

Council – February 22nd

Budget 2017/18

This report went to Cabinet on the 8th February and dealt with the setting of the Budget for 2017/18. It builds on the finance report which outlined the changes in national and local context and gave a high level indicative budget and council tax position.

The report referred to the effects of:

- The national and local economies
- Government funding through grants
- The retained business rates
- Government continued control of Council Tax increases

As well as being driven by policy of course the budget also reflects our other plans and policies such as:

- Our Asset Management plans
- The Joint Transformation Programme
- The Procurement strategy
- But of course the key overriding policy driver for the budget is the protection of services at this time of reducing resources.

The Government has set out a reduction programme that will see our Revenue Support grant all but disappear altogether by 2018/19 .This includes a reduction of some £620,000 from the current year to next.

In order to contain this we have to work on a programme of savings of £3m during the settlement period 2016-2020 including £800,000 in the forthcoming financial year alone.

In addition to cuts in Revenue Support Grant the Government has announced a reduction in the New homes bonus for 2017/18 onwards which sees:

A reduction in the length of qualifying years from 6 to 5

A threshold of 0.4% growth in property numbers before the NHB is payable at all

This has led to an overall reduction of £345k on the current year and this has principally been redirected to upper tier authorities to assist with adult care funding.

As this council puts all of its NHB into reserves for funding one off investments it has no effect on the net budget. This is an example of prudent planning and sustainable finances.

The report to Cabinet set this out in detail and proposes to Council to offer a balanced budget without any draw on reserves for recurring expenditure on services.

The proposal is for Council Tax to increase 1.9% across our council tax payers with an increase in Special Expenses in the Lewes Town area to regulate the position with regards to assets that should have been devolved to that town council. This rise amounts to a rise of 8 or 9 pence a week for a band d council tax payer. You will know that we could have raised it further, like the majority of other councils.

Finally, The Council has a good record of being setting a realistic budget and sticking to it. And I am pleased to say that the Chief Finance Officer will give his statutory assurances if the budget remains materially the same when it is finally set by this Council.

I therefore recommend that the budget, council tax and tax resolution are adopted.