

**Agenda Item No:** 9.2  
**Report Title:** 2018/19 Budget overview and Tax Base setting.  
**Report To:** Cabinet **Date:** 3 January 2018  
**Cabinet Member:** Councillor Bill Giles  
**Ward(s) Affected:** All  
**Report By:** Alan Osborne, Deputy Chief Executive  
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**Purpose of Report:**

To explain the emerging General Fund and Housing Revenue Account budgets for 2018/19. The report also recommends the level at which the council tax base for 2018/19 should be set and the approach to be taken to determining the projected amount of non-domestic rating income for that year.

**Officers Recommendation(s):**

**That Cabinet:**

- 1 Notes the emerging 2018/19 budget context and proposals.
  - 2 Approves the calculation of the Council Tax Base for 2018/19.
  - 3 Approves that, in accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, the 2018/19 Council Tax Base for the whole of the area shall be 37,034.0 and that the Council Tax Base for each of the Town and Parish areas of the District shall be as set out in Appendix 2 of this report.
  - 4 Delegates the setting of the projected amount of non-domestic rating income for 2018/19 and the demand on the business rates Collection Fund to the Deputy Chief Executive.
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## Reasons for Recommendations

- 1 The Council's budget setting process is well underway for 2018/19 and the report sets out some of the national and local context as well as some of the main assumptions that are being made. It will act as part of the consultation process with stakeholders including the Scrutiny Committee.
- 2 Cabinet is required to approve the Tax Base which will be used for the purposes of calculating the 2018/19 Council Tax in respect of Town and Parish Councils and Special Expenses.
- 3 The Council is required to forecast the amount of its non-domestic rating income for the forthcoming financial year and to notify the Government and major precepting authorities by 31 January 2018.

## Information

### 4 Council Tax Base 2018/19

- 4.1 The Council is required by law to set the Council Tax Base before 31 January each year. This will enable East Sussex County Council, Sussex Police and Crime Commissioner and East Sussex Fire and Rescue Service to apportion their precepts between the billing authorities in the county on the basis of their tax bases.
- 4.2 The Tax Base will be used in the 2018/19 calculation of:
  - Lewes District Council's own council tax demand.
  - The amount of Special Expenses which will be charged to taxpayers in each area of the District.
  - The council tax of each Town and Parish Council.
- 4.3 Cabinet has the authority to approve the Council Tax Base. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 set out the basis of calculating the Council Tax Base.
- 4.4 The Council Tax Base must be expressed in terms of equivalent "Band D" properties. The Government's Valuation Office Agency assesses the relative value of every property within the district and places it in one of eight bands A to H. A conversion factor is then applied to each of the Bands A to H in order to obtain the equivalent number of "Band D" properties as set out below.

<u>Valuation (at 1 April 1991)</u>	<u>Band</u>	<u>Conversion Factor</u>
Less than £40,000	A	6/9 of Band D
Less than £52,000	B	7/9 of Band D
Less than £68,000	C	8/9 of Band D
Less than £88,000	D	9/9 of Band D
Less than £120,000	E	11/9 of Band D
Less than £160,000	F	13/9 of Band D
Less than £320,000	G	15/9 of Band D
Greater than £320,000	H	18/9 of Band D

- 4.5** Occupiers qualifying for disabled relief who are in properties above Band A move down a band for Council Tax purposes. Occupiers qualifying for disabled relief in Band A properties receive relief equivalent to 1/9th of a Band D tax.
- 4.6** Deductions are made from the aggregate number of properties in each band in respect of exempt properties and single person discounts. As agreed by the Council, no discount is given for second homes and long-term empty properties attract a 50% premium. An adjustment is also made to reflect the potential impact of the Council Tax Reduction Scheme.
- 4.7** In setting the Tax Base, an assessment is made of the anticipated in-year collection rate of the Council Tax. It is considered appropriate to set the anticipated collection rate at 98.2%, unchanged from 2017/18. This reflects current collection performance, which is closely monitored throughout the year.
- 4.8** **Appendix 1** sets out details of the Tax Base for the whole District. The total number of dwellings in the District (line 2) on 30 November 2017 (the prescribed date of this calculation) was 44,809, an increase of 229 on the previous year.
- 4.9** The Tax Base calculation includes an estimate for the number of new properties which will be subject to the council tax for the first time in 2018/19 (line 34). A number of data sources including records of Planning application approvals have been used to project the number of dwellings which are considered likely to be constructed or converted in the year. This approach to projecting the increase in the taxbase has proved to be robust in previous years.
- 4.10** The total Tax Base, net of the collection rate adjustment, increases by 688.4 from 36,345.6 to 37,034.0 Band D Equivalents. The increase in chargeable properties exceeds the prudent projection of 0.5% recurring annual growth used over the duration of the Council's Medium Term Finance Strategy (MTFS), which equated to 182 additional Band D equivalent dwellings in 2018/19.
- 4.11** Cabinet is recommended to approve the constituent parts of the total tax base relating to Towns and Parishes shown at **Appendix 2**. These will be used to calculate the Special Expenses council tax amounts for 2018/19, as well as the council tax requirement of each Town and Parish Council to meet their own budget (precept) requirements. The Towns and Parishes have been provisionally advised of these individual tax bases in order that each can assess the impact of the precept in its area.
- 4.12** In 2013/14 the Council introduced a system of grant payments to the local Town and Parish Councils to offset increases in their council tax amounts which would otherwise arise as a result of reductions in their tax bases following the introduction of the Council Tax Reduction Scheme. The Government had made funding available to district councils for such grant schemes through the Revenue Support Grant and Business Rates Retention mechanism. In response to reductions in Government funding, the Council has reduced the grants that it pays to the Town and Parish Councils each year and the same value of reductions, £30,000 in total will be applied in 2018/19, resulting in aggregate payments of £141,000.

## **5 Retained Business Rates Income**

- 5.1** Following a national revaluation exercise, a new 'Rating List' came into effect from 1 April 2017. As a result, the amounts paid by individual business ratepayers have varied compared with 2016/17, subject to a national transitional relief scheme designed to mitigate significant increases or decreases. In order to support those businesses which faced the steepest increases in their business rates bills as a result of the revaluation, the Government has made available a discretionary fund of £300 million nationally. Local authorities have been allocated a share of the fund, to be administered and awarded to local businesses through their discretionary relief powers. This Council approved its Business Rate Revaluation Support Policy in November 2017.
- 5.2** A large number of appeals against the 2017 Rating List can be expected. The appeals process changed with effect from April 2017 with the Government introducing a new three-stage 'Check, Challenge, Appeal' approach. The Valuation Office Agency advise that cases may take fifteen months to reach the 'challenge' stage. The 'Appeal' stage falls within the remit of the Valuation Tribunal and local authorities have yet to receive information on the process and format of data that will be made available to them in respect of appeals received. In this context,
- 5.3** On 1 April 2017, an Enterprise Zone (EZ) was established for a defined area of Newhaven. Non-domestic properties within the EZ are eligible for business rates discounts, the cost of which will be reimbursed to the Council by government grant. The Council will also be able to retain the benefit of growth in the business rates base arising from businesses expanding within or relocating to the EZ.
- 5.4** The estimate of business rate income for 2018/19, taking into account the changes and associated risks noted above, is currently being finalised. The income estimates will be notified to the Government in January 2018. The report seeks delegation to the Deputy Chief Executive as the Council's statutory Chief Finance Officer to determine the final demand on the business rates collection fund for 2018/19.
- 5.5** In September 2014, Cabinet agreed that the Council should enter into an East Sussex Business Rates Pool with effect from 1 April 2015 comprising the other District and Borough Councils, East Sussex County Council and East Sussex Fire Authority. Under this arrangement, 50% of any growth in business rate income which would otherwise be paid as a levy to the Government can be retained by the Pool to be redistributed to its participating authorities in accordance with an agreed memorandum of understanding. All the members of the Pool decided not to operate the Pool for 2017/18 due to the uncertainty around the impact that the new Rating List would have on business rate income. Now that this uncertainty has significantly diminished, it is the intention for the Pool to recommence in 2018/19 and the Government has been notified accordingly.

## **6 National and Local Context to the 2018/19 General Fund Budget**

### National

- 6.1** The Chancellor delivered his Autumn budget speech on 22 November 2017. This had little direct impact on the Council's own revenue budgets with the effects principally limited to a change in the inflation index used for the annual increase in business rates payable and the freezing of fuel duty.
- 6.2** While the Council has chosen to be part of the multi-year finance settlement for the years up to and including 2019/20, at the time of writing this report the Department for Communities and Local Government (DCLG) has yet to confirm the position in respect of:
- Business Rates Reset (last carried out in 2013)
  - New Homes Bonus grant (general reward allocation based on the year on year increase in local housing stock above a specified threshold)
  - Housing Benefit Administration Grant
  - Homelessness Support Grant
  - Transition Grant (DCLG had initially intended that this would be distributed for two years only, 2016/17 and 2017/18)
  - Council tax referendum principles specifying an acceptable level of increase
  - Changes to DCLG guidance in respect of the calculation by councils of amounts that they should provide for the repayment of debt
- 6.3** The National Employers, who negotiate pay on behalf of 350 local authorities in England, Wales and Northern Ireland, have offered a two-year pay increase which, if accepted, would give a 2% uplift in salaries on 1 April 2018 and a further 2% on 1 April 2019. The finance settlement assumes an increase of 1%.

### Local

- 6.4** In addition to the effects of the above, there are various effects on the LDC General Fund budget from existing policies that need to be factored into the budget setting process for 2018/19.
- 6.5** The Council has a good track record of delivering against budget and has a healthy level of reserves which are used for investment as well as contingency. The Council has adopted the approach of paying New Homes Bonus grant directly into reserves and using it to fund non-recurring expenditure. By doing so, reductions in New Homes Bonus grant do not require a compensating saving in the underlying General Fund budget.
- 6.6** 2018/19 will be the third year of the Council's medium term savings and income programme which the MTFs identified to reduce the annual net General Fund budget by £2.8m by 2019/20 compared with the 2015/16 base year. As previously explained to Cabinet progress on the savings measures has been positive. There continue to be three primary sources for the remaining two year period :
- Leisure savings via Wave Leisure (£0.2m)

- New income generation (£0.2m)
- Joint Transformation Programme (£0.6m plus any unmet target deferred from 2017/18 as a result of timing of delivery of Phase 2 of the programme).

- 6.7** The Council applies inflation to its fees and charges within the remit of an established set of Guiding Principles. A detailed report can be found elsewhere on this agenda. The MTFS assumed that £72,000 would be generated by increases in fees and charges, but the actual increase in income budgets is £232,000. Of this amount £150,000 is in respect of the Council's green waste collection service, which is largely offset by additional costs of collection.
- 6.8** In keeping with the approach taken by most councils, inflation on goods and services is only budgeted for where there is a contractual liability to apply. The grounds maintenance budget and the Council's own business rates liabilities are examples. Overall this requires estimated growth of £46,000 per annum.
- 6.9** Pay awards, contractual increments and increases in employers' pension contributions will add approximately £190,000 per annum to the cost of staff engaged on General Fund activity in 2018/19. This represents the baseline figure, ahead of reductions to be achieved through Phases 2 and 3 of the Joint Transformation Programme (JTP). As noted above, the pay offer for 2018/19 exceeds that provided for within the finance settlement, and there is a potential funding shortfall of approximately £80,000. This would be offset if Government continues to allocate Transition Grant at its current level, £84,000.
- 6.10** As a result of the transfer of staff to Eastbourne Borough Council as sole employer from February 2017, employers' pension contributions to the East Sussex Pension Fund are now being made at a lower rate than required previously. This enables a £95,000 reduction in the budget.
- 6.11** A net additional cost of £490,000 is included within the draft budget in respect of the recycling service. Co-mingled collection from households is being introduced in stages across the District, with the roll-out expected to be completed by July 2018. Recyclate collected under the new arrangements will be received, sorted and marketed by Viridor under a contract which runs until mid-2019. Previously, material collected from households was sold direct to the market by the Council, exposing the budget to the risk of falling prices for recyclates.
- 6.12** The draft budget assumes a rise in the General Expenses (ie excluding Special Expenses) element of the council tax of 1.9% consistent with the MTFS. If the Government's council tax referendum principles remain unchanged for 2018/19, this is within the acceptable level of increase, specified as an increase in the total council tax (including Special Expenses) of up to 2% or £5, whichever is the higher.
- 6.13** A summary of the estimated main movements in the emerging budget between 2017/18 and 2018/19 is shown at **Appendix 3**. At this point in the budget setting cycle, total expected increases in costs and reductions in funding are matched by increases in income and cost reductions. This means that the

Council should, as in previous years, be able to produce a budget for 2018/19 with no draw on reserves for recurring expenditure.

- 6.14** As in 2017/18, the draft budget for 2018/19 continues to hold a resource for service priorities (£109,000). At its meeting in November 2017 Cabinet considered a report regarding updating the Council's Strategic Tourism Vision and Action Plan and noted that specific amounts to fund the activities set out in the plan may be included as part of the budget setting process. £100,000 of the service priorities budget could be utilised for this purpose.
- 6.15** The overall budget has the ability to finance one off service investments directly from reserves, although it should be noted that the opportunity to use reserves is available at any time as the budget requirement and level of council tax is not affected.

## **7 The Housing Revenue Account (HRA) 2018/19**

### National Factors

- 7.1** The Council keeps a separate HRA which statutorily contains all transactions that appertain to its landlord role with tenants as well as leaseholders in properties previously owned by the Council and which have been sold under the Right to Buy scheme.
- 7.2** 2018/19 will be the third year in which rents reduce by 1% as required by Government regulation. The estimated effect of this change is a reduction in rents of £150,000 per annum from the existing budget level. The Government has confirmed plans to revert to the previous policy of limiting rent increases to CPI + 1% from 2020/21.
- 7.3** The Government has yet to clarify its intentions on two proposed measures:
- levy on local housing authorities based on the sale potential of 'high value asset' (HVA) properties. Although power to introduce a HVA Levy to fund the extension of a Right to Buy to housing association tenants was introduced in the Housing and Planning Act 2016 the necessary Regulations have not yet been laid before Parliament. The previous Housing Minister Gavin Barwell announced in November 2016 that councils would not be expected to pay the HVA Levy until after April 2018 and it appears this will continue to be the case until at least April 2019. At the Autumn Budget the Chancellor announced that the Government would fund an extended pilot of the Right to Buy for housing association tenants in the West Midlands area, however it would appear the Government are not prepared to abandon the idea of a HVA Levy at some stage in the future.
  - lifting of HRA borrowing caps. As part of the Autumn budget, the Government announced a selected lifting of borrowing caps for councils in areas of high affordability pressure to enable them to build more homes. Councils will be invited to bid for increases in their caps from 2019/20. It is unlikely that this Council will qualify for an increase in its borrowing cap.

## Local Factors

- 7.4** The HRA has been setting aside funds to repay debt each year, leading to a reduction in debt costs. However, with rent income continuing to reduce both because of the national rent policy and as a consequence of sales under the Right to Buy scheme, it may no longer be possible to sustain these repayments.
- 7.5** New HRA borrowing to fund new homes constructed on former garage sites, at Ashington Gardens and the redevelopment of Saxon House will increase annual interest costs to the HRA by £33,000. These costs will be serviced by the additional rent income generated from the new homes.
- 7.6** A newly procured contract for responsive repairs is expected to reduce costs by approximately 8%.
- 7.7** As part of the JTP, the shared 'Homes First' team will be in place from January 2018. A new housing management and repairs system is currently being implemented and is expected to go live later in 2018. A proportion of savings resulting from these changes will pass through to the HRA to recognise the balance of delivery of HRA/General Fund services.
- 7.8** A 30 year business plan has been in place since 2012 when the Government introduced "self-financing" arrangements for local authority housing. This business plan is currently being refreshed to take account of updated housing stock condition information, recent and planned additions to stock, Right to Buy sales and the budget pressures explained above. Financial projections from the business plan will be presented to Cabinet as part of the HRA budget report in February 2018.

## **8 Legal Implications**

As noted above, the Tax Base must be calculated as required by the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

## **9 Risks**

- 9.1** The Council maintains an overview of its policy programme, its Medium Term Financial Strategy and the external factors that affect them. Without this constant analysis and review there is a risk that the underlying recurring revenue budgets will grow at a faster rate than the resources available to fund them. This risk is mitigated through regular reports to Cabinet on the Council's overall revenue and capital position and Cabinet's correcting actions taken in accordance with the objectives and principles it set for management of the Council's finances.
- 9.2** This Council, East Sussex County Council, the Sussex Police and Crime Commissioner, and East Sussex Fire and Rescue Service will all use the Council Tax Base to calculate their individual council tax requirements for 2018/19. If the tax base is overestimated, a shortfall in actual tax collected would arise, which would need to be recovered by an increase in the council tax in future years. Conversely, if the tax base is underestimated, council tax amounts will be higher than necessary in 2018/19. The Council has a track



record in producing a small surplus each year as a product of the approach to setting the tax base.

- 9.3** Delivery of savings through the JTP is key to both the General Fund Medium Term Financial Strategy and the HRA Business Plan. Regular reports will be made to Cabinet on the progress of the JTP.

## **10 Equality Screening**

This is a routine report for which detailed Equality Analysis has not been undertaken. It gives an overview of the national and local context to the budget setting process for 2018/19 which will be concluded at the meetings of Cabinet and Council in February 2018. The equality implications of individual decisions relating to the projects/services covered in this report are addressed within other relevant Council reports.

## **11 Background Papers**

Budget 2017/18 and Medium Term Finance Strategy

### **Appendices**

Appendix 1 – Council Tax Base Calculation 2018/19 - Summary

Appendix 2 – Council Tax Base Calculation 2018/19 by Parish/Town Council area

Appendix 3 – Summary of the General Fund emerging budget proposals 2018/19

## Appendix 1

Council Tax Base Calculation 2018/2019 – Summary										
The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012										
	DISA	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
<b>1 Chargeable Dwellings</b>										
2 Valuation List Totals		4,326	6,030	13,394	9,676	5,817	3,013	2,322	231	44,809.00
3 Less: Exempt Dwellings Class A - W		107	107	163	119	95	33	23	7	654.00
4 Less: Demolished Properties		1	0	0	2	0	0	1	1	5.00
5 Disabled Banding Reductions -)		5	21	77	77	56	32	28	13	309.00
6 Disabled Banding Reductions +	5	21	77	77	56	32	28	13	0	309.00
<b>7 ITEM H Chargeable Dwellings</b>	<b>5</b>	<b>4,234</b>	<b>5,979</b>	<b>13,231</b>	<b>9,534</b>	<b>5,698</b>	<b>2,976</b>	<b>2,283</b>	<b>210</b>	<b>44,150.00</b>
<b>8 Discounts</b>										
9 <u>Dwellings entitled to Single Person Discount</u>	4	2,761	2,773	4,524	2,796	1,427	553	327	15	15,180.00
10 Discount Percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	
11 <b>D1</b> Adjustment for Single Person Discount	1.00	690.25	693.25	1,131.00	699.00	356.75	138.25	81.75	3.75	3,795.00
12 <u>Dwellings entitled to a '2 x 25%' Discount</u>	0	2	7	10	7	6	13	17	3	65.00
13 Discount Percentage	50%	50%	50%	50%	50%	50%	50%	50%	50%	
14 <b>D2</b> Adj for Dwellings entitled to a '2 x 25%' Discount	0.00	1.00	3.50	5.00	3.50	3.00	6.50	8.50	1.50	32.50
15 <u>Second Homes</u>	0	29	38	72	70	50	17	21	5	302.00
16 Discount Percentage	0%	0%	0%	0%	0%	0%	0%	0%	0%	
17 <b>D3</b> Adj for Second Homes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18 <u>Prescribed Class A Empty Discounts</u>	0	31	32	46	25	12	14	8	1	169.00
19 Discount Percentage 50% UP TO ONE YEAR	50%	50%	50%	50%	50%	50%	50%	50%	50%	
20 <b>D4</b> Adj for Class A Exempt Dwellings	0.00	15.50	16.00	23.00	12.50	6.00	7.00	4.00	0.50	84.50
21 <u>Prescribed Class C Empty Dwellings</u>	0	28	24	23	17	8	5	0	0	105.00
22 Discount Percentage 100% for 1 month	100%	100%	100%	100%	100%	100%	100%	100%	100%	
23 <b>D5</b> Adj for Class C Empty Dwellings	0.00	28.00	24.00	23.00	17.00	8.00	5.00	0.00	0.00	105.00
24 <u>Annexe Discount</u>	0.00	12.39	0.50	1.00	1.00	0.00	0.00	0.50	0.00	15.39
25 Discount Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	
26 <b>D6</b> Adj for Annexes	0.00	12.39	0.50	1.00	1.00	0.00	0.00	0.50	0.00	15.39
<b>27 ITEM Q Discounts (D1+D2+D3+D4+D5+D6)</b>	<b>1.00</b>	<b>747.14</b>	<b>737.25</b>	<b>1,183.00</b>	<b>733.00</b>	<b>373.75</b>	<b>156.75</b>	<b>94.75</b>	<b>5.75</b>	<b>4,032.39</b>

	DISA	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total
<b>28 Premiums</b>										
<b>29 Dwellings (Long Term Empty)</b>	0	18	21	17	17	5	3	5	0	86.00
<b>30 Premium Percentage (50% = 150% charge)</b>	50%	50%	50%	50%	50%	50%	50%	50%	50%	
<b>31 D6 Adj for Dwellings (Long Term Empty)</b>	0.00	9.00	10.50	8.50	8.50	2.50	1.50	2.50	0.00	43.00
<b>32 ITEM E Premiums</b>	<b>0.00</b>	<b>9.00</b>	<b>10.50</b>	<b>8.50</b>	<b>8.50</b>	<b>2.50</b>	<b>1.50</b>	<b>2.50</b>	<b>0.00</b>	<b>43.00</b>
<b>33 Dwellings - Estimated changes in year</b>										
<b>34 Estimate of new dwellings</b>	0	0	0	0	317	0	0	0	0	317.00
<b>35 Less: Exempt dwellings at 0% of total</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
<b>36 Estimate of net new dwellings</b>	0	0	0	0	317	0	0	0	0	317.00
<b>37 Discounts - Estimated changes in year</b>										
<b>38 Estimate of new discounts</b>	0	0	0	0	0	0	0	0	0	0.00
<b>39 Discount Percentage</b>	25%	25%	25%	25%	25%	25%	25%	25%	25%	
<b>40 Estimated value of discount changes</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>41 ITEM J Adjustment for dwelling and discount changes</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>317.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>317.00</b>
<b>42 ITEM Z Local Council Tax Reduction Scheme</b>	<b>0.00</b>	<b>1,092.34</b>	<b>1,162.34</b>	<b>1,190.41</b>	<b>368.41</b>	<b>84.30</b>	<b>19.04</b>	<b>4.26</b>	<b>0.00</b>	<b>3,921.10</b>
<b>43 (ITEM H - ITEM Q + ITEM E + ITEM J) - ITEM Z</b>	<b>4.00</b>	<b>2,403.52</b>	<b>4,089.91</b>	<b>10,866.09</b>	<b>8,758.09</b>	<b>5,242.45</b>	<b>2,801.71</b>	<b>2,186.49</b>	<b>204.25</b>	<b>36,556.51</b>
<b>44 Ratio Item F</b>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>11</u>	<u>13</u>	<u>15</u>	<u>18</u>	
<b>45 Ratio Item G</b>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	
<b>46 (ITEM H - ITEM Q + ITEM E + ITEM J) - ITEM Z) x( F/G) *</b>	<b>2.2</b>	<b>1,602.4</b>	<b>3,181.2</b>	<b>9,658.8</b>	<b>8,758.3</b>	<b>6,408.0</b>	<b>4,047.8</b>	<b>3,645.1</b>	<b>409.0</b>	<b>37,712.8</b>
<b>47 ITEM A Band D Equivalentents</b>										<b>37,712.8</b>

<u>Calculation of the Tax Base</u>	
ITEM A Total Relevant Amounts (Band D)	37,712.8
ITEM B Collection Rate	98.2%
<b>COUNCIL TAX BASE (ITEM A x ITEM B)</b>	<b>37,034.0</b>

\*This is the aggregate of the individual Town and Parish tax bases in accordance with legislation. It is not the product of line 43 \*(line 44/line 45)

## Appendix 2

Town/Parish Area	Council Tax Base Calculation 2018/2019 - Band D Equivalents										
	DISA	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Total	98.2%
Barcombe	-	11.2	30.8	99.7	95.7	107.6	136.9	164.2	16.0	662.1	650.2
Chailey	0.6	34.3	34.1	158.5	154.0	201.7	295.0	405.8	46.0	1,330.0	1,306.1
Ditchling	-	7.3	22.4	65.0	75.8	335.6	171.2	422.2	70.6	1,170.1	1,149.0
East Chiltington	-	0.9	4.5	49.7	40.9	9.8	18.1	52.5	18.0	194.4	190.9
Falmer	-	1.0	6.5	15.5	17.6	17.4	3.6	10.0	2.0	73.6	72.3
Firle	-	3.3	12.8	15.6	26.5	27.7	9.1	25.0	7.6	127.6	125.3
Glynde & Beddingham	-	3.5	7.5	66.4	16.2	24.8	23.1	31.7	19.0	192.2	188.7
Hamsey	-	11.2	13.6	52.7	35.6	41.9	35.1	50.8	14.0	254.9	250.3
Iford	-	0.7	2.3	3.1	12.4	36.9	15.2	15.8	6.0	92.4	90.7
Kingston	-	9.5	4.7	4.3	13.5	57.8	185.0	150.5	15.0	440.3	432.4
Lewes	0.4	190.1	606.2	1,842.2	1,315.2	905.2	660.3	715.0	35.0	6,269.6	6,156.7
Newhaven	0.8	283.9	857.3	1,238.6	821.2	367.3	32.4	30.8	2.0	3,634.3	3,568.9
Newick	-	9.2	19.1	135.5	240.8	241.8	234.7	258.0	12.0	1,151.1	1,130.4
Peacehaven	0.4	344.8	431.7	2,052.6	1,432.9	482.7	145.5	27.2	2.0	4,919.8	4,831.2
Piddinghoe	-	1.3	3.1	23.6	8.7	24.2	44.1	30.5	-	135.5	133.1
Plumpton	-	8.0	12.1	93.8	149.8	113.9	98.7	182.3	21.6	680.2	668.0
Ringmer	-	15.5	61.5	317.4	625.7	420.8	298.3	178.7	25.6	1,943.5	1,908.5
Rodmell	-	4.0	10.7	24.5	12.0	23.2	37.6	84.3	21.6	217.9	214.0
St Ann Without	-	2.0	1.6	5.2	6.5	4.6	11.3	10.0	-	41.2	40.5
St John Without	-	1.3	-	6.4	3.5	2.2	2.6	12.5	4.0	32.5	31.9
Seaford	-	526.2	752.6	2,201.2	2,350.5	2,310.6	1,302.2	437.2	4.0	9,884.5	9,706.6
Southeast	-	0.5	0.8	1.8	1.8	4.6	4.3	8.0	2.0	23.8	23.4
South Heighton	-	30.7	19.4	172.0	21.0	16.3	6.5	11.3	2.0	279.2	274.2
Streat	-	1.2	0.8	7.7	15.3	7.1	9.8	39.7	6.0	87.6	86.0
Tarring Neville	-	2.0	2.2	2.5	0.8	1.2	-	1.7	-	10.4	10.2
Telscombe	-	85.7	238.1	862.1	989.1	363.9	62.4	31.7	5.0	2,638.0	2,590.5
Westmeston	-	5.4	3.0	7.1	16.5	27.1	27.9	52.2	23.0	162.2	159.3
Wivelsfield	-	7.7	21.8	134.1	258.8	230.1	176.9	205.5	29.0	1,063.9	1,044.7
<b>TOTAL</b>	<b>2.2</b>	<b>1,602.4</b>	<b>3,181.2</b>	<b>9,658.8</b>	<b>8,758.3</b>	<b>6,408.0</b>	<b>4,047.8</b>	<b>3,645.1</b>	<b>409.0</b>	<b>37,712.8</b>	<b>37,034.0</b>

## Summary of emerging budget proposals

Item	Basis	£'000
Reduction in grants	Based on 4 year settlement	460
Pay award	Chancellor's announcement 1%	80
Waste Pay Harmonisation	Agreed by cabinet`	80
HRA recharges	Share of Joint Transformation Programme savings	100
HB Grant reduction	Estimated 5% reduction	30
Increments	Calculated on pay budget	60
Inflation on contracts and other unavoidable costs	Based on current inflation	170
SDNP Planning Service fee reduction	Agreed change	60
Recycling Service	Contract sum and operational cost change	490
Pension costs	Known increase per actuary	50
<b>Total net cost increases</b>		<b>1,580</b>
New income streams	Target	(200)
Increased Fees and Charges	Cabinet report	(200)
Wave Leisure agreement	Agreed	(100)
Miscellaneous savings eg telephony, post	Delivered	(150)
Reduced Town/Parish grants	Agreed programme	(30)
Joint Transformation Programme (Phase 2)	Delivered	(400)
Joint Transformation Programme (Phase 3)	Target	(100)
Pension savings	Harmonisation with Eastbourne BC	(100)
Council Tax increase	Assumed 1.9%	(140)
Council Tax Base growth	Known	(160)
<b>Total net cost reductions</b>		<b>(1,580)</b>