

# Public Document Pack

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**Date:** Tuesday, 21 February 2023

## **\*\* Supplementary Dispatch**

**To all Members of the Council**

Dear Sir or Madam

**Council – Tuesday, 21 February 2023**

I refer to the agenda for the above Council meeting and attach the following item:

**6. Revenue Budget Update and Council Tax Setting 2023/4 (Pages 3 - 22)**

An update report which includes the precept from external authorities (Fire, Environment Agency and Internal Drainage Boards).

The Chairman will be asked to rule that the update report be considered as urgent because it is necessary to consider this information at the meeting so that the Council can approve a budget and set a council tax within the statutory timescale, and the information required from all the other precepting authorities was not available at the time of publication.

Yours faithfully

Assistant Director Legal & Governance and Monitoring Officer

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## North Somerset Council

### Report to the Council

**Date of Meeting: 21 February 2023**

**Subject of Report: Revenue Budget Update and Council Tax Setting for 2023/24 – updated paper to reflect final sums from external preceptors**

**Town or Parish: All**

**Officer/Member Presenting: Councillor Ashley Cartman, Executive Member for Corporate Services**

**Key Decision:** N/A

**Reason:** Not an Executive Decision

### Recommendations

That Council:

1. Approves the 2023/24 net revenue budget for North Somerset Council services of **£202.766m**; and the Council Tax Requirement of £209.699m, being the value including town and parish council precepts, as set out in Appendix 1.
2. Approves the directorate gross income and expenditure budget allocations as detailed in the body of the report and as set out in Appendix 1.
3. Approves the council tax charges for 2023/24 in accordance with the formal Resolution as set out in Appendix 2:
  - a. which provides for an **average Band D** council tax charge in respect of North Somerset Council services for 2023/24 of £1,626.52, plus special expenses, where such charges apply, giving an overall charge of **£1,627.38**
  - b. and provides for other major preceptors being, the Avon Fire Authority, the Police and Crime Commissioner for Avon and Somerset and the town and parish councils

This represents an increase for North Somerset Council services of 2.99% on the general level council tax, and a 2% charge in respect of an adult social care precept.

4. Approves the refreshed Pay Policy for 2023/24 in accordance with the details set out in Appendix 5.

## 1. Summary of Report

This report provides details of the final North Somerset Council revenue budget and sets out the framework required to approve the resultant recommended level of council tax for the financial year 2023/24.

North Somerset Council is the billing authority for the North Somerset area and must therefore arrange to set a **total** council tax charge which includes the following component parts:

- Precept for North Somerset Council – as noted above
- Precepts and Special Expense charges for Local Town Councils
- Precept from Avon Fire Authority
- Precept from the Police and Crime Commissioner for Avon and Somerset

At the time of writing the original report, information relating to the Avon Fire Authority precept and the final Environment Agency and Drainage Board levies had not yet been received, which means that it was not possible to present a confirmed 'total' council tax charge for the 2023/24 financial year.

However, indicative sums were included within the original draft version of the report to enable readers to understand the potential level of council tax which could be levied for next year. The indicative value for the Fire Authority was based upon the capping limits included within the local government finance settlement, and therefore represented a potential maximum level of charge and the values included for the Environment Agency were provisional values which would be considered at their budget setting meeting.

**This is an updated paper**, presented in advance of the meeting, and now includes the actual precept requests from the organisations listed above. As a consequence, this revised report includes the **final total** council tax charge for 2023/24.

The updated information appears in several sections of the updated report:

- Section 3.4 – revenue budget components
- Section 3.5 – levies
- Section 3.6 – council tax requirement
- Section 3.7 – major preceptors' values
- Section 3.8 – council tax proposals
- Appendix 1 – revenue budget 2023/24
- Appendix 2 – council tax Resolution
- Appendix 4 – summary of local council tax charges

## 2. Policy

The Local Government Finance Act 1992 (Section 30) requires the North Somerset Council to set a balanced budget before the 11 March in the financial year, preceding the year ahead. The budget must be supported by detailed estimates of its expenditure for the coming year and of the resources that will be available to meet this expenditure. The resources not only include income from rents, fees and charges and any available balances, but also external grant income and collection fund precepts.

Section 40 of the 1992 Act requires all major precepting authorities to issue a precept on the Collection Fund before 1 March in the financial year, preceding the year-ahead.

As the billing authority for the area of North Somerset, the Council is required to set a council tax for each category of dwelling in its area, for the financial year commencing on 1 April 2023.

The Localism Act 2011 made significant changes to the Local Government Finance Act 1992 and requires the billing authority to calculate a Council Tax Requirement for the year.

The Local Audit and Accountability Act 2014 further amended The Localism Act 2011 and requires that levies are included in the calculation of the 'Relevant Basic Amount' which determines whether council tax has risen sufficiently to trigger a referendum.

### **3. Details**

#### **3.1 Proposed Revenue Budget for North Somerset Council 2023/24**

A report on the council's draft revenue budget 2022/23 was considered by the Executive at its meeting on the 8 February 2023.

The draft net revenue budget, excluding the town and parish council precepts, totalled **£202.089m**, and was fully financed by resources thereby presenting a balanced budget for the forthcoming financial year.

Members will recall that the resources included within the draft revenue budget at that time reflected the council's funding allocations as detailed within the *provisional* local government finance settlement, which were released in December 2022 and also the *provisional* business rate forecasts following release of information from the Valuation Office, also in December 2022.

The report recommended that Council increase council tax by 2.99% in 2023/24 to help meet the increasing demand and costs of front-line council services, and also that Council approve a 2% Adult Social Care Precept for 2023/24 to contribute towards meeting the growth and increasing costs of adult social care services.

#### **3.2 Changes to the Revenue Budget**

There have been no material changes to the value of the council's revenue budget for next year, although there are some minor roundings to previously estimated values, as well as some presentational changes due to the realignment of resources across council wide services. The council's business rates forecast has been finalised since the Executive meeting on the 8 February 2023 and been updated to fully reflect the impact of transitional relief awarded to ratepayers because of the national revaluation process.

The final net revenue budget for **North Somerset Council** services after these changes will therefore be **£202.766m**, and £209.699m, including the town and parish council precepts.

The allocation of the budget across services areas is presented within Appendix 1, along with confirmation on the council's funding sources.

#### **3.3 Final Local Government Finance Settlement**

The finance settlement for local government broadly comprises of the general grants such as the Revenue Support Grant and New Homes Bonus, as well as other specific grant funding

allocated by the government for important service priorities such as adult social care. It is also used to confirm the council tax referendum principles for the year ahead.

An indicative or provisional settlement is usually issued in December each year, with the final settlement being released or debated by the government in January or February.

At the time of writing the original report, the final settlement had not yet been published by the Department for Levelling Up, Communities and Housing however since that time the final settlement has been published and as expected, there are no material changes compared to the provisional settlement, either in respect of the referendum principles or resource allocations. As a result, the specific grant allocations for North Somerset will remain the same as those included within the budget report presented to the Executive at the meeting on 8 February.

### 3.4 Components of the Revenue Budget for North Somerset Council

As noted above, the total **net budget of £202.766m** for 2023/24 has been allocated to a range of council services. The council is required to gross up all of its budgets when setting and approving its council tax for the year ahead to show the total amount of expenditure and income for the year ahead. The allocations of the council's gross expenditure and income, which will be included within the formal council tax Resolution, are shown the table below.

<b>REVENUE BUDGET</b>			
	<b>2023/24 Net Budget</b>	Gross Expend	Gross Income
	<b>£</b>	<b>£</b>	<b>£</b>
Adult Social Services	<b>84,334,056</b>	125,373,780	-41,039,724
Children's Services	<b>30,011,372</b>	43,761,587	-13,750,215
Schools Budgets	<b>0</b>	55,555,320	-55,555,320
Place Directorate	<b>38,323,907</b>	73,628,211	-35,304,304
Corporate Services	<b>31,241,052</b>	84,516,277	-53,275,225
Public Health & Regulatory Services	<b>1,374,160</b>	15,228,003	-13,853,843
Capital Financing and Interest	<b>10,320,000</b>	15,313,590	-4,993,590
Other, including Non Service & Contingency	<b>6,137,792</b>	7,905,372	-1,767,580
<b>Sub Total - North Somerset Council Services</b>	<b>201,742,339</b>	<b>421,282,140</b>	<b>-219,539,801</b>
Special Expenses	<b>69,410</b>	177,370	-107,960
Levy - Environment Agency	<b>304,559</b>	304,559	0
Special Levy - Drainage Boards	<b>649,673</b>	649,673	0
<b>Sub Total - Expenses and Levies</b>	<b>1,023,642</b>	<b>1,131,602</b>	<b>-107,960</b>
<b>Total - North Somerset Council Services</b>	<b>202,765,981</b>	<b>422,413,742</b>	<b>-219,647,761</b>
Town and Parish Precepts	<b>6,932,874</b>	6,932,874	0
<b>TOTAL BUDGET REQUIREMENT 2023/24</b>	<b>209,698,855</b>	<b>429,346,616</b>	<b>-219,647,761</b>

A minor update has been reflected to the income and expenditure totals presented for Adult Social Services since the draft report, although the net spending position for the directorate remains unchanged.

### 3.5 Levies

The council's proposed revenue budget includes the levies of the Environment Agency and Internal Drainage Boards, the costs of which sit outside of the council's direct control. The council has now received formal confirmation of the Environment Agency Levy and the levy from the Internal Drainage Boards, and so final values for these areas have been included within the table.

Levies and Precepts (£)	2022/23		2023/24	
	Levy	Band D charge	Levy	Band D charge
Environment Agency Levy (final)	299,558	3.75	304,559	3.76
Internal Drainage Boards (final)	585,526	7.33	649,673	8.02
<b>Totals</b>	<b>885,084</b>	<b>11.08</b>	<b>954,232</b>	<b>11.78</b>
<b>Taxbase</b>	<b>79,926.8</b>		<b>81,014.7</b>	

The council is required to show these amounts separately because in order for the government to determine whether an authority has approved a council tax rise which necessitates the requirement for a local referendum, it includes these levy requests within its formal calculations. This calculation is known as the Relevant Basic Amount (RBA).

### 3.6 North Somerset Council Tax Requirement

The net revenue budget for 2023/24 presented to Council for approval for North Somerset Council, including the precepts for town and parish councils and special expenses, totals **£209,698,855**. Together these values form the Budget Requirement and are used in the statutory calculation of the council's council tax precept on the Collection Fund. A copy of the prescribed calculation is shown at Appendix 1.

### 3.7 Precepts from Other Bodies

In its role as the billing authority, the council is also required to collect the council tax requirement of other precepting authorities who use this money to fund their budgets. Information on each of the major precepting bodies is shown below:

- The **Police and Crime Commissioner for Avon and Somerset** approved their precept on 1 February 2023. The Band D precept for next year will be £266.20, being an increase of £15.00, or 5.97% compared to 2022/23, giving a total precept value of £21,566,113.
- The **Avon Fire Authority** approved their precept on 17 February 2023. The report reflects a Band D precept of £82.95, this being an increase of £5.00, or 6.41% compared to 2022/23. This gives a total precept of £6,720,169.
- **Town and parish councils** - Appendix 3 provides a full listing of all town and parish precepts which total £6,932,874.47. The average Band D town and parish precept has risen from £79.88 to £85.58, an increase of 7.1% from 2022/23.

There are ten parish councils within the listing which have percentage increases on their precepts which are greater than 10%, although none of the cash increases are considered material. These are:

Local Council	2022/23 Precept	2023/24 Precept	Increase (£)	Increase (%)
Banwell	£110,785	£122,646	+£11,861	+10.7%
Bleadon	£54,000	£64,653	+£10,653	+19.7%
Clevedon	£374,228	£414,330	+£40,102	+10.7%
Hutton	£104,016	£126,504	+£22,488	+21.6%
Kenn	£7,000	£8,000	+£1,000	+14.3%
Loxton & Christon	£4,500	£5,500	+£1,000	+22.2%
Tickenham	£9,354	£12,160	+£2,806	+30.0%
Walton-in-Gordano	£5,583	£6,321	+£738	+13.2%
Weston-in-Gordano	£7,000	£20,000	+£13,000	+185.7%
Weston-super-Mare	£2,631,385	£2,936,238	+£304,853	+11.6%

Town and parish council precepts are currently not subject to any form of capping, although this is a position which is reviewed by the government on an annual basis as part of the local government finance settlement considerations.

Further information from major preceptors on how their budgets are made up will be included within the council tax leaflet, which will be available on the council's website in March.

### 3.8 Council Tax Proposals

The **final** total council tax charge for a Band D property is shown below; this includes the annual charge for North Somerset Council services, as well as charges from other preceptors.

COUNCIL TAX COMPONENTS				
	2022/23	2023/24	Movement	
	£	£	£	%
North Somerset Council	1,355.05	1,400.71		
Adult Social Care Precept	183.03	214.03		
Special Expenses	0.87	0.86		
Levy - Environment Agency	3.75	3.76		
Special Levy - Internal Drainage Boards	7.33	8.02		
<b>Sub-total - North Somerset Council</b>	<b>1,550.03</b>	<b>1,627.38</b>	77.35	4.99%
Town and Parish Council Precepts	79.88	85.58	5.70	7.13%
Police and Crime Commissioner for Avon & Somerset	251.20	266.20	15.00	5.97%
Avon Fire Authority	77.95	82.95	5.00	6.41%
<b>Total Band D Council Tax</b>	<b>1,959.06</b>	<b>2,062.11</b>	<b>103.05</b>	<b>5.26%</b>

The table above indicates that the Councils' 2023/24 Band D charge, including special expenses, will be **£1,627.38**, and reflects a general council tax increase of 2.99%, which is within the 3% referendum limit and also an increase of 2% in respect of the Adult Social Care Precept. The equivalent figure for the previous year was £1,550.03.

The Band D charges from other preceptors have been finalised and are also shown to provide a total level of charge for taxpayers.



Appendix 4 contains details of the final total council tax requirement for each town and parish precept over the banding groups. These figures may be subject to small roundings, which may occur due to the number of elements that make up the figures.

### **3.9 Special Expenses**

Special expense charges take account of functions carried out by Towns but undertaken by the District council in Town areas. To ensure that taxpayers in the district do not suffer 'double taxation', the costs of the functions are removed from the overall council budget and then allocated to the specific town areas. For 2023/24 only the areas of Clevedon and Portishead will operate special expenses.

### **3.10 Pay Policy 2023/24**

The council understands the importance of ensuring good two-way communications and engagements with staff especially during periods of major change, whether this be through the continued transfer of schools to Academy status or opting for different service delivery models.

Given the scale of the council's financial challenge it is possible that the council's workforce may reduce in some areas over the period of the MTFP, including, in some cases, transferring services to other organisations. We remain committed to do all that we reasonably can to mitigate the need for job losses including, if possible, through redeployment and retraining. Staff and trade unions will continue to be fully informed and consulted over any budget proposals involving a workforce reduction.

The council updated and approved its Pay Policy Statement in February 2023 for the 2023/24 financial year (subject to any changes being imposed at a national level) and this provides details of the pay policies in place for the council's non-school workforce. The Pay Policy Statement for 2023/24 is attached at Appendix 5.

### **3.11 Members allowances**

Members are entitled to claim allowances in accordance with a scheme agreed by Council. The Independent Review Panel has conducted a detailed review and its report will be presented to council following clarification of some aspects. In the meanwhile, the current scheme of allowances will continue.

## **4. Consultation**

The council tax setting report is the statutory report required to be considered by full Council following the approval of the revenue budget, and prior to the start of the financial year. The revenue budget and medium-term financial plan has been subject to ongoing consultation and scrutiny, further details are contained within previous financial reports.

## **5. Financial Implications**

Financial implications are contained throughout the report, and other supporting reports as details under background papers below.

## **6. Legal Powers and Implications**

The Local Government Act 1972 lays down the fundamental principle by providing that every local authority shall make arrangements for the proper administration of their financial affairs, although further details and requirements are contained within related local government finance legislation including those Acts cited above. The setting of the council's budget and the resultant council tax levels for the forthcoming year is an integral part of the financial administration process.

## **7. Climate Change and Environmental Implications**

Climate and environmental related implications continue to be at the forefront of the council's thinking when considering the underlying Corporate Plan and service policies and priorities, as well as detailed investment and savings options.

Specific provision has been made within both the revenue and capital budgets for next year, details of which can be found within the relevant reports presented to the Executive at the meeting in February 2023.

## **8. Risk Management**

In setting the revenue and capital budgets, the council takes full account of a range of factors that could influence the amount of budget required by services, as well as any known key financial risks that may affect its future budget plans.

- Services that have volatile levels of demand or cost are continually analysed to ensure that the most up to date information is included, and should these factors increase beyond budgeted levels, then it may necessitate a further potential change or re-direction of resources in the future. Should any further changes be made to the draft budget, then these would be required to follow the council's financial regulations and subsequently reported through the budget monitoring framework.
- The most significant financial risks are either being explicitly provided for within the draft base budget for next year or can be covered by either the unallocated contingency budget or Working Balances.

Officers will continue to test the impact of varying key assumptions in the medium-term financial strategy to assess the sensitivity of the indicative budget figures. This informs decisions about the overall level of working balances needed to provide assurance as to the robustness of the budget estimates. A detailed assurance statement from the council's Section 151 Officer, covering both a review on the robustness of the proposed revenue budget for 2023/24 and also an assessment on the adequacy of council's reserves, was included within the revenue budget report considered by the Executive at the meeting on 8 February 2023.

A financial risk register linked to the council's medium-term financial considerations is continually reviewed and updated, with impacts reported to the Corporate Leadership Team. The uncertainty in respect of future levels of funding across the period of the Plan, as well as the current volatility across a range of economic factors and conditions continue to feature heavily within the Register as they are likely to have significant impacts on the council's medium-term financial planning forecasts.

## **9. Equality Implications**

Budget proposals included within the recommended budget have been analysed by officers for any equality implications and details of this process and the individual Equality Impact Assessments and any specific implications were published within the Medium Term Financial Plan and 2023/24 Revenue Budget report to the Executive on the 8 February 2023.

## **10. Corporate Implications**

The Corporate Plan and MTFP are vital tools to help align effort across the organisation and ensure that services are all pulling in the same direction. With continuing financial pressures and uncertainty in terms of future funding allocations, it is essential that the councils' limited resources continue to be prioritised and allocated in line with the identified priorities.

## **11. Options Considered**

The council is required to formally approve a revenue and capital budget for 2023/24. This could be undertaken as a stand-alone annual process however, we have adopted, and will try to maintain a multi-year funding horizon and MTFP period which sets the context in which annual budgets are set although this does recognise many of the uncertainties regarding future government funding levels.

### **Authors:**

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### **Appendices:**

Appendix 1 Proposed Revenue Budget 2023/24 & Calculation of Council Tax Precept  
Appendix 2 Council Tax Resolution 2023/24  
Appendix 3 Town and Parish Council Precepts 2023/24  
Appendix 4 Band Charges per Town and Parish Council 2023/24  
Appendix 5 Pay Policy Statement 2023/24

### **Background Papers:**

1. Council Tax Base Setting 2023/24 – CSD083
2. MTFP 2023-2027 and Revenue Budget for 2023/24 – Executive, 8 February 2023
3. Treasury Management Strategy 2023/24 – Executive, 8 February 2023
4. Capital Strategy 2023-2028 and Capital Budget 2023/24 – Executive, 8 February 2023

## NORTH SOMERSET COUNCIL REVENUE BUDGET 2023/24

	MTFP Net Budget - February Executive £000	Budget Movements		2023/24 Net Revenue Budget £000	2023/24 Gross I&E	
		Levies & Precepts £000	Other Budget Changes £000		Gross Expenditure £000	Income & Reserves £000
Adult Social Services	84,334	0	0	84,334	125,374	-41,040
Children's Services	30,011	0	0	30,011	43,762	-13,750
Schools Budgets	0	0	0	0	55,555	-55,555
Place Directorate	38,433	-69	-40	38,324	73,628	-35,304
Corporate Services	31,201	0	40	31,241	84,516	-53,275
Public Health & Regulatory Services	1,374	0	0	1,374	15,228	-13,854
Capital Financing and Interest	10,320	0	0	10,320	15,314	-4,994
Other, including Non Service & Contingency	6,415	-954	677	6,138	7,905	-1,768
<b>Sub Total - North Somerset Council Services</b>	<b>202,089</b>	<b>-1,024</b>	<b>677</b>	<b>201,742</b>	<b>421,282</b>	<b>-219,540</b>
Special Expenses	0	69	0	69	177	-108
Levy - Environment Agency	0	305	0	305	305	0
Special Levy - Drainage Boards	0	650	0	650	650	0
<b>Sub Total - Expenses and Levies</b>	<b>0</b>	<b>1,024</b>	<b>0</b>	<b>1,024</b>	<b>1,132</b>	<b>-108</b>
<b>Total - North Somerset Council Services</b>	<b>202,089</b>	<b>0</b>	<b>677</b>	<b>202,766</b>	<b>422,414</b>	<b>-219,648</b>
						<b>202,766</b>
Town and Parish Council Precepts	0	6,933	0	6,933	6,933	0
<b>TOTAL BUDGET REQUIREMENT 2023/24</b>	<b>202,089</b>	<b>6,933</b>	<b>677</b>	<b>209,699</b>	<b>429,347</b>	<b>-219,648</b>
						<b>209,699</b>

Financing Resources;						
- Govt Grant - Business Rates grants	-12,107	0	598	-11,509	0	-11,509
- Govt Grant - Social Care grants	-15,458	0	0	-15,458	0	-15,458
- Govt Grant - Other grants	-4,098	0	0	-4,098	0	-4,098
- Council Tax Income	-131,835	0	-7	-131,842	0	-131,842
- Business Rates Income	-33,205	0	-1,268	-34,473	0	-34,473
- Other - Collection Fund surplus, deficit and reserve transfers	-5,386	0	0	-5,386	0	-5,386
<b>Sub Total - North Somerset Council Servs</b>	<b>-202,089</b>	<b>0</b>	<b>-677</b>	<b>-202,766</b>	<b>0</b>	<b>-202,766</b>
Town and Parish Council Precepts	0	-6,933	0	-6,933	0	-6,933
<b>TOTAL FINANCING RESOURCES 2023/24</b>	<b>-202,089</b>	<b>-6,933</b>	<b>-677</b>	<b>-209,699</b>	<b>0</b>	<b>-209,699</b>

<b>NORTH SOMERSET COUNCIL PRECEPT ON THE COLLECTION FUND</b>		
	€	€
North Somerset Council's Budget Requirement		201,742,339
Special Expenses for the District		69,410
Special Levy - Environment Agency		304,559
Special Levy - Drainage Board		649,673
Parish & Town Councils Precepts		6,932,874
<b>Sub Total - Net Expenditure incl Special Expenses and Levies</b>		<b>209,698,855</b>
<b>Less:</b>		
Retained Business Rates	34,472,595	
(Tariff) / Top-Up	-720,463	
Revenue Support Grant	2,712,493	
New Homes Bonus Grant	1,385,951	
Services Grant	1,234,617	
Adult Social Care Support Grant	13,294,831	
Market Sustainability and Improvement Fund	2,163,572	
S31 Business Rates Small Business Relief Grant	2,419,242	
S31 Business Rates Threshold Grant	5,768,951	
S31 Business Rates Covid and Other Grant	4,041,253	
Est Debit Balance on the Collection Fund - Council Tax	-1,211,428	
Est Credit Balance on the Collection Fund - Business Rates	907,999	
Contribution from Collection Fund Smoothing Reserve	2,687,000	
Use of Risk Reserve to fund Energy Costs in 2023/24	1,522,000	
Contribution from Covid Collection Fund Smoothing Reserve	245,667	
Sub total - financing resources		70,924,280
<b>North Somerset's Precept on the Collection Fund</b>		<b>138,774,576</b>
	Tax Base 2023/24	81,014.7
North Somerset and Town and Parish Precept Band D Council Tax		1,712.96
North Somerset Precept Band D Council Tax for referendum purposes (excl Parishes and Special Expenses)		1,627.38

**COUNCIL TAX RESOLUTION****The Council is recommended to resolve as follows:**

- 1 It be noted that on 31st January 2023 the Council calculated the Council Tax Base for 2023/24:
  - (a) for the whole Council area as 81,014.7 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")] and ,
  - (b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix B.
- 2 Calculate that the Council Tax requirement for the Council's own purposes for 2023/24 (excluding Parish precepts and Special Levies) is **£131,841,701**
- 3 That the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Act:

a	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>(Gross Expenditure)</i>	429,346,616
b	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act <i>(Gross Income)</i>	290,572,041
c	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). <i>(North Somerset Council Tax Requirement, inc. special expenses, town and parish precepts and special levies)</i>	138,774,576
d	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). <i>(Band D Council Tax for North Somerset Council including an average of special expenses and town and parish precepts)</i>	1,712.96
e	Being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix C) <i>(Area related expenditure, i.e. town and parish precepts and special expenses)</i>	Precepts 6,932,874.47 Spec Exp 69,410.00 7,002,284.47
f	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 precepts relates. <i>(The Band "D" amount for North Somerset Council excluding "area" related expenditure, i.e. special expenses and town and parish council precepts)</i>	1,626.52
g	The amount of Special Expenses (expressed in Band D)	0.86
h	The total Relevant Basic Amount for North Somerset Council	1,627.38

4 Precepting Authorities

To note that the Police and Crime Commissioner 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 shown in the table below

Precepting Authority	Valuation Bands							
	A	B	C	D	E	F	G	H
Police & Crime Commissioner	177.47	207.04	236.62	266.20	325.36	384.51	443.67	532.40
Fire Authority	55.30	64.52	73.73	82.95	101.38	119.82	138.25	165.90

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 on the following page, as the amounts of Council Tax for 2023/24 for each part of its area and for each of the categories of dwellings.

6 The Council’s basic amount of Council Tax for 2023/24 is not determined to be excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

**This appendix includes the final figures for Avon Fire Authority following approval and confirmation of their budget for 2023/24.**

## LOCAL COUNCIL PRECEPTS 2023/24

2022/23 Precept £	Local Council	2023/24 Precept Requested £	Band 'D' Equivalent Properties	Local Council Tax Element per Band 'D' Property £	Local Tax 2022/23 £	% Incr / (Dec) %
31,550.00	Abbots Leigh	31,550.00	430.5	73.29	72.35	1.30
136,715.00	Backwell	144,745.00	2,032.2	71.23	68.24	4.37
110,785.00	Banwell	122,646.03	1,426.9	85.95	85.91	0.05
13,500.00	Barrow Gurney	13,500.00	236.9	56.99	59.24	(3.80)
44,221.00	Blagdon	48,643.00	515.3	94.40	85.68	10.17
54,000.00	Bleadon	64,653.00	548.2	117.94	97.39	21.10
5,555.00	Brockley	5,833.00	141.9	41.11	39.59	3.82
6,250.00	Burrington	6,875.00	260.4	26.40	24.33	8.52
3,600.00	Butcombe	3,600.00	121.4	29.65	29.56	0.33
82,565.00	Churchill	85,565.00	1,138.7	75.14	75.45	(0.41)
6,600.00	Clapton-in-Gordano	6,900.00	186.7	36.96	35.11	5.27
16,656.00	Cleeve	16,989.00	379.5	44.77	43.72	2.40
374,228.00	Clevedon	414,330.00	7,887.9	52.53	47.67	10.19
124,000.00	Congresbury	135,694.44	1,526.2	88.91	84.68	4.99
12,465.00	Dundry	13,091.00	388.5	33.70	31.84	5.83
28,000.00	Flax Bourton	26,500.00	368.1	71.99	76.57	(5.97)
104,016.00	Hutton	126,504.00	1,176.2	107.55	92.52	16.25
7,000.00	Kenn	8,000.00	197.5	40.51	35.12	15.33
50,000.00	Kewstoke	50,000.00	685.3	72.96	73.38	(0.57)
11,460.00	Kingston Seymour	11,750.00	183.2	64.14	62.28	2.98
113,000.00	Locking	124,250.00	1,400.9	88.69	86.07	3.05
195,000.00	Long Ashton	199,875.00	2,806.9	71.21	70.12	1.55
4,500.00	Loxton & Christon	5,500.00	98.4	55.89	45.55	22.72
567,568.00	Nailsea	567,568.00	6,266.2	90.58	91.43	(0.94)
111,902.00	Pill & Easton-in-Gordano	114,400.00	1,781.2	64.23	62.67	2.49
820,863.00	Portishead	866,700.00	10,425.6	83.13	79.17	5.00
29,500.00	Portbury	31,380.00	447.2	70.17	66.19	6.02
9,366.00	Puxton	10,082.00	151.5	66.55	62.90	5.80
28,100.00	St. Georges	28,100.00	1,128.4	24.90	25.01	(0.44)
9,354.03	Tickenham	12,160.00	494.8	24.58	20.28	21.17
5,583.00	Walton-in-Gordano	6,321.00	137.2	46.07	40.78	12.97
7,000.00	Weston-in-Gordano	20,000.00	148.1	135.04	47.43	184.75
2,631,385.00	Weston-super-Mare	2,936,238.00	26,567.0	110.52	100.17	10.33
21,500.00	Wick St. Lawrence	21,500.00	553.7	38.83	38.81	0.05
28,500.00	Winford	29,500.00	1,009.3	29.23	28.54	2.42
174,000.00	Winscombe & Sandford	185,500.00	2,207.9	84.02	80.25	4.69
46,417.00	Wraxall & Failand	51,057.00	1,169.6	43.65	39.80	9.68
119,481.00	Wroughton	127,500.00	1,273.0	100.16	94.83	5.61
238,154.00	Yatton	257,875.00	3,116.3	82.75	78.81	5.00
<b>6,384,339.03</b>		<b>6,932,874.47</b>	<b>81,014.7</b>	<b>85.58</b>		



## LOCAL COUNCIL BANDINGS 2023/24

Town and Parish	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
Abbots Leigh	1,365.98	1,593.63	1,821.30	2,048.96	2,504.29	2,959.60	3,414.94	4,097.92
Backwell	1,364.61	1,592.03	1,819.47	2,046.90	2,501.77	2,956.63	3,411.51	4,093.80
Banwell	1,374.42	1,603.48	1,832.55	2,061.62	2,519.76	2,977.89	3,436.04	4,123.24
Barrow Gurney	1,355.11	1,580.96	1,806.81	2,032.66	2,484.36	2,936.06	3,387.77	4,065.32
Blagdon	1,380.05	1,610.05	1,840.06	2,070.07	2,530.09	2,990.10	3,450.12	4,140.14
Bleadon	1,395.75	1,628.36	1,860.99	2,093.61	2,558.86	3,024.10	3,489.36	4,187.22
Brockley	1,344.53	1,568.60	1,792.69	2,016.78	2,464.96	2,913.12	3,361.31	4,033.56
Burrington	1,334.72	1,557.16	1,779.62	2,002.07	2,446.98	2,891.87	3,336.79	4,004.14
Butcombe	1,336.89	1,559.69	1,782.51	2,005.32	2,450.95	2,896.57	3,342.21	4,010.64
Churchill	1,367.21	1,595.07	1,822.94	2,050.81	2,506.55	2,962.28	3,418.02	4,101.62
Clapton-In-Gordano	1,341.76	1,565.38	1,789.00	2,012.63	2,459.88	2,907.13	3,354.39	4,025.26
Cleeve	1,346.97	1,571.45	1,795.95	2,020.44	2,469.43	2,918.41	3,367.41	4,040.88
Clevedon	1,355.20	1,581.06	1,806.92	2,032.79	2,484.52	2,936.25	3,387.99	4,065.58
Congresbury	1,376.39	1,605.78	1,835.18	2,064.58	2,523.38	2,982.17	3,440.97	4,129.16
Dundry	1,339.59	1,562.84	1,786.11	2,009.37	2,455.90	2,902.42	3,348.96	4,018.74
Flax Bourton	1,365.11	1,592.62	1,820.14	2,047.66	2,502.70	2,957.73	3,412.77	4,095.32
Hutton	1,388.82	1,620.28	1,851.75	2,083.22	2,546.16	3,009.09	3,472.04	4,166.44
Kenn	1,344.13	1,568.14	1,792.16	2,016.18	2,464.22	2,912.25	3,360.31	4,032.36
Kewstoke	1,365.76	1,593.38	1,821.00	2,048.63	2,503.88	2,959.13	3,414.39	4,097.26
Kingston Seymour	1,359.88	1,586.52	1,813.16	2,039.81	2,493.10	2,946.39	3,399.69	4,079.62
Locking	1,376.25	1,605.61	1,834.99	2,064.36	2,523.11	2,981.85	3,440.61	4,128.72
Long Ashton	1,364.59	1,592.02	1,819.45	2,046.88	2,501.74	2,956.60	3,411.47	4,093.76
Loxton	1,354.38	1,580.10	1,805.83	2,031.56	2,483.02	2,934.47	3,385.94	4,063.12
Nailsea	1,377.51	1,607.08	1,836.67	2,066.25	2,525.42	2,984.58	3,443.76	4,132.50
Pill & Easton-In-Gordano	1,359.94	1,586.59	1,813.24	2,039.90	2,493.21	2,946.52	3,399.84	4,079.80
Portishead	1,374.67	1,603.77	1,832.88	2,061.99	2,520.21	2,978.43	3,436.66	4,123.98
Portbury	1,363.90	1,591.21	1,818.52	2,045.84	2,500.47	2,955.10	3,409.74	4,091.68
Puxton	1,361.49	1,588.39	1,815.31	2,042.22	2,496.05	2,949.87	3,403.71	4,084.44
St Georges	1,333.72	1,556.00	1,778.28	2,000.57	2,445.14	2,889.71	3,334.29	4,001.14
Tickenham	1,333.51	1,555.75	1,778.00	2,000.25	2,444.75	2,889.24	3,333.76	4,000.50
Walton-In-Gordano	1,347.83	1,572.46	1,797.10	2,021.74	2,471.02	2,920.29	3,369.57	4,043.48
Weston-In-Gordano	1,407.15	1,641.66	1,876.19	2,110.71	2,579.76	3,048.80	3,517.86	4,221.42
Weston-S-Mare	1,390.80	1,622.59	1,854.39	2,086.19	2,549.79	3,013.38	3,476.99	4,172.38
Wick St Lawrence	1,343.01	1,566.83	1,790.67	2,014.50	2,462.17	2,909.83	3,357.51	4,029.00
Winford	1,336.61	1,559.36	1,782.13	2,004.90	2,450.44	2,895.96	3,341.51	4,009.80
Winscombe	1,373.13	1,601.98	1,830.83	2,059.69	2,517.40	2,975.10	3,432.82	4,119.38
Wraxall & Failand	1,346.22	1,570.58	1,794.95	2,019.32	2,468.06	2,916.79	3,365.54	4,038.64
Wrington	1,383.89	1,614.53	1,845.18	2,075.83	2,537.13	2,998.42	3,459.72	4,151.66
Yatton	1,372.29	1,600.99	1,829.71	2,058.42	2,515.85	2,973.27	3,430.71	4,116.84

Includes charges for:

- North Somerset Council Services (and levies and precepts),
- Adult Social Care Precept,
- Town and Parish Councils and Special Expenses,
- Avon Fire Authority (**final**),
- Police and Crime Commissioner for Avon & Somerset Police.

## NORTH SOMERSET COUNCIL PAY POLICY STATEMENT 2023/24

### Introduction

This statement describes the council's policies that relate to the remuneration of its workforce outside of schools, excluding any centrally employed Teachers and staff who are employed on teaching 'burgundy book', Soulbury, or other contractual terms and conditions.

The statement is intended to provide clear and transparent information about North Somerset Council's pay policies to enable local taxpayers to reach an informed view about local decisions on all aspects of remuneration for the council's non-school employees. The statement also meets the council's obligations under the Localism Act 2011 and the Code of Recommended Practice for Local Authorities on Data Transparency and is made available via the council's website.

### General Principles

North Somerset Council recognises that, in the context of scarce public resources, remuneration, at all levels, needs to be adequate to recruit and retain employees with the skills and motivation to deliver high quality services, and at the same time needs to demonstrate value for money and avoid unnecessary costs.

The council is committed to transparent, fair and equitable pay and grading arrangements. All employees are treated on an equal basis and senior officers are not differentiated from other employees in terms of the approach taken for appointments, remuneration, promotion or termination.

### Pay Structure – Overview

The pay grade for all roles, including the council's Chief Executive and Directors, are determined through job evaluation using the Korn Ferry Hay Job Evaluation Scheme, with the exception of a small number of staff who are subject to national salary scales which determine the pay for jobs and where the evaluation scheme does not apply.

Pay levels for all officers have been determined by reference to benchmarking data provided by Korn Ferry. The council aims to pay the median level within a reasonable tolerance level; recognising the fluctuations that will occur in the data and the need for the pay structure/employment package to be affordable and aligned with organisational objectives. To ensure pay levels remain at, or close to, the median level, the benchmarking data will be re-commissioned and reconsidered on a three yearly basis and will compare the salaries of comparable roles in a wide range of public sector organisations including, for example, other local authorities, health bodies and not for profit organisations.

The pay and grading structure for senior officers (Chief Executive, Director, Assistant Directors) is the responsibility of the council's Employment Committee and an element of pay for these senior officers is dependent on the postholder consistently meeting overall expectations of the job and meeting agreed targets. North Somerset Council reserves the right to reduce the level of remuneration if it determines that an individual's performance has been unsatisfactory.

Any cost of living pay award is determined through national pay bargaining arrangements, except for the Chief Executive, Directors and Assistant Directors where the pay award is

locally determined but generally follows the nationally negotiated pay award relevant to these staff.

The Government has recommended that authorities publish the ratio of the pay of the council's top earner to that of its median earner to support the principles of fair pay and transparency. The council's current ratio in this respect is 3:1. In addition, the council's ratio of the pay of the top earner to that of its lowest earner is 9:1 (this excludes Apprentices).

### **Gender Pay Gap**

Recent legislation requires employers of more than 250 people to measure and publish their gender pay gap. The gender pay gap calculation is any difference between the average earnings of men and women within an organisation. The mean gender pay gap as at 31<sup>st</sup> March 2022 was 5.81% and the median gender pay gap was 0% for North Somerset Council. This information is published in accordance with legislative requirements and recalculated on an annual basis, please note that the publication of gender pay gap data was suspended by the Government during the coronavirus pandemic.

### **Pay Structure - Details**

The council's pay structure currently consists of 20 grades (excluding Apprentices). Every job is evaluated using the Korn Ferry Hay Job Evaluation Scheme which establishes the relative size of each role and the points awarded determine the appropriate grade for the job.

The council's lowest paid employees, with the exception of apprentices in training, receive a salary equivalent to Grade 1 on the council's pay structure.

### Starting Salaries

Employees are usually appointed to the minimum point of the grade for the role. If an employee applies for an internal job that is the same grade as their substantive role they will be permitted to move across on the same spinal point.

For hard to fill jobs, such as Social Workers, Planners, Engineers and Occupational Therapists, it may be necessary to appoint suitably qualified and experienced applicants to a salary point within the overall grade for the role.

### Relocation

Where it is appropriate to do so, newly appointed employees who need to relocate to take up an appointment may receive a contribution towards their relocation expenses.

### Pay Progression

Any pay progression is based on increments. Progression up to the maximum of the grade through incremental salary points normally takes effect from the anniversary of the start date of the employee.

Increments may be withheld following an assessment of an employee's performance.

### Honorarium and Acting-up Payments

Honorarium and acting-up payments are calculated using the bottom point of the grade for the post they will be covering.

Any honoraria or acting-up payments for senior officers requires authorisation as set out in the Council's Constitution.

### Secondments

Secondment appointments are subject to incremental progression. The starting salary will be the bottom salary point of the grade and progression will take effect from the anniversary of the start date of the secondment. If an employee applies for a secondment that is the same grade as their substantive role they will be permitted to move across on the same spinal point.

### Market Supplements and Welcome Payments

The council does not normally pay market supplements, including welcome payments, in addition to salary, unless, exceptionally, it is in the council's overall interests to do so.

In service areas where it has proven difficult to recruit appropriately experienced or qualified individuals a market supplement or welcome payment may be considered, providing that there is evidence that paying a market supplement will help attract suitable candidates for hard to fill roles.

During the financial year 2022/23 no market supplements were agreed or paid. No welcome payments were paid, however, two specific roles were agreed for the application of a payment for new starters, in line with the council's Welcome Payments Policy.

### Premium Payments

Employees paid up to spinal point 24 who are required to work evenings, weekends and bank holidays are currently paid additional payments to reflect their work patterns as follows:

Non-contractual overtime	Basic pay
Saturday working	Basic pay
Sunday working	Basic pay plus 25%
Bank Holiday working	Basic pay plus 50%
Evening work (8pm to 10pm)	Basic pay
Night work (10pm to 6am)	Basic pay plus 33%

### Fees

The council makes a contribution of up to £45 per annum towards the membership of a professional body to support the continuous professional development of an employee.

Returning Officer fees are paid for statutory duties that are not part of the post holder's substantive role.

### Pension Contributions

All staff who are members of the Local Government Pension Scheme make individual contributions to the scheme. The level of contribution is linked to salary levels and currently ranges from 5.5% to 12.5% of salary.

The council also makes employer contributions to the scheme and these amounts are determined externally by the pension scheme actuary.

The council's policy is not to grant augmented pension benefits to any employee under the Local Government Pension Scheme.

### Pay Protection

The council has a pay protection policy where employment on less favourable terms is offered to an employee as an alternative to redundancy. In such circumstances an employee's pay is frozen at their current level for up to three years.

Pay protection may also apply in cases of re-deployment due to ill-health.

### Redundancy Payments

The method of calculating redundancy payments is based on the statutory redundancy scheme as set out in the Employment Rights Act 1996 (ERA) x 2. The council has also introduced a cap on the amount of pay used to calculate redundancy payments at twice the statutory weekly earnings ceiling. The cost of any redundancy should normally be recovered within an 18-month period through salary savings.

Redundancy payments may be affected by the newly introduced 'exit cap' regulations which the council is required to work within as a public sector body.

### TUPE Transfers

A small number of staff remain on terms and conditions that differ from this policy due the Transfer of Undertakings (Protection of Undertakings) legislation that protects those individuals who transfer (for example those on NHS terms). Where there is turnover, new appointments are made on council terms and conditions.

### **Pay Policy Review**

The Council's Pay Policy will be kept under regular review and the pay policy statement will be refreshed and considered by full Council each year.

**February 2023**

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