

Meeting: COUNCIL

Date: Monday 22 February 2021

Subject: COUNCIL BUDGET AND SETTING OF THE COUNCIL TAX FOR 2021/22

Report of: Councillor Zoe Nicholson (Deputy Leader and Portfolio Holder for Finance and Assets)

The Council is asked to consider the reports to Cabinet and also the Cabinet minutes and resolutions from the meeting held on 04 February 2021.

The budget book 2021/22 will be circulated to all Members of the Council in March, once the budget has been formally adopted. A copy will be on the Council's website for public inspection purposes.

The reports may also be viewed on the Council's website at:
<https://democracy.lewes-eastbourne.gov.uk/ieListDocuments.aspx?CId=417&MId=3184>
(This is the listing for the Cabinet meeting held on 04 February 2021)

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

In order to comply with Section 25 of the Local Government Act 2003; the Authority's Chief Finance Officer is required to report on the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed reserves. A statement covering this requirement is attached at Appendix 1.

The resolutions in this report, which must include the requirements of all precepting authorities, are based on the budgets approved by the East Sussex County Council, East Sussex Fire Authority and the Police and Crime Commissioner for Sussex.

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

Authority	Precept/Demand		2021/22 Band D Council Tax	Change over 2020/21	
	£	%	£	£	%
Lewes District Council:					
Council Tax Requirement (incl Special Expenses*)	7,875,697	9.80%	214.53	5.00	2.39%
Town and Parish Councils	4,343,466	5.40%	118.31	4.27	3.75%
Total Lewes District Council	12,219,163	15.20%	332.84	9.27	6.13%
East Sussex County Council	56,683,870	70.53%	1,544.04	52.02	3.49%
The Police and Crime Commissioner for Sussex	7,889,647	9.82%	214.91	15.00	7.50%
East Sussex Fire Authority	3,576,792	4.45%	97.43	1.90	1.99%
Total	80,369,472	100.00%	2,189.22	78.19	3.70%

*Special Expenses					
LDC Council Tax Requirement	7,875,697	-	214.53	5.00	2.39%
Less Total amount to be charged as Special Expenses	(640,614)	-	(17.45)	-	0.00%
Council Tax to be levied on all LDC taxpayers	7,235,083	-	197.08	5.00	2.60%

The Council has adopted a system of 'Special Expenses' in respect of the cost of General Fund Open Spaces. In setting the basic amount of the Council Tax for 2021/22, it is necessary for the Council to determine the costs which are to be its Special Expenses for the year, with all other costs being charged as its 'General Expenses'.

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 04 February 2021 as summarised below:
 - (i) The General Fund budget for 2020/21 (Revised) and 2021/22 (Original).
 - (ii) An increase in the Council Tax for Lewes District Council of £5 resulting in a Band D charge for general expenses of £197.08 for 2021/22.
 - (iii) The revised General Fund capital programme 2021/22.
 - (iv) That Cabinet endorse the continuation of the Flexible use of Capital Receipts.
 - (v) Approve the Treasury Management Strategy and Annual Investment Strategy for 2021/22.
 - (vi) Approve the Minimum Revenue Provision Policy Statement for 2021/22.
 - (v) Approve the Prudential and Treasury Indicators for 2021/22 to 2023/24.
 - (vi) Approve the Capital Strategy.

(viii) Housing Revenue Account (HRA) income and expenditure proposals, including revised HRA budget for 2020/21 and the budget for 2021/22, rents and service charges and the HRA Capital Programme.

2. That delegated authority is given to the Chief Finance Officer to amend the budget for any presentational changes ensuring the Council Tax Requirement remains unchanged.
3. That it be noted, that since the Cabinet meeting on 04 February the Business Rates return to the Government (NDR1) has been finalised. As a result of the latest Business Rates position, it has been possible to add £384K to the General Fund reserve. This will subsequently be allocated to the specific reserves set out below, which were identified in the budget report, once the exact allocations have been determined.
 - The creation of a capital programme acceleration reserve.
 - The creation of a commercial asset resilience planning reserve.
 - To top up those reserves used to fund Covid-19 reserve.
4. That the expenses incurred by the Council set out below be approved as Special Expenses chargeable to the residents of each of the Town/Parish areas indicated and that any other expenses (excluding local precepts) incurred by the Council be approved as general expenditure for the purposes of Section 35 of the Local Government Finance Act 1992.

Town/Parish Area	Special Expense 2021/22 £
Lewes	340,114
Newhaven	135,210
Telscombe	56,790
Seaford	61,350
Peacehaven	41,360
Chailey	1,270
Ringmer	4,520
Total	640,614

5. That consequent upon a General Fund budget of £13,530,290 and other matters, the basic amount (Band D) of Council Tax for the Borough Council's functions will be £214.53 calculated as follows:

	General Expenses only	Total including special items
	£000's	£000's
Gross Expenditure:		
General Fund	54,624	
HRA	16,746	
Business Rates payable to Government	7,805	
Contributions to Reserves	1,478	
	80,653	80,653
Special expenses		641
Less Income:		
Service Income	(59,131)	
Other Government Grants	(3,168)	
Business Rates income	(10,997)	
Collection Fund Surplus (Council Tax)	(122)	
	(73,418)	(73,418)
COUNCIL TAX REQUIREMENT	7,235	7,876
Band D Council Tax	£197.08	£214.53

The statutory resolutions relating to this matter are given at paragraphs 5 and 6 below.

6. That it be noted that at its meeting on 04 February 2021 Cabinet approved the following calculations for the year 2021/22, being made in accordance with regulations made under Sections 31(B)(4) and 34(4) of the Local Government Act 1992, as amended:-
- (a) 36,711.4 being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of the Council Tax Base) Regulations 1992, as amended, as its Council Tax Base for the year) Item T in the formula in Section 31B of the Local Government Finance Act 1992).

(b)

<u>Part of the Council's Area</u>	<u>Tax Base</u>
Parish of Barcombe	635.50
Parish of Beddingham and Glynde	186.00
Parish of Chailey	1,292.70
Parish of Ditchling	1,113.10
Parish of East Chiltington	191.10
Parish of Falmer	66.70
Parish of Firle	125.00
Parish of Hamsey	274.30
Parish of Iford	89.90
Parish of Kingston	421.30
Town of Lewes	6,078.60
Town of Newhaven	3,697.90
Parish of Newick	1,101.30
Town of Peacehaven	4,805.00
Parish of Piddinghoe	129.00
Parish of Plumpton	664.40
Parish of Ringmer	1,883.30
Parish of Rodmell	213.50
Parish of St Ann Without	40.00
Parish of St John Without	25.70
Town of Seaford	9,457.90
Parish of Southease	22.60
Parish of South Heighton	266.70
Parish of Streat	79.50
Parish of Tarring Neville	9.20
Town of Telscombe	2,493.50
Parish of Westmeston	159.00
Parish of Wivelsfield	1,188.70

Being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as amended, as the amounts of its Council Tax base for the year for dwelling in those parts of its area to which one or more special items relate.

7. That the following amounts be now calculated by the Council for the year 2021/22 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended:

(a)	£85,636,736	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	£73,417,570	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£12,219,166	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)	£332.84	being the amount at 6(c) above (Item R), all divided by Item T (5 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 local precepts).			
(e)	£4,984,080	being the aggregate amount of all special items referred to in Section 34(1) of the Act.			
(f)	£197.08	being the amount at 6(d) above less the result given by dividing the amount at 6(e) above by the amount at 4(a) above (Item T), 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 special item relates,			
(g)	Parts of the Council's area				
	Barcombe	247.23	Piddinghoe	282.10	
	Beddingham and Glynde	258.95	Plumpton	290.66	
	Chailey	250.97	Ringmer	269.00	
	Ditchling	285.94	Rodmell	266.40	
	East Chiltington	235.86	St Ann Without	197.08	
	Falmer	204.58	St John Without	197.08	
	Firle	277.45	Seaford	307.62	
	Hamsey	263.48	Southease	197.08	
	Iford	199.86	South Heighton	245.81	
	Kingston	315.76	Streat	255.26	
	Lewes	452.72	Tarring Neville	197.08	
	Newhaven	379.70	Telscombe	319.61	
	Newick	259.00	Westmeston	278.84	
	Peacehaven	339.03	Wivelsfield	282.18	
	Being the amounts given by adding the amount at 5(f) above, the amounts of the special items or items relating to dwelling in those parts of the Council's area mentioned above divided in each case by the amount at 5(B) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.				

(h) Parts of the Council's area

Council Tax Valuation Bands								
	A 6/9 £	B 7/9 £	C 8/9 £	D 9/9 £	E 11/9 £	F 13/9 £	G 15/9 £	H 18/9 £
Barcombe	164.82	192.29	219.76	247.23	302.17	357.11	412.05	494.46
Beddingham and Glynde	172.63	201.41	230.18	258.95	316.49	374.04	431.58	517.90
Chailey	167.31	195.20	223.08	250.97	306.74	362.51	418.28	501.94
Ditchling	190.63	222.40	254.17	285.94	349.48	413.02	476.57	571.88
East Chiltington	157.24	183.45	209.65	235.86	288.27	340.69	393.10	471.72
Falmer	136.39	159.12	181.85	204.58	250.04	295.50	340.97	409.16
Firle	184.97	215.79	246.62	277.45	339.11	400.76	462.42	554.90
Hamsey	175.65	204.93	234.20	263.48	322.03	380.58	439.13	526.96
Iford	133.24	155.45	177.65	199.86	244.27	288.69	333.10	399.72
Kingston	210.51	245.59	280.68	315.76	385.93	456.10	526.27	631.52
Lewes	301.81	352.12	402.42	452.72	553.32	653.93	754.53	905.44
Newhaven	253.13	295.32	337.51	379.70	464.08	548.46	632.83	759.40
Newick	172.67	201.44	230.22	259.00	316.56	374.11	431.67	518.00
Peacehaven	226.02	263.69	301.36	339.03	414.37	489.71	565.05	678.06
Piddinghoe	188.07	219.41	250.76	282.10	344.79	407.48	470.17	564.20
Plumpton	193.77	226.07	258.36	290.66	355.25	419.84	484.43	581.32
Ringmer	179.33	209.22	239.11	269.00	328.78	388.56	448.33	538.00
Rodmell	177.60	207.20	236.80	266.40	325.60	384.80	444.00	532.80
St Ann Without	131.39	153.28	175.18	197.08	240.88	284.67	328.47	394.16
St John Without	131.39	153.28	175.18	197.08	240.88	284.67	328.47	394.16
Seaford	205.08	239.26	273.44	307.62	375.98	444.34	512.70	615.24
Southeast	131.39	153.28	175.18	197.08	240.88	284.67	328.47	394.16
South Heighton	163.87	191.19	218.50	245.81	300.43	355.06	409.68	491.62
Streat	170.17	198.54	226.90	255.26	311.98	368.71	425.43	510.52
Tarring Neville	131.39	153.28	175.18	197.08	240.88	284.67	328.47	394.16
Telscombe	213.07	248.59	284.10	319.61	390.63	461.66	532.68	639.22
Westmeston	185.89	216.88	247.86	278.84	340.80	402.77	464.73	557.68
Wivelsfield	188.12	219.47	250.83	282.18	344.89	407.59	470.30	564.36

Being the amounts given by multiplying the amounts at 6(g) 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.

8. 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.

Council Tax Valuation Bands								
	A	B	C	D	E	F	G	H
	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
	£	£	£	£	£	£	£	£
Precepting Authorities								
East Sussex County Council	1,029.36	1,200.92	1,372.48	1,544.04	1,887.16	2,230.28	2,573.40	3,088.08
Sussex Police Authority	143.27	167.15	191.03	214.91	262.67	310.43	358.18	429.82
East Sussex Fire Authority	64.95	75.78	86.60	97.43	119.08	140.73	162.38	194.86
Aggregate of Council Tax Requirements								
	1,237.59	1,443.85	1,650.12	1,856.38	2,268.91	2,681.43	3,093.98	3,712.76

9. That having calculated the aggregate in each case of the amounts at 6(h) and 7 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, 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:

Council Tax Valuation Bands								
	A	B	C	D	E	F	G	H
	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
	£	£	£	£	£	£	£	£
Barcombe	1,402.40	1,636.14	1,869.87	2,103.61	2,571.08	3,038.55	3,506.01	4,207.22
Beddingham and Glynde	1,410.21	1,645.26	1,880.29	2,115.33	2,585.40	3,055.48	3,525.54	4,230.66
Chailey	1,404.89	1,639.05	1,873.19	2,107.35	2,575.65	3,043.95	3,512.24	4,214.70
Ditchling	1,428.21	1,666.25	1,904.28	2,142.32	2,618.39	3,094.46	3,570.53	4,284.64
East Chiltington	1,394.82	1,627.30	1,859.76	2,092.24	2,557.18	3,022.13	3,487.06	4,184.48
Falmer	1,373.97	1,602.97	1,831.96	2,060.96	2,518.95	2,976.94	3,434.93	4,121.92
Firle	1,422.55	1,659.64	1,896.73	2,133.83	2,608.02	3,082.20	3,556.38	4,267.66
Hamsey	1,413.23	1,648.78	1,884.31	2,119.86	2,590.94	3,062.02	3,533.09	4,239.72
Iford	1,370.82	1,599.30	1,827.76	2,056.24	2,513.18	2,970.13	3,427.06	4,112.48
Kingston	1,448.09	1,689.44	1,930.79	2,172.14	2,654.84	3,137.54	3,620.23	4,344.28
Lewes	1,539.39	1,795.97	2,052.53	2,309.10	2,822.23	3,335.37	3,848.49	4,618.20
Newhaven	1,490.71	1,739.17	1,987.62	2,236.08	2,732.99	3,229.90	3,726.79	4,472.16
Newick	1,410.25	1,645.29	1,880.33	2,115.38	2,585.47	3,055.55	3,525.63	4,230.76
Peacehaven	1,463.60	1,707.54	1,951.47	2,195.41	2,683.28	3,171.15	3,659.01	4,390.82
Piddinghoe	1,425.65	1,663.26	1,900.87	2,138.48	2,613.70	3,088.92	3,564.13	4,276.96
Plumpton	1,431.35	1,669.92	1,908.47	2,147.04	2,624.16	3,101.28	3,578.39	4,294.08
Ringmer	1,416.91	1,653.07	1,889.22	2,125.38	2,597.69	3,070.00	3,542.29	4,250.76
Rodmell	1,415.18	1,651.05	1,886.91	2,122.78	2,594.51	3,066.24	3,537.96	4,245.56
St Ann Without	1,368.97	1,597.13	1,825.29	2,053.46	2,509.79	2,966.11	3,422.43	4,106.92
St John Without	1,368.97	1,597.13	1,825.29	2,053.46	2,509.79	2,966.11	3,422.43	4,106.92
Seaford	1,442.66	1,683.11	1,923.55	2,164.00	2,644.89	3,125.78	3,606.66	4,328.00
Southeast	1,368.97	1,597.13	1,825.29	2,053.46	2,509.79	2,966.11	3,422.43	4,106.92
South Heighton	1,401.45	1,635.04	1,868.61	2,102.19	2,569.34	3,036.50	3,503.64	4,204.38
Streat	1,407.75	1,642.39	1,877.01	2,111.64	2,580.89	3,050.15	3,519.39	4,223.28
Tarring Neville	1,368.97	1,597.13	1,825.29	2,053.46	2,509.79	2,966.11	3,422.43	4,106.92
Telscombe	1,450.65	1,692.44	1,934.21	2,175.99	2,659.54	3,143.10	3,626.64	4,351.98
Westmeston	1,423.47	1,660.73	1,897.97	2,135.22	2,609.71	3,084.21	3,558.69	4,270.44
Wivelsfield	1,425.70	1,663.32	1,900.94	2,138.56	2,613.80	3,089.03	3,564.26	4,277.12

10. Determine that the Council's basic amount of Council Tax for 2021/22 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 2021/22 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.

For a copy of the report please contact Democratic Services 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

Appendices:

Appendix 1 - Section 25 Statement of the Chief Finance Officer.

Appendix 2 - Detail Town/Parish Precept, Tax Base and Band D analysis.

Appendix 3 - Draft Cabinet Minute Extract, 04 February 2021, General Fund Budget 2021/22 and Capital Programme.

Appendix 4 – Draft Cabinet Minute Extract, 04 February 2021, Treasury Management and Prudential Indicators 2021/22, Capital Strategy and Investment Strategy.

Appendix 4 – Draft Cabinet Minute Extract, 04 February 2021, Housing Revenue Account (HRA) Revenue Budget and Rent Setting 2021/22 and HRA Capital Programme 2020-24.