

Meeting of Medway Council – Supplementary Agenda No.2

Date:	Thursday, 24 February 2022
Time:	7.00pm
Venue:	St George's Centre, Pembroke Road, Chatham Maritime, Chatham ME4 4UH

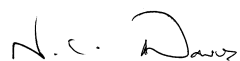
Agenda

9 Capital and Revenue Budgets 2022/23

**(Pages 3 -
12)**

Please find attached an addendum report.

For further information please contact Wayne Hemingway, Head of Democratic Services on Telephone: 01634 332509 or Email: democratic.services@medway.gov.uk



Neil Davies
Chief Executive

Date: 22 February 2022

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COUNCIL

24 FEBRUARY 2022

CAPITAL AND REVENUE BUDGETS 2022/23

ADDENDUM REPORT

Portfolio Holder: Councillor Alan Jarrett, Leader of the Council
Report from: Phil Watts, Chief Finance Officer
Author: Katey Durkin, Head of Finance Strategy

Summary

This addendum report updates Members on a change to the schedule of Parish Council Precepts.

1. Background

- 1.1. Paragraph 3.13 of the Capital and Revenue Budgets 2022/23 report sets out that at the time of publication, Cooling Parish Council had yet to meet to agree their Council Tax precept and that an estimate had been included in that report.
- 1.2. Since the publication of the Council agenda, on 17 February 2022, Cooling Parish Council met and agreed a precept demand of £4,150. This increases the total parish council precept requirement from £561,258 presented in the original papers to £563,108. The effect of this change is set out in amended Appendix 6 with the revised figures in **bold text**. The Parish Council precepts form part of the Council Tax Resolution calculation with the figures at part 3 a), c), d) and e) updated in amended Appendix 7A.
- 1.3. Finally, in error, Appendix 7B presented in the original papers reflected the Parish element of the Council Tax where this should reflect the amounts payable in respect of Medway Council and the Parish Councils. This is corrected in amended Appendix 7B with the revised figures in **bold text**.

2. Recommendations

- 2.1. The Council is asked to approve the following recommendations (set out in paragraph 24 of item 9 on the main agenda) with the revisions highlighted in **bold text** as set out below:

- 2.2. Consider the recommendations of Employment Matters Committee on 2 February 2022 as set out in paragraphs 9.4 and 9.5 of the original report and agree:
- That £1,090,850 is allocated for pay awards;
 - To delegate to the Head of Paid Service the authority to agree the competency-based awards for staff assessed under MedPay at Levels 1A, 1B and 2; and
 - To delegate authority to the Head of Paid Service in consultation with the Leader, to agree a mechanism to distribute the pay award so that lower paid staff receive a higher proportion of the award.
- 2.3. Delegate to the Head of Paid Service in consultation with the Leader the authority to agree how the 2022/23 pay award for colleagues is allocated including determining the proportions of the 1% pay award to be paid in respect of the Cost of Living increase / MedPay performance related pay as set out in paragraphs 9.4 and 24.4 of the original report.
- 2.4. Approve the general fund gross, income and net revenue estimates as summarised in Appendix 1 to the report in the sum of £351,025.million.
- 2.5. Approve the additions to the capital programme set out in Table 7 of the original report.
- 2.6. Approve the removal of the balance of the SEN School scheme of £2,467,626 from the capital programme as set out in paragraph 13.5 of the original report;
- 2.7. Approve the removal from the capital programme and addition to the revenue budget for 2021/22 the following schemes funded through the Flexible Use of Capital Receipts, as set out in paragraph 8.2 of the original report:
- 9X576 Children's Improvement Programme – £612,351,
 - 9C077 Transformation Flexible Use of Capital Receipts – £2,371,602, and
 - 9C779 Feasibility Studies Flexible Use of Capital Receipts – £500,000.
- 2.8. Note the Kent Police and Crime Commissioner's precept requirement, as set out in paragraph 15.2 of the original report;
- 2.9. Note the proposed Kent Fire and Rescue Service precept requirement, as set out in paragraph 15.3 of the original report;
- 2.10. Note the parish council precept requirements of **£561,258** as detailed in paragraph 15.4 of the original report and at **Amended Appendix 6** to the report;
- 2.11. Approve the basic rate of Council Tax at band D for 2022/23, before adding the police, fire and parish precepts, at £1,591.74, an increase of 2.994% as set out in paragraph 16.1 of the report;
- 2.12. Approve the adoption of a 300% Council Tax premium for properties that have remained empty and unfurnished for more than two years, in line with the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings)

Act 2018 as set out in paragraph 3.14 of the original report;

- 2.13. As part of the budget proposals, approve fees and charges, as recommended by Cabinet and set out in the booklet 'Medway Council - Fees and Charges April 2022' as set out in Appendix 8 to the report;
- 2.14. Approve the Flexible Use of Capital Receipts Strategy set out at Appendix 9 to the report;
- 2.15. Agree the recommendations set out at 14.3 to 14.11 of the original report with regard to the Housing Revenue Account and detailed in the following appendices:
 - The proposed increase in rents as set out at Appendices 5A and 5B;
 - The proposed service charges as set out at Appendix 5C;
 - The budget proposed as summarised at Appendix 5D;
 - The 30 year business plan projections at Appendix 5E.
- 2.16. Adopt the formal resolution for the Council Tax requirement and schedule of Council Tax charges for 2022/23 as set out in **Amended Appendix 7A and the Council Tax Bandings at Amended Appendix 7B** to the report;
- 2.17. Approve the revised Senior Management Structure set out at Appendix 10.
- 2.18. Approve the creation of a new band within the pay structure as set out in Appendix 11, and to note that Directors will undertake reorganisations for their respective Directorates as set out in paragraph 9.3 of the original report. This range will attract the same special allowance as the current Head of Service.
- 2.19. Note the findings of the Diversity Impact Assessment as set out in Appendix 12 to the report, and the proposal to continue, where necessary, to report through quarterly monitoring any further unidentified or unintentional impact.

Lead officer contact

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Appendices

Amended Appendix 6	Parish Precepts
Amended Appendix 7A	Council Tax Resolution 2022/23
Amended Appendix 7B	Council Tax Bandings 2022/23

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AMENDED Parish and Town Council Precepts

Parish/Town Council	2021/22			2022/23			Council Tax Increase / decrease
	Tax Base	Precepts £	Council Tax Band D (£)	Tax Base	Precepts £	Council Tax Band D (£)	
Allhallows	526.17	55,000	104.53	531.36	59,385	111.76	6.92%
Cliffe and Cliffe Woods	1,917.90	62,974	32.83	1,945.17	66,122	33.99	3.53%
Cooling	87.77	2,300	26.20	86.39	4,150	48.04	83.36%
Cuxton	996.57	62,016	62.23	990.08	62,016	62.64	0.66%
Frindsbury Extra	2,605.47	71,330	27.38	2,616.89	74,000	28.28	3.29%
Halling	1,434.21	52,000	36.26	1,442.19	52,000	36.06	-0.55%
High Halstow	787.14	50,323	63.93	798.18	53,000	66.40	3.86%
Hoo St. Werburgh	3,485.66	95,945	27.53	3,676.78	110,336	30.01	9.01%
St. James Isle of Grain	442.21	42,770	96.72	439.65	47,099	107.13	10.76%
St. Mary Hoo	110.84	8,000	72.18	107.12	12,000	112.02	55.20%
Stoke	333.09	21,000	63.05	332.29	23,000	69.22	9.79%
TOTAL	12,727.03	523,658		12,966.10	563,108		

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COUNCIL TAX REQUIREMENT AND SCHEDULE OF COUNCIL TAX CHARGES FOR 2022/23

1. That it be noted that at its meeting on 13 January 2011 (minute 696) Council agreed that the Chief Finance Officer (in consultation with the Finance Portfolio Holder) be authorised to set future council tax bases. The Chief Finance Officer has calculated the Council Tax Base for 2022/23:
 - (a) for the whole Council area as 88,041.50 [Item T in the formula in Section 31B of the Local Government Finance Act 1992]; and
 - (b) for dwellings in those parts of its area to which a Parish precept relates as in the table below:

Parish	Tax Base
Allhallows	531.36
Cliffe and Cliffe Woods	1,945.17
Cooling	86.39
Cuxton	990.08
Frindsbury Extra	2,616.89
Halling	1,442.19
High Halstow	798.18
Hoo St Werburgh	3,676.78
St James, Isle of Grain	439.65
St. Mary Hoo	107.12
Stoke	332.29

2. Calculate that the Council Tax requirement for the Council's own purposes for 2022/23 (excluding Parish precepts) is **£140,139,177**
3. That the following amounts be calculated for the year 2022/23 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended by Section 74 of the Localism Act 2011:
 - (a) **£510,666,189** 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;
 - (b) **£369,963,904** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act;
 - (c) **£140,702,285** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(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) **£1,598.14** being the amount at 3(c) above (Item R), all divided by Item T (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) **£563,108** being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix 6);
- (f) **£1,591.74** being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (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.

4. To note that the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the tables below.

Authority	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
MEDWAY COUNCIL	1,061.16	1,238.02	1,414.88	1,591.74	1,945.46	2,299.18	2,652.90	3,183.48
KENT POLICE AUTHORITY	152.10	177.45	202.80	228.15	278.85	329.55	380.25	456.30
KENT FIRE AND RESCUE SERVICE	54.90	64.05	73.20	82.35	100.65	118.95	137.25	164.70

- 5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table at Appendix 7B, as the amounts of Council Tax for 2022/23 for each part of its area and for each of the categories of dwellings.
- 6. Determine whether the Council's basic amount of Council Tax for 2022/23 is excessive in accordance with principles approved under Section 52ZC(1) of the Local Government Finance Act 1992.

NB. See the requirements of Chapter 4ZA Local Government Finance Act 1992: Referendums relating to Council Tax increases.

Council Tax Schedule 2022/23	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Allhallows	1,135.67	1,324.94	1,514.22	1,703.50	2,082.06	2,460.61	2,839.17	3,407.00
Cliffe and Cliffe Woods	1,083.82	1,264.46	1,445.09	1,625.73	1,987.00	2,348.28	2,709.55	3,251.46
Cooling	1,093.19	1,275.38	1,457.58	1,639.78	2,004.18	2,368.57	2,732.97	3,279.56
Cuxton	1,102.92	1,286.74	1,470.56	1,654.38	2,022.02	2,389.66	2,757.30	3,308.76
Frindsbury Extra	1,080.01	1,260.02	1,440.02	1,620.02	1,980.02	2,340.03	2,700.03	3,240.04
Halling	1,085.20	1,266.07	1,446.93	1,627.80	1,989.53	2,351.27	2,713.00	3,255.60
High Halstow	1,105.43	1,289.66	1,473.90	1,658.14	2,026.62	2,395.09	2,763.57	3,316.28
Hoo St Werburgh	1,081.17	1,261.36	1,441.56	1,621.75	1,982.14	2,342.53	2,702.92	3,243.50
St James, Isle of Grain	1,132.58	1,321.34	1,510.11	1,698.87	2,076.40	2,453.92	2,831.45	3,397.74
St. Mary Hoo	1,135.84	1,325.15	1,514.45	1,703.76	2,082.37	2,460.99	2,839.60	3,407.52
Stoke	1,107.31	1,291.86	1,476.41	1,660.96	2,030.06	2,399.16	2,768.27	3,321.92
All other parts of Medway	1,061.16	1,238.02	1,414.88	1,591.74	1,945.46	2,299.18	2,652.90	3,183.48

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