

T: 01495 356139 Ext./Est: 6139

E: committee.services@blaenau-gwent.gov.uk

Contact:/Cysylltwch â: Gwasanaethau Democraataidd



THIS IS A MEETING WHICH THE PUBLIC ARE ENTITLED TO ATTEND

Dydd Gwener, 5 Mawrth 2021 Dydd Gwener, 5 Mawrth 2021

Dear Sir/Madam

CYFARFOD ARBENNIG O'R CYNGOR

A meeting of the Cyfarfod Arbennig o'r Cyngor will be held in Siambr y Cyngor, Canolfan Ddinesig on Dydd Iau, 11eg Mawrth, 2021 at 10.00 am.

Yours faithfully

Michelle Morris
Managing Director

AGENDA

Pages

1. CYFIEITHU AR Y PRYD

Mae croeso i chi ddefnyddio'r Gymraeg yn y cyfarfod, mae angen o leiaf 3 diwrnod gwaith o hysbysiad ymlaen llaw os dymunwch wneud hynny. Darperir gwasanaeth cyfieithu ar y pryd os gwneir cais.

2. YMDDIHEURIADAU

Derbyn ymddiheuriadau.

We welcome correspondence in the medium of Welsh or English. / Croesawn ohebiaith trwy gyfrwng y Gymraeg neu'r Saesneg.

3. DATGANIADAU BUDDIANT A GODDEFEBAU

Ystyried unrhyw ddatganiadau buddiant a goddefebau a wnaed.

4. CYLLIDEB REFENIW 2021/2022

5 - 20

Ystyried adroddiad y Prif Swyddog Adnoddau.

To: M. Moore (Cadeirydd)
J. Holt (Deputy Chair)
G. A. Davies
G. Paulsen
L. Winnett
P. Edwards
G. Collier
J. Collins
M. Cook
M. Cross
N. Daniels
P. Baldwin
D. Davies
G. L. Davies
M. Day
D. Bevan
L. Elias
D. Hancock
K. Hayden
S. Healy
J. Hill
W. Hodgins
M. Holland
J. Mason
H. McCarthy
C. Meredith
J. Millard
J. C. Morgan
J. P. Morgan
L. Parsons
K. Pritchard
K. Rowson
T. Sharrem
T. Smith
B. Summers
B. Thomas
G. Thomas
S. Thomas

H. Trollope
J. Wilkins
D. Wilkshire
B. Willis

All other Members (for information)
Manager Director
Chief Officers

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Agenda Item 4

Executive Committee and Council only

Date signed off by the Monitoring Officer:

Date signed off by the Section 151 Officer:

Executive Committee and Council only

Date signed off by the Monitoring Officer: 5.3.21

Date signed off by the Section 151 Officer: 5.3.21

Committee:

Date of Meeting:

Special Council

11th March, 2021

Report Subject:

Revenue Budget 2021/2022

Portfolio Holder:

**Councillor N. Daniels, Leader/
Executive Member Corporate
Services**

Report Submitted by:

R Hayden – Chief Officer Resources

Report Written by:

**D McAuliffe – Senior Business
Partner**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	04.03.21						11.03.21	

1. Purpose of the Report

This report seeks to agree the budget requirement for 2021/2022, set the overall Council Tax level for 2021/2022 which includes the precepts approved by other statutory authorities that impact upon the local level of council tax, and sets out the relevant statutory resolutions.

2. Scope and Background

- 2.1 This report presents the Revenue Budget requirement and overall Council Tax proposals for Blaenau Gwent County Borough Council for the next financial year 2021/2022, including the precepts approved by other statutory authorities that impact upon the local level of Council Tax and sets out the relevant statutory resolutions. It covers the following:

Section	Contents
3.1 – 3.3	Statutory Resolutions
5.1.6	Budget Requirement 2021/2022
5.1.8–5.1.12	Reserves
5.1.13	Section 25 Local Government Act 2003

2.2 Welsh Government's final settlement, released on 2nd March 2021, made no changes to the provisional settlement released in December 2020 and therefore the figures in the budget report to Council on 4th March 2021 have not changed.

3. Options for Recommendation

3.1 That it be noted that the Council agreed at its meeting on 4th March 2021 a Council Tax increase of 3.3% for the 2021/2022 financial year. As a result the Blaenau Gwent Council element of the full council tax charge will be:-

Valuation Bands (£)								
A	B	C	D	E	F	G	H	I
1,178.90	1,375.38	1,571.87	1,768.35	2,161.32	2,554.28	2,947.25	3,536.70	4,126.15

3.2 That it be noted that at the Council has calculated the following amounts for the year (2021/2022) in accordance with regulations made under Section 33(5) of the Local Government Act 1992:

3.3 The Council Tax base is the number of chargeable dwellings in each area adjusted for a number of items e.g. discounts payable, multiplied by the assumed collection rate which for 2021/2022 is 95%.

a. The amount calculated by the Council, in accordance with Regulation 3, of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax base for the year is:

20,794.09

b. The amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amount of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate are:

4,662.72	Abertillery & Llanhilleth
1,697.24	Brynmaur
2,710.35	Nantyglo & Blaina
4,731.02	Tredegar

c. That it be noted that for the year 2021/2022 the Gwent Office of Police and Crime Commissioner has stated the following amounts in precepts issued to the Council (totalling £5,987,866), in accordance with Section 40 of the Local Government Act 1992, for each of the categories of dwellings shown:

Gwent Office of Police and Crime Commissioner								
Valuation Bands (£)								
A	B	C	D	E	F	G	H	I
191.97	223.97	255.96	287.96	351.95	415.94	479.93	575.92	671.91

- 3.4 That the following amounts be now calculated by the Council for the year 2021/2022 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:-
- a. 224,556,491 Being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (d) of the Act.
 - b. 67,477,161 Being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) and (c) of the Act.
 - c. 157,379,330 Being the amount by which the aggregate at (a) above exceeds the aggregate at (b), calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.
 - d. 208,000 Being the amount the Authority estimates in relation to Sections 47 and 49 of the Local Government Finance Act 1988 as amended by Schedule 1 of the Local Government and Rating Act 1997, for discretionary non-domestic rate relief.
 - e. 120,360,000 Being the aggregate of the sums which the Council estimates will be payable for the year into its Council fund in respect of redistributed non-domestic rates, revenue support grant and additional grant.
 - f. 1,790.28 Being the amount at (c) above plus the amount at (d) above and less the amount at (e) above, all divided by the amount at 3.2(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year.
 - g. 456,101 Being the aggregate amount of all special items referred to in Section 34(1) of the Act.
 - h. 1,768.35 Being the amount at (f) above less the result given by dividing the amount at (g) above by the amount at 3.2(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 special item relates.
 - i. The amounts given by adding to the amount at (h) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 3.2(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts

of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate are:

1,809.10	Abertillery & Llanhilleth
1,793.69	Brynmawr
1,799.60	Nantyglo & Blaina
1,797.60	Tredegar

- j. The amounts given by multiplying the amounts at (h) and (i) 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 are:

The County Borough Tax including Community Precepts									
Valuation Bands									
	A	B	C	D	E	F	G	H	I
Abertillery & Llanhilleth	1,206.07	1,407.07	1,608.09	1,809.10	2,211.13	2,613.14	3,015.17	3,618.20	4,221.23
Brynmawr	1,195.79	1,395.09	1,594.39	1,793.69	2,192.29	2,590.88	2,989.48	3,587.38	4,185.28
Nantyglo & Blaina	1,199.73	1,399.69	1,599.65	1,799.60	2,199.51	2,599.42	2,999.33	3,599.20	4,199.07
Tredegar	1,198.40	1,398.13	1,597.87	1,797.60	2,197.07	2,596.53	2,996.00	3,595.20	4,194.40
Ebbw Vale	1,178.90	1,375.38	1,571.87	1,768.35	2,161.32	2,554.28	2,947.25	3,536.70	4,126.15

- k. That, having calculated the aggregate in each case of the amounts at (c) and (j) above, the Council, in accordance with section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2021/22 for each of the categories of dwellings shown below:

The Full Tax of the County Borough Tax including Police and Community Precepts									
Valuation Bands									
	A	B	C	D	E	F	G	H	I
Abertillery & Llanhilleth	1,398.04	1,631.04	1,864.05	2,097.06	2,563.08	3,029.08	3,495.10	4,194.12	4,893.14
Brynmawr	1,387.76	1,619.06	1,850.35	2,081.65	2,544.24	3,006.82	3,469.41	4,163.30	4,857.19
Nantyglo & Blaina	1,391.70	1,623.66	1,855.61	2,087.56	2,551.46	3,015.36	3,479.26	4,175.12	4,870.98
Tredegar	1,390.37	1,622.10	1,853.83	2,085.56	2,549.02	3,012.47	3,475.93	4,171.12	4,866.31
Ebbw Vale	1,370.87	1,599.35	1,827.83	2,056.31	2,513.27	2,970.22	3,427.18	4,112.62	4,798.06

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

4.1 The budget setting process will enable a greater alignment between the Medium Term Financial Strategy (MTFS) and the Corporate Plan. This will be evidenced in the budget reports to Joint Scrutiny, Executive and Council.

5. Implications Against Each Option

5.1 The financial implications for the 2021/2022 budget setting process are outlined within this report and can be summarised below.

- A council tax increase of 3.3% (Blaenau Gwent element);
- A budget requirement for the Council of £156.923 million (excluding Community Councils) and £157.380 million (including Community Councils);
- Bridging the Gap efficiencies built into the revenue budget of £0.755 million;
- Cost pressures built into the revenue budget of £1.821 million;
- Growth items built into the revenue budget of £1.725 million (including £1.472m into the Individual Schools Budget)
- A contribution to general reserves of £0.2m and a contribution to specific reserves of £1.054m.

5.1.1. A Council Tax increase of 3.3% for 2021/2022 represents a reduction of 0.6% compared to the increase for the current financial year (2020/2021). This will increase Band D Council Tax from £1,711.86 to £1,768.35, which in cash terms would amount to £1.09 a week. At Band A and B levels, the equivalent increases are £0.72 and £0.84 a week respectively.

5.1.2. The following Table compares the average increase in Council Tax at the Band D level.

Authority	2020/21	2021/22	Increase	
	£	£	£	%
Blaenau Gwent CBC	1,711.86	1,768.35	56.49	3.30
Gwent Police	272.96	287.96	15.00	5.50
Total	1,984.82	2,056.31	71.49	3.60
<i>Community Councils:</i>				
Abertillery & Llanhilleth	51.75	40.75	-11.00	-21.26
Brynmawr	25.44	25.34	-0.10	-0.39
Nantyglo & Blaina	31.43	31.25	-0.18	-0.57
Tredeggar	29.42	29.25	-0.17	-0.58
Average	24.50	21.93	-2.57	-10.49
Total (Average)	2,009.32	2,078.24	68.92	3.43

5.1.3. Table 2 attached at Appendix 2 gives an analysis of the elements of the Council Tax for each band, including the police and community council precepts. It should be noted that the overall average increase in Council Tax is 3.43%.

5.1.4 Table 3 attached at Appendix 3 gives an analysis of the council tax “chargeable property” valuations by Community area. These are used to calculate the authority’s council tax base.

5.1.5 **Budget Requirement**

5.1.6 Table 1 attached at Appendix 1, gives a summary of the resulting portfolio estimates taking into account the Bridging the Gap proposals, cost pressures and growth items above. In addition, £1.254m will be transferred into the Council’s reserves. This results in a statutory budget requirement of £157,379,330. Discretionary rate relief of £208,000 needs to be added to the budget requirement to give the total net revenue budget for 2021/2022 of £157,587,330.

5.1.7 The budget is funded as follows:

Source	£
Revenue Support Grant	97,026,000
Non-Domestic Rate Distribution	23,334,000
Council Tax	36,771,229
Community Council Income	456,101
Total	157,587,330

5.1.8 **Reserves**

5.1.9 In 2015 the Council implemented a revised protocol for the establishment, use, control and review of reserves. Quarterly reports to Members are now produced that detail the actual and forecast use of general and earmarked reserves, including changes in requirement and risk assessments.

5.1.10 The Council has agreed a target level for general reserves, being 4% of the last reported actual net revenue expenditure.

5.1.11 At its meeting on 4th March 2021 Council set a budget that enabled a contribution to Reserves of £1.254m in 2021/2022 (£0.2m to general reserves and £1.054m to specific reserves).

5.1.12 Assuming the out turn for 2020/2021 is a balanced budget, the forecast level of general reserves will be £6.599 million (4.87%), as shown in the following table. This level of reserves is above the 4% target level specified within the reserves protocol.

	31/03/2020 Actual £000	31/03/2021 Forecast £000	31/03/2022 Forecast £000
Council Fund	6,399	6,599	6,799
Earmarked Reserves	8,272	9,772	10,826
Total	14,671	16,371	17,625

5.1.13 **Section 25, Local Government Act 2003**

5.1.14 This section of the above Act requires that in my role as Chief Officer Resources of this Authority I must report to you on the two following points:

- i. The robustness of the estimates included in the budget
- ii. The adequacy of the Authority's reserves.

5.1.15 In respect of (i) above, I am able to conclude that the estimates have been compiled with the most up to date information available and are suitably robust. Cost pressures have been considered during the budget setting process and for the medium term.

5.1.16 In respect of (ii) above, 5.1.9 to 5.1.12 demonstrates that the Authority is looking to achieve a sustainable position for the forthcoming year and in the medium term. The reserves protocol will continue to review reserves in order to ensure that General Reserves are kept at a sustainable level in the medium term.

5.2 **Risk including Mitigating Actions**

5.2.1. Bridging the Gap proposals may not be delivered to the agreed level – this risk will be mitigated by regular monitoring of proposals, which will also be reported through the quarterly reports to the Joint Budget Scrutiny Committee and Executive Committee.

5.2.2. Council Tax may not be collected to the required level – this risk will be mitigated by regular monitoring of collection rates and outstanding debt will be pursued.

5.3 **Legal**
n/a

5.4 **Human Resources**

5.4.1. There will be minimal implications arising from the above.

5.4.2. In addition, the time and effort required to progress and implement service change arising from some proposals will be considerable.

6. **Supporting Evidence**

6.1 *Performance Information and Data*

6.2 **Expected outcome for the public**

6.2.1 Agreeing the statutory calculations and regulations will set the Council Tax levels for the forthcoming year.

6.3 **Involvement (consultation, engagement, participation)**

6.3.1 The Council has undertaken consultation on the proposals within the 2021/2022 budget.

6.4 **Thinking for the Long term (forward planning)**

6.4.1 The Council has moved to medium to long term financial planning. This is evidenced by the following three points:-

- Budget proposals will be developed on a five year rolling programme basis.
- the current Medium Term Financial Strategy covers the period 2021/2022 to 2025/26 and will roll forward one year, every year
- The current capital programme covers the period 2019/20 to 2025/26 and will roll forward by one year (as a minimum) every year.

6.5 *Preventative focus*
n/a

6.6 *Collaboration / partnership working*
n/a

6.7 *Integration(across service areas)*
n/a

6.8 ***EqIA(screening and identifying if full impact assessment is needed)***

6.8.1 All proposals will be Equality Impact Assessed.

7. **Monitoring Arrangements**

7.1 *State how the work will be monitored e.g. through scrutiny or directorate performance management arrangements*

Wider Corporate leadership Team, political groups, Joint Budget Scrutiny, Executive and Council

Background Documents /Electronic Links

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Table 1***Summary of Portfolio Estimates***

Portfolio	Revised Estimate 2020/2021	Original Estimate 2021/2022
	£	£
Corporate Services	16,842,210	18,502,260
Social Services	45,235,980	46,250,470
Education	62,132,220	64,105,330
Economy	1,214,700	1,549,520
Environment	25,532,000	26,241,890
Planning	1,117,580	1,277,200
Licensing	70,370	106,500
<i>Sub-Total</i>	<i>152,145,060</i>	<i>158,033,170</i>
<i>(Less)/Add: Capital Adjustment</i>	<i>(3,124,068)</i>	<i>(2,881,240)</i>
<i>Add: Pension Adjustment</i>	<i>505,230</i>	<i>517,200</i>
Total Portfolio Expenditure	149,526,222	155,669,130
Contribution to/(from) Reserves	1,700,000	1,254,099
Add: Community Council Precepts	506,143	456,101
Budget Requirement	151,732,365	157,379,330
Discretionary Rate Relief	208,000	208,000
Total Expenditure	151,940,365	157,587,330
<i>funded by:</i>		
Revenue Support Grant	91,929,000	97,026,000
N.N.D.R.	24,134,000	23,334,000
Community Council Income	506,143	456,101
Council Tax	35,371,222	36,771,229
Total Income	151,940,365	157,587,330
Council Tax Base	20,662.45	20,794.09
Council Tax Charge (Band D)	1,711.86	1,768.35

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Table 2**Analysis of the Elements of the Council Tax for each Band, 2021/2022**

APPENDIX 2

		Band:								
		A	B	C	D	E	F	G	H	I
Abertillery	County Borough Council	1,178.90	1,375.38	1,571.87	1,768.35	2,161.32	2,554.28	2,947.25	3,536.70	4,126.15
	Police	191.97	223.97	255.96	287.96	351.95	415.94	479.93	575.92	671.91
	Community Council	27.17	31.69	36.22	40.75	49.81	58.86	67.92	81.50	95.08
	Total	1,398.04	1,631.04	1,864.05	2,097.06	2,563.08	3,029.08	3,495.10	4,194.12	4,893.14
Brynmawr	County Borough Council	1,178.90	1,375.38	1,571.87	1,768.35	2,161.32	2,554.28	2,947.25	3,536.70	4,126.15
	Police	191.97	223.97	255.96	287.96	351.95	415.94	479.93	575.92	671.91
	Community Council	16.89	19.71	22.52	25.34	30.97	36.60	42.23	50.68	59.13
	Total	1,387.76	1,619.06	1,850.35	2,081.65	2,544.24	3,006.82	3,469.41	4,163.30	4,857.19
Nantyglo & Blaina	County Borough Council	1,178.90	1,375.38	1,571.87	1,768.35	2,161.32	2,554.28	2,947.25	3,536.70	4,126.15
	Police	191.97	223.97	255.96	287.96	351.95	415.94	479.93	575.92	671.91
	Community Council	20.83	24.31	27.78	31.25	38.19	45.14	52.08	62.50	72.92
	Total	1,391.70	1,623.66	1,855.61	2,087.56	2,551.46	3,015.36	3,479.26	4,175.12	4,870.98
Tredegar	County Borough Council	1,178.90	1,375.38	1,571.87	1,768.35	2,161.32	2,554.28	2,947.25	3,536.70	4,126.15
	Police	191.97	223.97	255.96	287.96	351.95	415.94	479.93	575.92	671.91
	Community Council	19.50	22.75	26.00	29.25	35.75	42.25	48.75	58.50	68.25
	Total	1,390.37	1,622.10	1,853.83	2,085.56	2,549.02	3,012.47	3,475.93	4,171.12	4,866.31
Ebbw Vale	County Borough Council	1,178.90	1,375.38	1,571.87	1,768.35	2,161.32	2,554.28	2,947.25	3,536.70	4,126.15
	Police	191.97	223.97	255.96	287.96	351.95	415.94	479.93	575.92	671.91
	Total	1,370.87	1,599.35	1,827.83	2,056.31	2,513.27	2,970.22	3,427.18	4,112.62	4,798.06

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Table 3

Council Tax 'Chargeable Property' Valuations by Community Area

APPENDIX 3

		Valuation Band:																			
		A/A*		B		C		D		E		F		G		H		I			
Valuation:		Less than £44,000		£44,001 - £65,000		£65,001 - £91,000		£91,001 - £123,000		£123,001 - £162,000		£162,001 - £223,000		£223,001 - £324,000		£324,001 - £424,000		Over £424,001			
Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Number	% of Area	Total
Abertillery & Llanhilleth	5,501	72.1	1,588	20.8	250	3.3	179	2.3	78	1.0	26	0.3	5	0.1	1	0.0	1	0.0			7,629
Brynmawr	1,134	44.1	892	34.7	304	11.8	160	6.2	54	2.1	21	0.8	2	0.1	5	0.2	0	0.0			2,572
Ebbw Vale, Beaufort & Cwm	5,920	55.9	2,498	23.6	1,013	9.6	693	6.5	317	3.0	130	1.2	15	0.1	5	0.0	2	0.0			10,593
Nantyglo & Blaina	2,432	58.3	1,105	26.5	248	5.9	208	5.0	153	3.7	15	0.4	8	0.2	2	0.0	0	0.0			4,171
Tredegar	3,733	52.6	1,807	25.5	779	11.0	388	5.5	233	3.3	127	1.8	28	0.4	2	0.0	2	0.0			7,099
Total	18,720	58.4	7,890	24.6	2,594	8.1	1,628	5.1	835	2.6	319	1.0	58	0.2	15	0.0	5	0.0			32,064

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