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Wednesday, 3 March 2021

## Notice of Reports Received following Publication of Agenda.

### County Council

Thursday, 11th March, 2021 at 2.00 pm,

Attached are reports that the committee will consider as part of the original agenda but were submitted to democratic services following publication of the agenda.

Item No	Item	Pages
5.1	COUNCIL TAX RESOLUTION and REVENUE AND CAPITAL BUDGETS FOR 2021/22	1 - 22

**Paul Matthews**  
Chief Executive

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## REPORT

**SUBJECT: COUNCIL TAX RESOLUTION and REVENUE AND CAPITAL BUDGETS FOR 2021/22**

**DIRECTORATE: Resources**

**MEETING: Council**

**DATE: 11<sup>th</sup> March 2021**

**DIVISION/WARDS AFFECTED: All**

### 1. PURPOSE

- Page 1
- 1.1 The Council is bound by Statute to specific timescales for Council Tax setting and is also required to make certain defined resolutions. The recommendations that form the major part of this report are designed to comply with those Statutory Provisions.
  - 1.2 The recommended resolutions also draw together the Council Tax implications of precepts proposed by the Office of Police and Crime Commissioner for Gwent and Town and Community Councils, thereby enabling the County Council to establish its headline Council Tax levels at the various property bands within each Town or Community area.

### 2. RECOMMENDATIONS

- 2.1 That the outcome of the final Local Government Settlement from Welsh Government is noted.
- 2.2 That the revenue and capital estimates for the year 2021/22 as attached in Appendix 1 and 2 be approved.
- 2.3 It be noted that, at its meeting on 3<sup>rd</sup> March 2021, Cabinet calculated the amounts set out below for the year 2021/22 in accordance with sections 32 and 33 of the Local Government Finance Act 1992 ("the Act").

For information, sections 32 and 33 of the 1992 Act have been extensively amended by Schedule 12 to the [Local Government \(Wales\) Act 1994](#). Both are further amended by the [Local Authorities \(Alteration of Requisite Calculations\) \(Wales\) Regulations 2002](#) (the "2002 regulations") and the [Local Authorities \(Alteration of Requisite Calculations\) \(Wales\) Regulations 2013](#). Section 33 is further

amended by the [Local Government Reorganisation \(Calculation of Basic Amount of Council Tax\) \(Wales\) Order 1996](#). All necessary legislative and statutory amendments have been taken into account in calculating the following amounts: -

- (a) 46,711.94 being the amount calculated by the Council, in accordance with Section 33 of the Act and The Regulations (as amended by Regulations 1999 no. 2935), as its Council Tax base for the year;
- (b) Part of the Council's Area, being the amounts calculated by the Council, in accordance with Section 34 of the Act, as the amounts of its Council Tax base for the year for dwellings in those parts of the area to which one or more special items relate:

<b>Community</b>	<b>Council Tax Base for 2021/22</b>	<b>Community</b>	<b>Council Tax Base for 2021/22</b>
Abergavenny	4,964.39	Llanhennock	301.47
Caerwent	1,120.83	Llanover	815.91
Caldicot	4,035.15	Llantillio Croesenny	468.35
Chepstow	5,517.27	Llantillio Pertholey	1,728.12
Crucorney	754.31	Llantrissant Fawr	269.13
Devauden	655.86	Magor with Undy	2,934.41
Goetre Fawr	1,279.23	Mathern	624.46
Grosmont	522.65	Mitchell Troy	736.91
Gwehelog Fawr	302.27	Monmouth	5,415.05
Llanarth	496.17	Portskewett	1,134.81
Llanbadoc	469.17	Raglan	1,086.51
Llanelly Hill	2,012.70	Rogiet	749.78
Llanfoist Fawr	1,969.37	Shirenewton	763.28
Llangattock Vibon Abel	684.01	St.Arvals	465.04
Llangwm	272.16	Tintern	497.49
Llangybi	565.75	Trellech	1,715.30
		Usk	1,384.63
		<b>Total</b>	<b>46,711.94</b>

It is recommended that Council resolves:

- 2.4 That the following amounts be now calculated by the Council for the year 2021/22 in accordance with Sections 32 to 36 of the Act and sections 47 and 49 of the [Local Government Finance Act 1988](#) (as amended):
- (a) £171,438,197 being the aggregate of the amounts the Council estimates for the items set out in Section 32(2) (a) to (d) of the Act less the aggregate of the amounts the Council estimates for the items set out in Section 32 (3) (a) and (c) of the Act calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year
  - (b) £101,483,006 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 and revenue support grant in accordance with Section 33 (3)
  - (c) £6,000 being the cost to the authority of discretionary non-domestic rate relief anticipated to be granted (under sections 47 and 49 of the [Local Government Finance Act 1988](#) , as amended)
  - (d) £1,497.72 being the amount at 2.4(a) and 2.4(c) above less the amount at 2.4(b) above, all divided by the amount at 2.3(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
  - (e) £2,954,314 being the aggregate amount of all special items referred to in Section 34 of the Act (Town and Community Precepts)
  - (f) £1,434.47 being the amount at 2.4(d) above less the result given by dividing the amount at 2.4(e) above by the amount at 2.3(a) above calculated by the Council in accordance with Section 34(2) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which no special item relates.
  - (g) Part of the Council's Area, being 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 amounts at 2.3(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 the area to which one or more special items relate:

Community Council	Precept Band D Equivalent £'s	Community Council	Precept Band D Equivalent £'s
Abergavenny	81.19	Llanover	15.32
Caerwent	45.23	Llantillio Croesenny	12.81
Caldicot	95.64	Llantillio Pertholey	27.95
Chepstow	119.18	Llantrissant Fawr	21.55
Crucorney	22.93	Magor with Undy	94.53
Devauden	10.92	Mathern	35.23
Goetre Fawr	27.36	Mitchell Troy	23.07
Grosmont	37.31	Monmouth	70.78
Gwehelog Fawr	14.89	Portskewett	29.52
Llanarth	16.12	Raglan	36.75
Llanbadoc	31.19	Rogiet	73.00
Llanelly Hill	50.18	Shirenewton	39.52
Llanfoist Fawr	34.53	St.Arvals	57.50
Llangattock Vibon Abel	10.11	Tintern	41.83
Llangwm	22.05	Trellech	14.57
Llangybi	21.21	Usk	105.19
Llanhennock	27.45		

- (h) The County Council Area, being the amounts given by multiplying the amount at 2.4(f) 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.

Council Tax Band	A	B	C	D	E	F	G	H	I
Proportion	6	7	8	9	11	13	15	18	21
Council Tax Charge	956.31	1,115.70	1,275.08	1,434.47	1,753.24	2,072.01	2,390.78	2,868.94	3,347.10

- (i) Part of the Council's Area, being the amounts given by multiplying the amounts at 2.4(g) and 2.4(h) 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: -

### County Council plus Town/Community Council

	A	B	C	D	E	F	G	H	I
Abergavenny	1,010.44	1,178.85	1,347.25	1,515.66	1,852.47	2,189.28	2,526.10	3,031.32	3,536.54
Caerwent	986.46	1,150.88	1,315.28	1,479.70	1,808.52	2,137.34	2,466.16	2,959.40	3,452.64
Caldicot	1,020.07	1,190.09	1,360.09	1,530.11	1,870.13	2,210.16	2,550.18	3,060.22	3,570.26
Chepstow	1,035.76	1,208.40	1,381.02	1,553.65	1,898.90	2,244.16	2,589.41	3,107.30	3,625.19
Crucorney	971.60	1,133.53	1,295.46	1,457.40	1,781.27	2,105.13	2,429.00	2,914.80	3,400.60
Devauden	963.59	1,124.19	1,284.79	1,445.39	1,766.59	2,087.78	2,408.98	2,890.78	3,372.58
Goetre	974.55	1,136.98	1,299.40	1,461.83	1,786.68	2,111.53	2,436.38	2,923.66	3,410.94
Grosmont	981.18	1,144.72	1,308.24	1,471.78	1,798.84	2,125.90	2,452.96	2,943.56	3,434.16
Gwehelog	966.24	1,127.28	1,288.32	1,449.36	1,771.44	2,093.52	2,415.60	2,898.72	3,381.84
Llanarth	967.06	1,128.24	1,289.41	1,450.59	1,772.94	2,095.29	2,417.65	2,901.18	3,384.71
Llanbadoc	977.10	1,139.96	1,302.80	1,465.66	1,791.36	2,117.06	2,442.76	2,931.32	3,419.88
Llanelly Hill	989.76	1,154.73	1,319.68	1,484.65	1,814.57	2,144.49	2,474.41	2,969.30	3,464.19
Llanfoist	979.33	1,142.56	1,305.77	1,469.00	1,795.44	2,121.89	2,448.33	2,938.00	3,427.67
Llangattock V A	963.05	1,123.56	1,284.07	1,444.58	1,765.60	2,086.61	2,407.63	2,889.16	3,370.69
Llangwm	971.01	1,132.85	1,294.68	1,456.52	1,780.19	2,103.86	2,427.53	2,913.04	3,398.55
Llangybi	970.45	1,132.20	1,293.93	1,455.68	1,779.16	2,102.65	2,426.13	2,911.36	3,396.59
Llanhennock	974.61	1,137.05	1,299.48	1,461.92	1,786.79	2,111.66	2,436.53	2,923.84	3,411.15
Llanover	966.52	1,127.62	1,288.70	1,449.79	1,771.96	2,094.14	2,416.31	2,899.58	3,382.85
Llantillio Croess	964.85	1,125.66	1,286.47	1,447.28	1,768.90	2,090.51	2,412.13	2,894.56	3,376.99
Llantillio Pertholey	974.94	1,137.44	1,299.92	1,462.42	1,787.40	2,112.38	2,437.36	2,924.84	3,412.32
Llantrissant	970.68	1,132.46	1,294.24	1,456.02	1,779.58	2,103.14	2,426.70	2,912.04	3,397.38
Magor with Undy	1,019.33	1,189.22	1,359.11	1,529.00	1,868.78	2,208.55	2,548.33	3,058.00	3,567.67
Mathern	979.80	1,143.10	1,306.40	1,469.70	1,796.30	2,122.90	2,449.50	2,939.40	3,429.30
Mitchell Troy	971.69	1,133.64	1,295.59	1,457.54	1,781.44	2,105.33	2,429.23	2,915.08	3,400.93
Monmouth	1,003.50	1,170.75	1,338.00	1,505.25	1,839.75	2,174.25	2,508.75	3,010.50	3,512.25
Portskewett	975.99	1,138.66	1,301.32	1,463.99	1,789.32	2,114.65	2,439.98	2,927.98	3,415.98
Raglan	980.81	1,144.28	1,307.75	1,471.22	1,798.16	2,125.09	2,452.03	2,942.44	3,432.85

Rogiet	1,004.98	1,172.48	1,339.97	1,507.47	1,842.46	2,177.45	2,512.45	3,014.94	3,517.43
Shirenewton	982.66	1,146.44	1,310.21	1,473.99	1,801.54	2,129.09	2,456.65	2,947.98	3,439.31
St. Arvans	994.64	1,160.42	1,326.19	1,491.97	1,823.52	2,155.07	2,486.61	2,983.94	3,481.27
Tintern	984.20	1,148.23	1,312.26	1,476.30	1,804.37	2,132.43	2,460.50	2,952.60	3,444.70
Trelech	966.02	1,127.03	1,288.03	1,449.04	1,771.05	2,093.06	2,415.06	2,898.08	3,381.10
Usk	1,026.44	1,197.51	1,368.58	1,539.66	1,881.81	2,223.95	2,566.10	3,079.32	3,592.54

2.5 That it be noted for the year 2021/22 that the Office of Police and Crime Commissioner for Gwent has proposed, pending conclusion of the full scrutiny process, the following amounts in precepts issued to the Council, in accordance with Section 40 of the Act, for each of the dwellings shown above: -

<b>Council Tax Band</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>	<b>I</b>
Proportion	6	7	8	9	11	13	15	18	21
Council Tax Charge	191.97	223.97	255.96	287.96	351.95	415.94	479.93	575.92	671.91

That, having calculated the aggregate in each case of the amounts at 2.4(i) and 2.5 above, the Council, in accordance with Section 30(2) of the Act, 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: -



## County Council plus Town/Community Council plus Police and Crime Commissioner

	A	B	C	D	E	F	G	H	I
Abergavenny	1,202.41	1,402.82	1,603.21	1,803.62	2,204.42	2,605.22	3,006.03	3,607.24	4,208.45
Caerwent	1,178.43	1,374.85	1,571.24	1,767.66	2,160.47	2,553.28	2,946.09	3,535.32	4,124.55
Caldicot	1,212.04	1,414.06	1,616.05	1,818.07	2,222.08	2,626.10	3,030.11	3,636.14	4,242.17
Chepstow	1,227.73	1,432.37	1,636.98	1,841.61	2,250.85	2,660.10	3,069.34	3,683.22	4,297.10
Crucorney	1,163.57	1,357.50	1,551.42	1,745.36	2,133.22	2,521.07	2,908.93	3,490.72	4,072.51
Devauden	1,155.56	1,348.16	1,540.75	1,733.35	2,118.54	2,503.72	2,888.91	3,466.70	4,044.49
Goetre	1,166.52	1,360.95	1,555.36	1,749.79	2,138.63	2,527.47	2,916.31	3,499.58	4,082.85
Grosmont	1,173.15	1,368.69	1,564.20	1,759.74	2,150.79	2,541.84	2,932.89	3,519.48	4,106.07
Gwehelog	1,158.21	1,351.25	1,544.28	1,737.32	2,123.39	2,509.46	2,895.53	3,474.64	4,053.75
Llanarth	1,159.03	1,352.21	1,545.37	1,738.55	2,124.89	2,511.23	2,897.58	3,477.10	4,056.62
Llanbadoc	1,169.07	1,363.93	1,558.76	1,753.62	2,143.31	2,533.00	2,922.69	3,507.24	4,091.79
Llanelly Hill	1,181.73	1,378.70	1,575.64	1,772.61	2,166.52	2,560.43	2,954.34	3,545.22	4,136.10
Llanfoist	1,171.30	1,366.53	1,561.73	1,756.96	2,147.39	2,537.83	2,928.26	3,513.92	4,099.58
Llangattock V A	1,155.02	1,347.53	1,540.03	1,732.54	2,117.55	2,502.55	2,887.56	3,465.08	4,042.60
Llangwm	1,162.98	1,356.82	1,550.64	1,744.48	2,132.14	2,519.80	2,907.46	3,488.96	4,070.46
Llangybi	1,162.42	1,356.17	1,549.89	1,743.64	2,131.11	2,518.59	2,906.06	3,487.28	4,068.50
Llanhennock	1,166.58	1,361.02	1,555.44	1,749.88	2,138.74	2,527.60	2,916.46	3,499.76	4,083.06
Llanover	1,158.49	1,351.59	1,544.66	1,737.75	2,123.91	2,510.08	2,896.24	3,475.50	4,054.76
Llantillio Croess	1,156.82	1,349.63	1,542.43	1,735.24	2,120.85	2,506.45	2,892.06	3,470.48	4,048.90
Llantillio Pertholey	1,166.91	1,361.41	1,555.88	1,750.38	2,139.35	2,528.32	2,917.29	3,500.76	4,084.23
Llantrissant	1,162.65	1,356.43	1,550.20	1,743.98	2,131.53	2,519.08	2,906.63	3,487.96	4,069.29
Magor with Undy	1,211.30	1,413.19	1,615.07	1,816.96	2,220.73	2,624.49	3,028.26	3,633.92	4,239.58
Mathern	1,171.77	1,367.07	1,562.36	1,757.66	2,148.25	2,538.84	2,929.43	3,515.32	4,101.21
Mitchell Troy	1,163.66	1,357.61	1,551.55	1,745.50	2,133.39	2,521.27	2,909.16	3,491.00	4,072.84
Monmouth	1,195.47	1,394.72	1,593.96	1,793.21	2,191.70	2,590.19	2,988.68	3,586.42	4,184.16
Portskewett	1,167.96	1,362.63	1,557.28	1,751.95	2,141.27	2,530.59	2,919.91	3,503.90	4,087.89
Raglan	1,172.78	1,368.25	1,563.71	1,759.18	2,150.11	2,541.03	2,931.96	3,518.36	4,104.76
Rogiet	1,196.95	1,396.45	1,595.93	1,795.43	2,194.41	2,593.39	2,992.38	3,590.86	4,189.34
Shirenewton	1,174.63	1,370.41	1,566.17	1,761.95	2,153.49	2,545.03	2,936.58	3,523.90	4,111.22
St. Arvans	1,186.61	1,384.39	1,582.15	1,779.93	2,175.47	2,571.01	2,966.54	3,559.86	4,153.18

Tintern	1,176.17	1,372.20	1,568.22	1,764.26	2,156.32	2,548.37	2,940.43	3,528.52	4,116.61
Trelech	1,157.99	1,351.00	1,543.99	1,737.00	2,123.00	2,509.00	2,894.99	3,474.00	4,053.01
Usk	1,218.41	1,421.48	1,624.54	1,827.62	2,233.76	2,639.89	3,046.03	3,655.24	4,264.45

2.7 That Mr R Davies, Mrs D Smith, Mr M Owen, Ms L Crump and Mrs S Knight of the Revenues Shared Service be authorised under Section 223 of the Local Government Act 1972 to prosecute and appear on behalf of Monmouthshire County Council in proceedings before a Magistrates Court for the purpose of applying for Liability Orders in respect of Council Tax and Non-Domestic Rates.

### 3. KEY ISSUES

3.1 The final revenue and capital budgets for 2021/22 were considered by Cabinet on 3<sup>rd</sup> March 2021. The final settlement was announced ahead of this by Welsh Government on 2<sup>nd</sup> March 2020. The Minister in her letter to Leaders across Welsh local government, and included in appendix 3, confirmed that following consideration of consultation responses she did not identify any matters that required a change in the final settlement. And furthermore confirmation that a funding floor will not be introduced, citing that Welsh Government had allocated all its available funding at the provisional stage. Unlike last year the absence of a floor was a lesser consideration for the Council and resulting from the above average increase in the settlement received.

3.2 There is still however a need to think differently about the even greater challenges of the medium term and this work and engagement will continue in the coming months, and notably with other local authorities, Welsh Government and the Welsh Local Government Association (WLGA) and where funding distribution and projections are concerned. Specifically, the Leader continues to garner support with the WLGA rural forum for an evidence based review of the funding formula to be undertaken to demonstrate how rural authorities are disadvantaged in the formula distribution.

3.3 Alongside this the ongoing financial challenges remain as always a dynamic situation. Further work will be undertaken to develop the MTFP and that will include an ongoing assessment of pressures, risks and modelling assumptions. Notably key risks remaining to be assessed and managed in 2021/22 and as yet unknown are:

- a) A key remaining and potentially significant financial risk relates to the pay awards for local government staff and teaching staff. The reality is that Welsh Government did not receive any additional funding through the Barnett formula to provide for public sector wide pay awards next year given the UK Government's decision to pause public sector pay rises, with the exception of the NHS and those on the lowest wages. The implications of pay awards in 2021-22 will therefore need to be accommodated within the Council's budget planning and through reserve cover in place as required.

Local government pay is nationally set by Local Government Employers (LGE) and Teachers pay in Wales is set by the IWPRB (Independent Welsh Pay Review Body). Pay budgets have been built on a modelling assumption and pay award of 1%. Any increase in pay award above this will draw further on the Council's finances and therefore this remains a key risk. The Council

awaits subsequent notification on pay from awarding bodies and that will now extend into 2021/22 and where pay awards are subject to consultation with trade unions.

- b) The Council is grateful to Welsh Government for the continued funding provided to local authorities via its COVID Hardship Fund to offset significant COVID related expenditure and income losses. Whilst comfort is held around all such pressures being funded by Welsh Government in this financial year a risk still remains that Welsh Government funding will be inadequate to cover COVID related expenditure and income losses through 2021/22. However, this risk has been reduced significantly since Welsh Government has announced £206m funding to extend the COVID Hardship Fund for a further six months. This position will continue to be closely monitored.
- c) Clarification is still being sought on levels of specific grant funding for next year. It was hoped that further detail would be provided when Welsh Government released the final settlement on 2<sup>nd</sup> March. Whilst further confirmation has been received around all-Wales grant allocation the Council is yet receive confirmation of its specific allocations. This will be closely monitored in the coming weeks and any material impacts will be considered as part of in-year budget monitoring with recovery action being taken as required.
- d) Demand-led pressures remain, as evidenced by the extent and level of pressures needing to be accommodated within these budget proposals. Ongoing budget monitoring and review of pressures will identify whether any further pressures need to be managed. As stated this is a dynamic situation to which the Authority will respond as any situation evolves.

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6.4

In terms of setting council tax for 2021/22 statute requires that Council makes appropriate recommendations to prescribed timescales for setting the Council Tax payable for the coming financial year. The Council must also account for precepts made upon it by the Office of Police and Crime Commissioner for Gwent and by Town and Community Councils. Recommendation 2.6 discharges these obligations.

- 3.5 The Council is also required to authorise officers to undertake advance recovery action through the Courts where necessary. The authorising recommendation appears at 2.7 above.

**4. OPTIONS APPRAISAL**

Not applicable as this is a statutory report.

**5. EVALUATION CRITERIA**

Not applicable.

**6. REASONS**

6.1 To approve the summary revenue and capital budget for 2021/22.

6.2 To set the Council Tax for the 2021/22 financial year.

6.3 To discharge the Responsible Financial Officer's responsibilities under the Local Government Act 2003.

**RESOURCE IMPLICATIONS:**

As identified in the report.

**8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):**

8.1 The equality and sustainability considerations on the budget proposals have been identified throughout the budget process and were taken into account by Cabinet when approving the budget on 3<sup>rd</sup> March 2021. The relevant information is contained in the papers for the Final Budget proposals for the 2021/22 Revenue and Capital Budget.

8.2 There are no safeguarding and corporate parenting implications associated with this report.

**9. CONSULTEES:**

This report arises from Councils approval of the 2021/22 budget proposals and contains the statutory decisions in relation to setting council tax for 2021/22. The budget has undergone considerable consultation to arrive at the recommendations today.

**10. BACKGROUND PAPERS:**

Revenue and Capital Budget 2021/22 - Final proposals following public consultation: Cabinet 3<sup>rd</sup> March 2021

**11. AUTHORS:**

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**APPENDICES**

Appendix 1 – Revenue Budget summary 2020-21 to 2024/25

Appendix 2 – Capital Budget summary 2021-22 to 2024/25

Appendix 3a & b – Final Local Government Settlement announcement – covering letter to Leaders from the Cabinet Secretary and written statement from the Minister

## Appendix 1 – Revenue Budget Summary

Services	Indicative Base 2021/22 £000	Indicative Base 2022/23 £000	Indicative Base 2023/24 £000	Indicative Base 2024/25 £000
Children & Young People	56,527	57,044	57,518	57,996
Social Care & Health	52,825	53,494	54,233	54,978
Enterprise	25,767	26,212	26,544	27,063
Resources	8,361	8,482	8,660	8,795
Chief Executive's Unit	5,048	5,220	5,166	5,243
Corporate Costs & Levies	23,414	28,139	34,939	39,839
<b>Sub Total</b>	<b>171,942</b>	<b>178,590</b>	<b>187,060</b>	<b>193,915</b>
Transfers to reserves	195	188	63	63
Transfers from reserves	(588)	(294)	(139)	(139)
Treasury	6,417	6,853	7,055	7,536
<b>Appropriations Total</b>	<b>6,024</b>	<b>6,747</b>	<b>6,979</b>	<b>7,460</b>
<b>Total Expenditure Budget</b>	<b>177,966</b>	<b>185,337</b>	<b>194,039</b>	<b>201,375</b>
Aggregate External Financing (AEF)	(101,483)	(101,483)	(101,483)	(101,483)
Council Tax (MCC)	(60,078)	(62,451)	(65,542)	(68,786)
Council Tax (Gwent Police)	(13,451)	(13,451)	(13,451)	(13,451)
Council Tax (Community Councils)	(2,954)	(2,954)	(2,954)	(2,954)
Contribution to/(from) Council Fund	0	0	0	0
Disinvestment	0	0	0	0
<b>Sub Total Financing</b>	<b>(177,966)</b>	<b>(180,339)</b>	<b>(183,431)</b>	<b>(186,675)</b>
<b>(Headroom)/Shortfall</b>	<b>0</b>	<b>4,998</b>	<b>10,608</b>	<b>14,700</b>

**2021/22 Reconciliation through Budget process**

	January 2021 Cabinet proposals							Final Settlement Changes		March 2021 Cabinet and Final budget recommendations to Council			
	Adjusted Base Budget 2020/21	Proposed savings	Identified Explicit Pressures	Budget Assumptions	Corporate Adjustments incl. reserves	Council Tax Income	Proposed Budget 2021/22	Adjustment to AEF	Settlement pressures / adjustments	Changes to Pressures	Changes to Savings	Final amendments	Final budget recommended
<b>Net Expenditure Budgets</b>													
Children and Young People	56,072	(1,510)	1,469	513	0		56,544			84		(102)	56,526
Social Care and Health	50,515	(326)	2,979	113	0		53,282			91	(548)		52,825
Enterprise	22,602	(925)	4,107	246	385		26,415			(651)	4		25,768
Resources	7,682	(165)	756	76	13		8,362						8,362
Chief Executive's unit	4,749	(32)	195	45	0		4,957			91			5,048
Corporate Costs & Levies	22,972	(1,000)	520				22,492			625	(508)	805	23,414
<b>Sub Total</b>	<b>164,592</b>	<b>(3,958)</b>	<b>10,026</b>	<b>993</b>	<b>398</b>	<b>0</b>	<b>172,051</b>	<b>0</b>	<b>0</b>	<b>240</b>	<b>(1,052)</b>	<b>703</b>	<b>171,943</b>
Appropriations	6,628	275	44		(88)		6,859					(442)	6,417
Contributions to Earmarked reserves	143				52		195						195
Contributions from Earmarked reserves	(657)				69		(588)						(588)
<b>Total Net Proposed Budget</b>	<b>170,706</b>	<b>(3,682)</b>	<b>10,070</b>	<b>993</b>	<b>431</b>	<b>0</b>	<b>178,517</b>	<b>0</b>	<b>0</b>	<b>240</b>	<b>(1,052)</b>	<b>261</b>	<b>177,966</b>
<b>Funding Budgets</b>													
Aggregate External Financing (AEF)	(97,760)			(3,723)			(101,483)						(101,483)
Council Tax (MCC)	(57,347)					(3,339)	(60,686)					608	(60,078)
Council Tax (Gwent Police)	(12,647)						(12,647)					(804)	(13,451)
Council Tax (Community Councils)	(2,952)						(2,952)					(2)	(2,954)
Council Fund Contribution	0				(748)		(748)					748	(0)
<b>Total Funding</b>	<b>(170,706)</b>	<b>0</b>	<b>0</b>	<b>(3,723)</b>	<b>(748)</b>	<b>(3,339)</b>	<b>(178,517)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>550</b>	<b>(177,966)</b>
<b>Headroom/-shortfall</b>	<b>(0)</b>	<b>(3,682)</b>	<b>10,070</b>	<b>(2,730)</b>	<b>(318)</b>	<b>(3,339)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>240</b>	<b>(1,052)</b>	<b>811</b>	<b>(0)</b>
	Council Tax 2020/21						2021/22 tax base	Council Tax 2021/22	%age increase				
<b>Council tax recommendations</b>	1,380.76						46,711.94	1,434.47	3.89%				

**Appendix 2 Capital Budget Summary 2021/22 to 2024/25**

	Indicative Budget 2021/22	Indicative Budget 2022/23	Indicative Budget 2023/24	Indicative Budget 2024/25
Asset Management Schemes	1,929,276	1,929,276	1,929,276	1,929,276
School Development Schemes	14,383,334	13,681,287	50,000	50,000
Infrastructure & Transport Schemes	3,427,740	3,427,740	3,427,740	3,427,740
Regeneration Schemes	184,700	330,400	602,900	730,200
County Farms Schemes	300,773	300,773	300,773	300,773
Inclusion Schemes	1,150,000	1,150,000	1,150,000	1,150,000
ICT Schemes	361,000	203,000	0	0
Vehicles Leasing	1,500,000	1,500,000	1,500,000	1,500,000
Capitalisation Directive	2,207,500	2,207,500	507,500	507,500
Other Schemes	1,070,000	1,070,000	1,070,000	1,070,000
<b>TOTAL EXPENDITURE</b>	<b>26,514,323</b>	<b>25,799,977</b>	<b>10,538,190</b>	<b>10,665,490</b>
Supported Borrowing	(2,431,000)	(2,431,000)	(2,431,000)	(2,431,000)
Unsupported (Prudential) Borrowing	(4,093,697)	(16,539,687)	(2,977,900)	(3,105,200)
General Capital Grant	(2,438,000)	(2,438,000)	(2,438,000)	(2,438,000)
Grants & Contributions	(13,160,336)	0	0	0
Reserve & Revenue Contributions	0	0	0	0
Capital Receipts	(2,891,290)	(2,891,290)	(1,191,290)	(1,191,290)
Vehicle Lease Financing	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
<b>TOTAL FUNDING</b>	<b>(26,514,323)</b>	<b>(25,799,977)</b>	<b>(10,538,190)</b>	<b>(10,665,490)</b>
<b>(SURPLUS) / DEFICIT</b>	<b>0</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>





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Julie James AS/MS  
Y Gweinidog Tai a Llywodraeth Leol  
Minister for Housing and Local Government



Llywodraeth Cymru  
Welsh Government

Ein cyf/Our ref: MA/JJ/0664/21

To:  
Leaders of County and County Borough Councils in Wales

Copied to:  
Chief Executives and Directors of Finance, County and County Borough Councils in Wales  
Chief Executive and Director of Finance, Welsh Local Government Association

2 March 2021

Dear Colleagues

Today I am announcing details of the Final Local Government Revenue and Capital Settlements for 2021-22 (the Settlement) for county and county borough councils in Wales through a Cabinet Written Statement. This is attached for your information.

My announcement outlines my intention to set local government core revenue funding for 2021-22 at £4.651 billion. This means, after adjusting for transfers, overall core funding for local government in 2021-22 will increase by 3.8 per cent on a like-for-like basis compared to the current year.

In preparing the final Settlement, I have given careful consideration to the responses I received to the consultation on the provisional settlement, which closed on 9 February. The responses did not identify any matters which required a change of approach for the final Settlement.

I allocated all available funding into the provisional settlement to give as much early certainty as I could to authorities. I have no further funding currently available. Any funding floor which would be put in place would have to re-distribute funding so that those authorities which sit above the floor proportionately fund those below it. I have decided not to include a funding floor for the final Settlement.

In addition to the Settlement, I am publishing information on revenue and capital grants planned for 2021-22. These amount to over £1 billion for revenue and over £760 million for capital. We have also detailed specific Covid grants to support local authorities, such as £206m to extend the Local Government Hardship Fund into the first six months of the year to continue to support you in the additional costs and loss of income due to the pandemic. This includes support for schemes that you are delivering on our behalf such as self-isolation payments. I should again like to record my thanks for the efforts of your officers in delivering so much support to individuals, businesses and communities in response to the impacts of the pandemic and other severe events.

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:  
0300 0604400

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

General capital funding for 2021-22 will continue to be set at £198 million. Included within this amount is £20 million for the public highways refurbishment grant including support for active travel routes. We are also continuing the £35m general uplift from the historic baselined grant. This will help enable you to continue to respond to our joint priorities of decarbonisation, the climate emergency and economic recovery following Covid-19.

The final *Local Government Finance Report* and additional tables containing details of the final Settlement by individual authority are also being published on the Welsh Government website.

Local authorities are reminded of the requirement to comply with the general equality duties set out in the Equality Act 2010, and also the specific equality duties where applicable. The equality impacts of budgetary options should be assessed and inform any final decisions.

Authorities also need to take account of their duties under the Well-being of Future Generations (Wales) Act 2015 and the Welsh language standards in preparing plans for 2021-22.

This final Settlement provides you with the information you need to plan your budgets and services for 2021-22 as part of your medium term financial plans.

We will continue our positive engagement with local government on all matters finance-related through the Finance Sub Group.

The Government will now proceed to lay the Local Government Finance Report (No. 1) for 2021-22 for debate in the Senedd on 9 March 2021.

Yours sincerely



**Julie James AS/MS**

Y Gweinidog Tai a Llywodraeth Leol  
Minister for Housing and Local Government



Llywodraeth Cymru  
Welsh Government

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## **WRITTEN STATEMENT BY THE WELSH GOVERNMENT**

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**TITLE**            **Final Local Government Settlement 2021-22**

**DATE**            **2 March 2021**

**BY**                **Julie James MS, Minister for Housing and Local Government**

Following today's announcement of the Welsh Government's Final Budget, I am publishing details of the core funding allocations for unitary authorities for the forthcoming financial year through the Final Local Government Revenue and Capital Settlements for 2021-22 (the Settlement).

In preparing the final Settlement, I have given careful consideration to the responses I received to the consultation on the provisional settlement, which closed on 9 February. The responses did not identify any matters which required a change of approach for the final Settlement. For 2021-22 local authorities will receive £4.65 billion from the Welsh Government in core revenue funding and non-domestic rates to spend on delivering key services. Adjusting for transfers, the core revenue funding for local government in 2021-22 will increase by 3.8% on a like-for-like basis compared to 2020-21.

In addition to this, I am publishing information on revenue and capital grants planned for 2021-22. These amount to over £1 billion for revenue and over £760 million for capital, with further grants to support local authorities through the pressures faced by the Coronavirus pandemic. We are providing these grant values to enable local authorities to plan their budgets efficiently.

I have allocated all available funding into the provisional settlement to give as much early certainty as I could to authorities. I have no further funding currently available. I am not therefore providing for a funding floor since any floor which would be put in place would have to redistribute funding.

As set out in today's budget, the Welsh Government's funding priorities continue to be health and local government services. This is undoubtedly a good Settlement for local government; however, I am aware a second good settlement in as many years does not make up for 10 years of the UK government's austerity agenda.

I know local government has been facing significant pressures, particularly arising from the COVID-19 pandemic. As part of the budget, the Finance Minister announced that we have extended the Local Government Hardship Fund for 6 months, with £206m to support councils with ongoing additional costs and loss of income due to the pandemic.

In setting the overall Settlement at this level the Government has responded to the negative impact of the pandemic on Non Domestic Rate (NDR) collection and the freeze of the NDR multiplier by a compensating rise in the revenue support grant element of the Settlement.

Attached to this statement is a summary table setting out the Settlement allocations by authority. The allocations are derived using the formula developed and agreed in partnership with local government. As a result of the formula and related data, the table shows the range of the funding allocations, from a 2.0% increase over the 2020-21 settlement to a 5.6% increase.

Further details on the Settlement will be sent to all local authorities and published on the Welsh Government's website:

<https://gov.wales/local-government-revenue-and-capital-settlement-2021-2022>

General capital funding for 2021-22 will be set at £198 million. This includes £20 million for the public highways refurbishment grant and a continuation of an additional £35m provided for in the budget for 2020-2021. This will help enable authorities to continue to respond to our joint priorities of decarbonisation, the climate emergency and economic recovery following Covid-19.

I know that authorities will have already made tough choices in setting their budgets. The setting of budgets, and in turn council tax, is the responsibility of each local authority and authorities will need to take account of the full range of sources of funding available to them, as well as the pressures they face, in setting their budgets for the coming year.

The motion for the Senedd to approve the Local Government Finance Report (No.1) for 2021-22 is scheduled for debate on 9 March 2021.

## Summary Table

### 2021-22 final settlement – comparison of 2020-21 AEF (adjusted for transfers) and 2021-22 final AEF, and distribution of the 2020-21 Council Tax Reduction Schemes funding (distributed within AEF) (£000s)

Unitary authority	2020-21 adjusted AEF <sup>1</sup>	2021-22 final AEF <sup>2</sup>	% change on adjusted 2020-21 AEF	Rank	Council Tax Reduction Schemes (within AEF)
Isle of Anglesey	101,369	104,825	3.4%	18	5,186
Gwynedd	188,409	194,793	3.4%	19	8,541
Conwy	161,181	166,906	3.6%	17	9,138
Denbighshire	153,089	158,632	3.6%	16	8,920
Flintshire	199,267	206,778	3.8%	14	9,609
Wrexham	184,569	188,856	2.3%	21	9,062
Powys	184,554	191,897	4.0%	8	8,775
Ceredigion	107,545	109,658	2.0%	22	5,122
Pembrokeshire	172,502	179,387	4.0%	7	8,187
Carmarthenshire	274,355	284,820	3.8%	13	13,996
Swansea	339,445	352,642	3.9%	10	19,264
Neath Port Talbot	227,198	236,680	4.2%	6	15,977
Bridgend	203,540	212,192	4.3%	5	13,088
The Vale Of Glamorgan	160,455	168,316	4.9%	2	9,062
Rhondda Cynon Taf	389,403	404,375	3.8%	11	21,936
Merthyr Tydfil	96,973	101,476	4.6%	3	5,595
Caerphilly	283,708	292,367	3.1%	20	12,372
Blaenau Gwent	116,112	120,361	3.7%	15	8,067
Torfaen	140,308	146,340	4.3%	4	8,331
Monmouthshire	97,673	101,483	3.9%	9	5,753
Newport	228,000	240,796	5.6%	1	10,083
Cardiff	469,913	487,913	3.8%	12	27,934
<b>All Unitary Authorities</b>	<b>4,479,570</b>	<b>4,651,494</b>	<b>3.8%</b>		<b>244,000</b>

Note: Total may not sum correctly due to rounding

1. 2020-21 AEF adjusted transfers of £5.127m (at 2020-21 prices) into the Settlement
2. The 2021-22 final AEF is unchanged from provisional settlement.

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