) above), calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates;
- (g) The amounts shown in Column 3 of **Schedule 1**. These are the basic amounts of the council tax for the year for dwellings in those parts of the Council's area shown in Column 1 of the schedule respectively to which special items relate, calculated by the Council in accordance with Section 34(3) of the Act. (District and Parish combined at Band D);
- (h) The amounts shown in Column 5 of **Schedule 1** being the amount given by multiplying the amounts at 2.2.2(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands;
- 3) It be noted that for the year 2022/23, Worcestershire County Council, Police and Crime Commissioner for West Mercia and Hereford and Worcester Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwelling in the Council's area as indicated below:

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Worcestershire County Council	931.19	1,086.38	1,241.58	1,396.78	1,707.18	2,017.57	2,327.97	2,793.56
Police and Crime Commissioner for West Mercia	166.44	194.18	221.92	249.66	305.14	360.62	416.10	499.32
Hereford and Worcester Fire Authority	59.60	69.53	79.47	89.40	109.27	129.13	149.00	178.80

- 4) having calculated the aggregate in each case of the amounts at 1.2.2(h) and 1.2.3 above, that Bromsgrove District Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992 hereby sets the amounts shown in **Schedule 2** as the amounts of Council Tax for 2022/23. for each part of its area and for each of the categories of dwellings:
- 5) the Executive Director Finance & Resources be authorised to make payments under Section 90(2) of the Local Government Finance Act 1988 from the Collection Fund by ten equal instalments between April 2022 to March 2023 as detailed below:

	Precept	Deficit on Collection Fund	Total to pay
	£	£	£
Worcestershire County Council	52,394,684.00	991,717.00	53,386,401.00
Police and Crime Commissioner for West Mercia	9,365,008.74	177,384.00	9,542,392.74
Hereford & Worcester Fire Authority	3,353,491.52	65,913.06	3,419,404.58

- 6) the Executive Director Finance & Resources be authorised to make transfers under Section 97 of the Local Government Finance Act 1988 from the Collection Fund to the General Fund the sum of £10,171,181 being the Council's own demand on the Collection Fund (£8,927,789.21) and Parish Precepts (£1,071,812) and the distribution of the Deficit on the Collection Fund (£171,580);
- 7) the Executive Director Finance & Resources be authorised to make payments from the General Fund to Parish Councils the sums listed on **Schedule 3** by two equal instalment on 1 April 2022 and 1 October 2022 in respect of the precept levied on the Council;
- 8) the above resolutions to be signed by the Chief Executive for use in legal proceedings in the Magistrates Court for the recovery of unpaid Council Taxes;
- 9) notices of the making of the said Council Taxes signed by the Chief Executive are given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992;

- 10) authority be delegated to the Head of Finance and Customer Services (Interim S151) following consultation with the finance portfolio holder to amend the resolution should the Hereford and Worcester Fire Authority Service not approve the estimated figure that is being used in this report. This is due to the Hereford and Worcester Authority Service having their approval meeting after this resolution report has been brought to Council.

The meeting closed at 3.12 p.m.

Chairman