

19 February 2019

Dear Members of Full Council

Full Council - 20 February 2019

I am now able to enclose, for consideration, the following Updated Report to be considered at the above meeting, which includes information that was unavailable when the agenda was printed.

Printed copies of this report will also be available at the meeting.

**Item Item
No**

7 Council budget and setting of the council tax for 2019/20 (Pages 1 - 8)

Report of Councillor Holt on behalf of the Cabinet.

Yours sincerely

Committee Services

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Agenda Item 7

Meeting:	COUNCIL
Date:	Wednesday 20 February 2019
Subject:	COUNCIL BUDGET AND SETTING OF THE COUNCIL TAX FOR 2019/20
Report of:	Councillor Stephen Holt, Cabinet Member for Financial Services

The Council is asked to consider the reports to Cabinet and also the Cabinet minutes and resolutions from the meeting held on 6 February 2019 and Scrutiny Committee minutes and resolutions from the meeting held on 4 February 2019 (items 7a and 7b to this agenda).

The budget book 2019/20 will be circulated to all Members of the Council, once the budget has been formally adopted. A copy will be deposited at the Town Hall Reception for public inspection purposes and on the Council's website.

The reports may also be viewed on the Council's website at:
<http://democracy.eastbourne.gov.uk/ieListDocuments.aspx?CId=125&MIId=1649&Ver=4>
(This is the listing for the Cabinet meeting held on 6 February 2018)

Please contact Local Democracy (see below for contact details) in the first instance if you require a printed copy of any of the reports.

The resolutions in this report, which must include the requirements of all precepting authorities, are based on the recommendations made to those Authorities and the budget approved by the Police and Crime Commissioner for Sussex.

A summary of the demand on the Collection Fund is as follows:

Authority	Precept/Demand		2019/20 Band D Council Tax	Change over 2018/19	
	£	%		£	%
Eastbourne Borough Council	8,579,050	12.56%	246.77	7.10	2.96%
East Sussex County Council	49,880,557	73.01%	1,434.78	41.67	2.99%
The Police and Crime Commissioner for Sussex	6,602,278	9.66%	189.91	24.00	14.47%
East Sussex Fire Authority	3,256,466	4.77%	93.67	2.67	2.93%
Total	68,318,334	100%	1965.13	75.44	3.99%

After consideration of the foregoing, the Council is asked to approve the following
Recommendations:

1. The recommendations as detailed in the reports from the Chief Finance Officer and the Director of Service Delivery to Cabinet on 6 February 2019, including an amended recommendation (i):
 - (i) The General Fund net expenditure for 2019/20 of £13,065,300 and the growth and savings proposals.

- (ii) The charge for council tax for Eastbourne Borough Council Band D change to £246.77; an increase of 2.96%.
- (iii) Housing Revenue Account (HRA) income and expenditure proposals, including revised HRA budget for 2018/19 and the budget for 2019/20, rents and service charges and the arrangements for finalising Eastbourne Homes' management fee.
- (iv) General Fund capital programme as set out in the report of the Chief Finance Officer.
- (v) The Treasury Management Strategy and Prudential Indicators.

2. Since the Cabinet meeting on 6 February the Business Rates return to the Government (NNDR1) has been finalised and the levy figures for the Business Rate pilot pool have been confirmed by the lead authority (Wealden District Council). Appendix 1 of the Cabinet report has been updated in respect of these figures. In addition, in the light of feedback from the Scrutiny Committee, Appendix 1 has also been amended in the interests of greater clarity and transparency to more clearly show the financing of the Council's budget. **Appendix 1** of the Cabinet report is attached, together with an amended **Appendix 1 (a)** highlighting these amendments. An updated **Appendix 1 (b)** is also attached showing the revised Reserves position. These updated figures have also been reflected in the table below and recommendation (1) from the Cabinet shown above in paragraph 1.

3. That consequent upon a General Fund budget of £13,065,300 and other matters, the basic amount (Band D) of Council Tax for the Borough Council's functions will be £246.77 calculated as follows:

	£'000	£'000
Gross Expenditure:		
General Fund		97,039
HRA		15,333
Business Rates tariff payable		13,096
		125,405
Less Income:		
Service Income	(97,348)	
Contribution from Reserves	(1,959)	
Other Government Grants	(2,053)	
Business Rates income	(15,468)	
Collection Fund Surplus (Council Tax)	(58)	
		(116,886)
COUNCIL TAX REQUIREMENT		8,579
Band 'D' Council Tax		£246.77

The statutory resolutions relating to this matter are given at paragraphs 4 and 5 below.

4. That it be noted that at its meeting on 12 December 2018 the Cabinet (in exercise of powers delegated to them by the Council) delegated the final determination of the Council Tax Base to the Chief Finance Officer. This has been set at an amount of 34,765.3 Band 'D' equivalent properties for the year 2019/20 (Item T in the formula in section 31B of the Local Government Finance Act 1992, as amended).
5. Calculate that the Council Tax requirement for the Council's own purposes for 2019/20 as £8,579,050.
6. That the following amounts be now calculated by the Council for the year 2019/20 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended:

(a)	£125,465,000	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£116,885,950	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£8,579,050	being the amount by which the aggregate at 5(a) above exceeds the aggregate at 5(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
(d)	£246.77	being the amount at 5(c) above (Item R), all divided by Item T (4 above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

7. To note that East Sussex County Council, East Sussex Fire and Rescue Authority and Police and Crime Commissioner for Sussex have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992, as amended, for each category of dwellings in the Council's area as indicated in the table below.
8. That the Council, in accordance with Sections 30 to 36 of the Local Government Finance Act 1992, as amended, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2019/20 for each of the categories of dwellings. :

Council Tax Valuation Bands								
	A	B	C	D	E	F	G	H
	6/9	7/9	8/9	1	11/9	13/9	15/9	2
	£	£	£	£	£	£	£	£
Precepting Authorities								
Eastbourne Borough Council	164.51	191.93	219.35	246.77	301.61	356.45	411.28	493.54
East Sussex County Council	956.52	1,115.94	1,275.36	1,434.78	1,753.62	2,072.46	2,391.30	2,869.56
Sussex Police Authority	126.61	147.71	168.81	189.91	232.11	274.31	316.52	379.82
East Sussex Fire Authority	62.45	72.85	83.26	93.67	114.49	135.30	156.12	187.34
Aggregate of Council Tax Requirements								
	1,310.09	1,528.43	1,746.78	1,965.13	2,401.83	2,838.52	3,275.22	3,930.26

9. Determine that the Council's basic amount of Council Tax for 2019/20 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992, as amended.

As the billing authority, the Council has **not** been notified by a major precepting authority that its relevant basic amount of Council Tax for 2019/20 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992, as amended.

Appendices

Appendix 1 – Revised Cabinet Report Appendix 1. Including Appendix 1(a) showing amendments, and Appendix 1(b) showing revised reserves position.

For a copy of the report please contact Local Democracy at 1 Grove Road, Eastbourne, BN21 4TW. Tel. (01323) 415021.

E-mail: committees@lewes-eastbourne.gov.uk

For further information please contact Homira Javadi, Chief Finance Officer Tel. (01323) 415149

	2018/19 Original Budget £'000	2018/19 Revised Budget £'000	2019/20 Budget £'000
Corporate Services			
Corporate Management	169	(1,786)	153
Strategic Finance	2,068	2,073	2,147
Human Resources	478	452	462
Business Transformation	1,685	1,648	1,662
Legal and Local Democracy	931	923	941
	5,331	3,310	5,365
Service Delivery			
Service Management	(17)	15	6
Case Management and Specialist Services	4,344	3,058	3,392
Customer and Neighbourhood Services	1,392	947	1,052
Homes First	(28)	105	511
	5,691	4,125	4,961
Regeneration and Planning			
Service Management	63	32	(167)
Regeneration	143	189	185
Planning	259	508	391
Estates and Property	(2,010)	(1,378)	(1,663)
Business Planning and Performance	908	916	955
	(637)	267	(299)
Tourism and Enterprise Services			
Service Management	95	93	99
Towner	423	423	420
Tourism and Enterprise	1,088	1,003	1,024
Sports Delivery	238	238	268
Seafront	(14)	(11)	(44)
Events	611	620	638
Theatres	1,006	1,012	1,091
	3,447	3,378	3,496
Corporate Services	(1,278)	(311)	(463)
Capital Financing	2,054	2,063	1,763
Net Service Expenditure	14,608	12,832	14,823
Contributions to/(from) Unearmarked Reserves	(479)	1,297	(538)
Contributions to/(from) Earmarked Reserves	-	-	-
Contributions to/(from) Strategic Change Fund	-	-	-
Contributions to/(from) Capital Programme Reserve	-	-	-
Contributions to/(from) Devonshire Park Reserve	(633)	(633)	(739)
Eastbourne Borough Council Budget Requirement	13,496	13,496	13,546
Financed by			
Government Formula Grant	(445)	(445)	-
New Homes Bonus	(339)	(339)	(183)
Other Specific Government Grants	(195)	(195)	(132)
Retained Business Rates	(3,388)	(3,388)	(4,394)
Contribution from Reserves	(450)	(450)	-
Contribution from East Sussex Business Rate Pool	(266)	(266)	(200)
Contribution from Council Tax Surplus	(179)	(179)	(58)
Council Tax Collection Fund Precept	(8,234)	(8,234)	(8,579)
Total Financing	(13,496)	(13,496)	(13,546)

General Fund Revenue Budget 2019/20 Amended

Appendix 1a

	2018/19 Original Budget £'000	2018/19 Revised Budget £'000	2019/20 Budget £'000
Corporate Services			
Corporate Management	169	(1,786)	153
Strategic Finance	2,068	2,073	2,147
Human Resources	478	452	462
Business Transformation	1,685	1,648	1,662
Legal and Local Democracy	931	923	941
	5,331	3,310	5,365
Service Delivery			
Service Management	(17)	15	6
Case Management and Specialist Services	4,344	3,058	3,378
Customer and Neighbourhood Services	1,392	947	1,052
Homes First	(28)	105	511
	5,691	4,125	4,947
Regeneration and Planning			
Service Management	63	32	(167)
Regeneration	143	189	185
Planning	259	508	391
Estates and Property	(2,010)	(1,378)	(1,663)
Business Planning and Performance	908	916	955
	(637)	267	(299)
Tourism and Enterprise Services			
Service Management	95	93	99
Towner	423	423	420
Tourism and Enterprise	1,088	1,003	1,024
Sports Delivery	238	238	268
Seafront	(14)	(11)	(44)
Events	611	620	638
Theatres	1,006	1,012	1,091
	3,447	3,378	3,496
Corporate Services	(1,278)	(311)	(449)
Capital Financing	2,054	2,063	1,763
Net Service Expenditure	14,608	12,832	14,823
Contributions to/(from) General Reserves	(479)	1,297	(569)
Contribution from General Reserves (as appeared previously)	(450)	(450)	(450)
Contributions to/(from) Devonshire Park Reserve	(633)	(633)	(739)
Eastbourne Borough Council Budget Requirement	13,046	13,046	13,065
Financed by			
Government Formula Grant	(445)	(445)	-
New Homes Bonus	(339)	(339)	(183)
Other Specific Government Grants	(195)	(195)	(132)
Retained Business Rates	(2,257)	(2,257)	(2,375)
Business Rates Section 31 Grants	(1,131)	(1,131)	(1,738)
Contribution from East Sussex Business Rate Pool	(266)	(266)	-
Contribution from Council Tax Surplus	(179)	(179)	(58)
Council Tax Collection Fund Precept	(8,234)	(8,234)	(8,579)
Total Financing	(13,046)	(13,046)	(13,065)

**General Fund Revenue Reserves
2018/19**

Appendix 1b

	2018/19 Original Budget £'000	2018/19 Revised Budget £'000	2019/20 Budget £'000
General Fund Reserve			
In hand at 1st April	(3,202)	(3,564)	(3,467)
Financing of Non Recurring Expenditure	479	479	569
Financing of Revenue Expenditure		583	450
Transfer from Earmarked Reserves	-	(12)	
Withdrawal/(Addition)	(550)	(953)	
In hand at 31st March	(3,273)	(3,467)	(2,448)
Strategic Change Fund			
In hand at 1st April	(8)	(8)	(158)
Withdrawal/(Addition)	(250)	(400)	
Financing Revenue Expenditure	250	250	150
In hand at 31st March	(8)	(158)	(8)
Capital Programme Revenue Reserve			
In hand at 1st April	(1,573)	(1,306)	(1,306)
Withdrawal/(Addition)	-	-	-
Financing expenditure	-	-	-
In hand at 31st March	(1,573)	(1,306)	(1,306)
Devonshire Park Reserve			
In hand at 1st April	(634)	(1,488)	(1,133)
Withdrawal/(Addition)		(278)	
Financing of Expenditure	633	633	739
In hand at 31st March	(1)	(1,133)	(394)

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