

THE VALE OF GLAMORGAN COUNCIL

COUNCIL: 7TH MARCH, 2022

REFERENCE FROM CABINET: 28TH FEBRUARY, 2022

**“C840 FINAL PROPOSALS FOR THE REVENUE BUDGET 2022/23 (EL/PR)
(SCRUTINY – CORPORATE PERFORMANCE AND RESOURCES) –**

The Executive Leader and Cabinet Member for Performance and Resources presented the report, the purpose of which was to set out final proposals for Cabinet members to consider, before making their recommendations to Council, in respect of the final revenue budget for the financial year 2022/23.

The initial budget proposals presented to Cabinet in November 2021 outlined the potential financial picture for the Council in 2022/23. At the time the report was drafted, the Council had not received the provisional settlement from Welsh Government (WG) for 2022/23 and therefore the budget was modelled on four scenarios - a cash flat settlement, -1% and +1% and an increase similar to 2021/22 4.42%.

The provisional settlement was received on 21st December 2021 from Welsh Government (WG), which gave a headline increase of 10.51% over the current year. Taking into account adjustments, this was an increase in funding of £17.883m (10.64%) from the previous year. The final settlement was not due to be received until 1st March 2022.

In setting the proposed budget for 2022/23, funding had been provided towards cost pressures. An efficiency target of £500k had been proposed for 2022/23 which covered all service areas. It was considered that the target set was at a level that could be achieved by services.

It was proposed that the Band D Council Tax rate be set at £1,396.35 for 2022/23 which was an increase of 2.9% from the current year.

WG had provided indicative increases of 3.5% for 2023/24 and 2.4% for 2024/25. Whilst it had been possible to set efficiency targets at a lower level in recent years this might not be the case going forward and in light of projected levels of shortfall in future years, services were requested to continue to plan ways of achieving further efficiencies which would be innovative and transformational with regards to service delivery.

The Leader said it had been intended to bring the report forward earlier, but there had been a lot of uncertainty concerning the amount of money that was coming forward from Welsh Government. He said that the budget under consideration was achievable, and Cabinet was asked to recommend the report to Full Council. Although the Authority had received a good settlement, there were still significant

cost pressures which would continue and there was a need to protect the base budget going forward and use reserves for specific purposes.

The Deputy Leader said there would be more time to discuss and debate the report at Full Council but pointed out that in terms of the learning and skills budget, additional funding was available for those children with the greatest need. She was delighted that schools were again being funded above their Standard Spending Assessment. Councillor Burnett said that European funding had been lost for the Rural Regeneration Team who had done superb work in the rural Vale and as such a replacement team would be funded and expanded across the Vale of Glamorgan.

Councillor Gray said that the budget report had been through a comprehensive journey and was appreciative of the funding made available by Welsh Government, in particular with regard to Social Services. There were additional points of funding available through the year for Social Services and it was important to use those reserves and keep them to a manageable level. He supported the recommendations and looked forward to the debate at Full Council but was pleased at the level of funding for Social Services.

This was a matter for Executive and Council decision.

Cabinet, having considered the report and all the issues and implications contained therein,

RESOLVED -

T H A T the following be recommended to Council:

(1) Fix the budget for 2022/23 at £272.554 million including a provision of £290k for discretionary rate relief to rural shops and post offices and charitable organisations.

(2) Approve the budgets for 2022/23 as set out in Appendix C to the report and in the following table:

	£000
Schools	104,953
Strategy, Culture, Community Learning & Resources	8,956
Additional Learning Needs	3,334
Standards and Provision	3,547
Directors Office	242
Children & Young People	18,581
Adult Services	53,816
Resource Management & Safeguarding	7,742
Youth Offending Service	730
Neighbourhood & Transport Services	28,190
Building Services	0

Regulatory Services	2,103
Council Fund Housing	1,444
Resources	983
Housing Benefits	692
Regeneration	2,419
Development Management	1,300
Private Housing	413
General Policy	34,109
Use of Reserves	(1,000)
Grand Total	272,554

(3) Approve the recommendations regarding Net Growth for 2022/23 as set out in Appendix D to the report and efficiencies set out in paragraph 2.42 of the report.

(4) Endorse the proposed draft report on Education Budget and Indicator Based Assessment (IBA) at Appendix A and the Director of Learning and Skills make arrangements for it to be forwarded to the School Budget Forum.

T H AT the following be approved:

(5) The Director of Learning and Skills be granted delegated powers to determine the amount of money to be allocated to the schools' delegated budgets after consultation with the Schools Budget Forum.

(6) The reclassification of reserves as set out at Appendix F to the report be approved.

(7) The use of the urgent decision procedure as set out in Section 14.14 of the Council's Constitution in order for the final proposals for the Revenue Budget 2022/23 to be referred to full Council on 7th March, 2022.

T H A T the following be noted:

(8) The Council Tax bandings for 2022/23 for its own purposes (excluding Police and Town and Community Council precepts) for a base budget of £272.554m.

Band	Council Tax £
A	930.90
B	1,086.05
C	1,241.20
D	1,396.35
E	1,706.65
F	2,016.95

G	2,327.25
H	2,792.70
I	3,258.15

Reasons for decisions

- (1) To set the 2022/23 budget in line with statutory requirements.
- (2) To allocate budgets to services.
- (3) To reduce risk to services and balance the budget.
- (4) To present the report to the Schools Budget Forum.
- (5) To set out delegated authority in relation to the allocation of the Education and Schools budget.
- (6) To ensure that reserves are both adequate in purpose and level.
- (7) To ensure this matter is referred to Full Council on 7th March, 2022**
- (8) To ensure that Members are aware of the Council Tax Bandings associated with the base budget proposed in this report.