

Council - 24 February 2022

Corporate Budget Plan 2022/23 to 2025/26, incorporating the Capital Strategy; and the Treasury Management and Investment Strategy 2022/23

The budget report referred on from Cabinet on 9 February 2021 (annexed) delegated authority to the S151 Officer to make any necessary amendments, after consultation with the Leader (Portfolio Holder for Finance), to take account of the final local government settlement; final levies and precepts; final grant allocations and final technical guidance or legislation on the budget, and to make any necessary amendments to the statutory determinations and council tax bands to take account of those changes and the resulting final analysis of the budget and for these amendments to be submitted and therefore recommended to Council at its meeting on 24 February 2022.

The final Police and Fire Precepts have been received:

- West Midlands Police and Crime Commissioner has increased the Police element of the council tax by an average band D of £10 for 2022/23, which equates to 5.63%,
- West Midlands Fire and Rescue Authority have increased their element of the council tax by 7.91% for 2022/23.

Neither of the above have any impact on the General Fund, however, there has been minor changes to the Fire precept on council tax bands E, F and H, which are reflected in the revised valuation bands within this resolution.

An amended Annex 3 is also attached for information, to include these changes to council tax bandings, along with an adjusted allocation of the council tax increase attributable to the 1% precept for Adult Social Care.

The WMCA (Transport) Levy and Environment Levy have also been finalised and are reflected in this resolution.

Our final 2022/23 central Government finance settlement was confirmed on 7 February 2022, and is in line with the provisional settlement as included in the budget report to Cabinet on 9 February 2022. There are no amendments to the statutory determinations (council gross expenditure and income). There are a number of final grant allocations to be received at this time and officers will ensure that spend is adjusted to reflect final grant allocations, as appropriate.

A further capital grant of £7,923,614 has been confirmed by the Department for Business, Energy and Industrial Strategy for Social Housing Decarbonisation, and therefore the revised 2022/23 capital programme is as follows –

- Total Council funded - £79,701,064 (no change)
- Total External funded - £115,180,016

The attached is the revised recommendation that incorporates the above changes. Due to the minor nature of these changes, and the fact that they have been incorporated into the revised resolution for Council, the updated Section B 'Corporate Budget Plan' has not been reproduced for this meeting but is available upon request.

Vicky Buckley, Head of Finance and Assurance, ☎ 01922 652326 / 07983 604698,
✉ Vicky.Buckley@walsall.gov.uk

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Corporate Budget Plan 2022/23 to 2025/26, incorporating the Capital Strategy; and the Treasury Management and Investment Strategy 2022/23

Recommendation

3.3 That the following be approved:

3.3.1 Revenue

- a) The financial envelope of resources for 2022/23 as set out in **Section B - Part 1** "The Revenue Corporate Budget Plan and Capital Programme".
- b) A Walsall Council net council tax requirement for 2022/23 of £138.43m and a 1.99% increase in council tax, plus a further 1% increase for Adult Social Care precept (total council tax increase of 2.99%).
- c) That the recommendations of the S151 Officer in respect of the robustness of the estimates made for the purposes of the budget calculations and the adequacy of reserves **be approved**, including the levels of central contingency and an opening general reserve of no less than £16.11m, as set out in the S151 Officer Section 25 statement in **Annex 11** of the Budget Plan.
- d) The final levies below for outside bodies:

LEVY	AMOUNT (£)
West Midlands Combined Authority Transport Levy	11,411,844
Environment Agency	85,178

- e) The following statutory determinations (references are to the Local Government Finance Act, 1992 as amended), and subject to any final changes arising from receipt of final specific grant allocations, and technical/legislative guidance:
 - I. **£703,984,510** being the aggregate gross expenditure, which the council estimates for the items set out in Section 31A(2) (a) to (f) of the Act.
 - II. **£565,559,260** being the aggregate income which the council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.
 - III. **£138,425,250** being the amount, by which the aggregate at (e) (I) above exceeds the aggregate at (e) (II), calculated by the council in accordance with Section 31A(4) of the Act, as its council tax requirement for the year.
 - IV. **£1,927.84** being the amount at (e) (III) above, divided by the council tax base of 71,803.35, calculated by the council in accordance with Section 31B of the Act, as the basic amount of its council tax for the year (average council tax at band D).
 - V. Valuation bands

Being amounts given by multiplying the amount at (e) (IV) above by the number which, in the proportion set out in Section 5 (1) of the Local Government Act 1992, is applicable to dwellings listed in valuation band D, calculated by the council in accordance with Section 30 and 36 of the Act as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.

A	B	C	D
1,285.23	1,499.43	1,713.63	1,927.84
E	F	G	H
2,356.25	2,784.66	3,213.06	3,855.68

- f) The final precepts from the Fire and Rescue Authority and the Police and Crime Commissioner, issued to the Council in accordance with Section 40 of the Local Government Finance Act, 1992, for each of the categories of dwelling shown below:

PRECEPTING AUTHORITY	VALUATION BANDS			
	A	B	C	D
Police And Crime Commissioner	125.03	145.87	166.71	187.55
	E	F	G	H
Fire & Rescue	229.23	270.91	312.58	375.10
	A	B	C	D
	45.35	52.91	60.47	68.03
	E	F	G	H
	83.14	98.26	113.38	136.05

- g) That having calculated the aggregate in each case of the amounts at (e) (v) and (f) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts of council tax for 2022/23 for each of the categories of dwellings shown below:

A	B	C	D
1,455.61	1,698.21	1,940.81	2,183.42
E	F	G	H
2,668.62	3,153.83	3,639.02	4,366.83

- h) That notice **be given** of the council tax within twenty one days of it being set by publishing details of the same in the "Express and Star" newspaper circulating in the Authority's area.
- i) That the S151 Officer **be instructed** to take all necessary action in relation to council tax, community charge and national non-domestic rates, including, where appropriate, the signing of all documents, billing, the giving of notices and the taking of necessary steps to ensure collection thereof.
- j) That the S151 Officer **be given delegated authority** to make transfers to and from reserves in order to ensure that reserves are maintained as necessary and in particular, adjusted when reserves are no longer required, or need to be replenished.

- k) That, pursuant to Section 52ZB and 52ZC of the Local Government Finance Act 1992, the relevant basic amount of council tax for the Council is not excessive in relation to determining whether a referendum is required.

3.3.2 Capital

- a) The allocation of capital expenditure plans as set out in **Section B - Part 1** “The Revenue Corporate Budget Plan and Capital Programme”, and that the capital and leasing programme as set out in **Annex 9 be approved, revised for the below change**, bearing in mind the principle that unless affordable from within current resources, specific projects funded by borrowing will not be commenced until a payback agreement is in place. Schemes funded from grant will commence when final allocations are published.

Change - External funded programme increased by £7,923,614 for Social Housing Decarbonisation grant, resulting in a total capital programme of £194,881,080 for 2022/23 (£79,701,064 council funded and £115,180,016 external funded).

- b) That the S151 Officer be **given delegated authority** to determine how each source of finance is used to fund the overall capital programme and to alter the overall mix of financing as necessary, to maximise the flexibility of capital resources used and minimise the ongoing costs of borrowing to the council.
- c) That the S151 Officer, after consultation with the Leader (Portfolio Holder for Finance), be **given delegated authority** to release capital resources held back for any contingent items that may arise (earmarked capital receipts for essential or emergency spend), and also for any match funding requirements that may be required of the council in order to secure additional external capital funding (e.g. bids for government or other funding).
- d) The Capital Strategy set out in **Annex 8** of the Budget Plan **be approved**.
- e) The Flexible Use of Capital Receipts Strategy set out in **Annex 10** of the Budget Plan **be approved**.

3.3.3 Treasury Management

- a) **Section B – Part 2A** – The Treasury Management and Investment Strategy 2022/23 onwards, including the council’s borrowing requirement, borrowing limits, and the adoption of prudential indicators, **be approved**.
- b) That decisions to effect movements between conventional borrowing and other long term liabilities, such as leases, **be delegated** to the S151 Officer.
- c) That decisions to use capital receipts or borrowing within the framework of approved prudential indicators **be delegated** to the S151 Officer.
- d) **Section B – Part 2B** – Treasury Management Policies, **be approved**.

ANNEX 3 : COUNCIL TAX DATA 2022/23

1. COUNCIL TAX EXCLUDING PRECEPTS (WALSALL COUNCIL ONLY)

A. LEVELS FOR PROPERTIES WITH TWO OR MORE RESIDENTS (67% of Properties)

BAND	WEIGHT	2021/22 C.TAX	2022/23 C.TAX	ANNUAL CHANGE	OF WHICH ASC RELATED	ANNUAL INCREASE	WEEKLY INCREASE	DAILY INCREASE
		£	£	£	£	%	£	£
A	6/9	1,247.91	1,285.23	37.32	12.48	2.99%	0.72	0.10
B	7/9	1,455.90	1,499.43	43.53	14.56	2.99%	0.83	0.12
C	8/9	1,663.88	1,713.63	49.75	16.64	2.99%	0.95	0.14
D	9/9	1,871.87	1,927.84	55.97	18.72	2.99%	1.07	0.15
E	11/9	2,287.84	2,356.25	68.41	22.88	2.99%	1.31	0.19
F	13/9	2,703.81	2,784.66	80.85	27.04	2.99%	1.55	0.22
G	15/9	3,119.78	3,213.06	93.28	31.20	2.99%	1.79	0.26
H	18/9	3,743.73	3,855.68	111.95	37.44	2.99%	2.15	0.31

2. OVERALL COUNCIL TAX INCLUSIVE OF PRECEPTS

A. LEVELS FOR PROPERTIES WITH TWO OR MORE RESIDENTS (67% of Properties)

BAND	WEIGHT	2021/22 TOTAL C.TAX	2022/23 WMBC C.TAX	ESTIMATE - ACTUAL T.B.A		OVERALL (INC PRECEPTS)
				2022/23 FIRE PRECEPT	2022/23 POLICE PRECEPT	2022/23 TOTAL C.TAX
		£	£	£	£	£
A	6/9	1,408.30	1,285.23	45.35	125.03	1,455.61
B	7/9	1,643.02	1,499.43	52.91	145.87	1,698.21
C	8/9	1,877.73	1,713.63	60.47	166.71	1,940.81
D	9/9	2,112.46	1,927.84	68.03	187.55	2,183.42
E	11/9	2,581.89	2,356.25	83.14	229.23	2,668.62
F	13/9	3,051.32	2,784.66	98.26	270.91	3,153.83
G	15/9	3,520.76	3,213.06	113.38	312.58	3,639.02
H	18/9	4,224.90	3,855.68	136.05	375.10	4,366.83

B. LEVELS FOR PROPERTIES WITH ONE RESIDENT (25% DISCOUNT) (33% of Properties)

BAND	WEIGHT	2021/22 TOTAL C.TAX	2022/23 WMBC C.TAX	ESTIMATE - ACTUAL T.B.A		OVERALL (INC PRECEPTS)
				2022/23 FIRE PRECEPT	2022/23 POLICE PRECEPT	2022/23 TOTAL C.TAX
		£		£	£	£
A	6/9	1,056.23	963.92	34.01	93.78	1,091.71
B	7/9	1,232.27	1,124.58	39.68	109.40	1,273.66
C	8/9	1,408.31	1,285.23	45.35	125.03	1,455.61
D	9/9	1,584.34	1,445.89	51.02	140.66	1,637.57
E	11/9	1,936.43	1,767.19	62.36	171.92	2,001.47
F	13/9	2,288.49	2,088.50	73.69	203.18	2,365.37
G	15/9	2,640.58	2,409.80	85.03	234.44	2,729.27
H	18/9	3,168.69	2,891.75	102.04	281.33	3,275.12

3. SPREAD OF PROPERTIES

The proportion of properties within Walsall MBC within each Council Tax band at 1st December 2021 is as follows:

BAND	A	B	C	D	E	F	G	H	TOTAL
PROPERTIES (No)	51,044	27,424	18,622	10,317	5,544	2,388	829	52	116,220
PROPERTIES (%)	43.92	23.60	16.02	8.88	4.77	2.06	0.71	0.04	100
CUMULATIVE TOTALS	67.52								
	83.54								
	92.42								