

Meeting: FULL COUNCIL

Date: Monday 21 February 2022

Subject COUNCIL BUDGET AND SETTING OF THE COUNCIL TAX FOR 2022/23

Report of: Councillor Zoe Nicholson (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 3 February 2022.

The budget book 2022/23 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=3394&Ver=4>

(This is the listing for the [Cabinet meeting held on 3 February 2022](#))

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 | | 2022/23 Band D Council Tax | Change over 2021/22 | |
|--|-------------------|----------------|-------------------------------------|------------------------|--------------|
| | £ | % | £ | £ | % |
| Lewes District Council: | | | | | |
| Council Tax Requirement (incl Special Expenses*) | 8,062,598 | 9.62% | 219.53 | 5.00 | 2.39% |
| Town and Parish Councils | 4,564,518 | 5.45% | 124.28 | 5.97 | 5.24% |
| Total Lewes District Council | 12,627,116 | 15.07% | 343.81 | 10.97 | 7.62% |
| East Sussex County Council | 59,252,493 | 70.72% | 1,613.34 | 69.30 | 4.64% |
| The Police and Crime Commissioner for Sussex | 8,260,179 | 9.86% | 224.91 | 10.00 | 5.00% |
| East Sussex Fire Authority | 3,649,522 | 4.36% | 99.37 | 1.94 | 2.03% |
| Total | 83,789,310 | 100.00% | 2,281.43 | 170.40 | 8.07% |

| | | | | | |
|--|------------------|----------|---------------|-------------|--------------|
| *Special Expenses | | | | | |
| LDC Council Tax Requirement | 8,062,598 | - | 219.53 | 5.00 | 2.39% |
| Less Total amount to be charged as Special Expenses | (640,880) | - | (17.45) | - | 0.00% |
| Council Tax to be levied on all LDC taxpayers | 7,421,718 | - | 202.08 | 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 2022/23, 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. To approve the recommendations as detailed in the reports from the Chief Finance Officer to Cabinet on 3 February 2022 as summarised below:
 - (i) To approve the General Fund budget for 2021/22 (Revised) and 2022/23 (Original). An increase in the Council Tax for Lewes District Council of £5 resulting in a Band D charge for general expenses of £202.08 for 2022/23.
 - (ii) To approve the revised General Fund capital programme 2022/23.
 - (iii) To endorse the continuation of the Flexible use of Capital Receipts.
 - (iv) To note the Section 151 Officer's sign off as outlined in the Cabinet Report and at Appendix 1.
 - (v) To endorse Cabinet's agreement for £350k being earmarked from General Fund reserves to create a Hardship Fund to support households with the energy and cost of living pressures.
 - (vi) To approve the Treasury Management Strategy and Annual Investment Strategy for 2022/23.
 - (vii) To approve the Minimum Revenue Provision Policy Statement for 2022/23.

- (viii) To approve the Prudential and Treasury Indicators for 2022/23 to 2024/25.
- (ix) To approve the Capital Strategy.
- (x) To approve the Housing Revenue Account (HRA) income and expenditure proposals, including revised HRA budget for 2021/22 and the budget for 2022/23, rents and service charges and the HRA Capital Programme, including:
- That social and affordable rents (including Shared Ownership) be increased by 4.1% in line with Government policy;
 - That private sector leased property rents are increased by 4.1% (CPI+1%);
 - That garage rents are increased by 4.86% (RPI); and
 - That £150k be earmarked from the HRA reserve to create a Hardship fund to support households with their energy and cost of living pressures.
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 3 February the Business Rates return to the Government (NNDR1) 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 2022/23 £ |
|-------------------------|--------------------------------------|
| Lewes | 343,000 |
| Newhaven | 134,940 |
| Telscombe | 57,720 |
| Seaford | 58,590 |
| Peacehaven | 41,100 |
| Chailey | 1,120 |
| Ringmer | 4,410 |
| Total | 640,880 |

5. That consequent upon a General Fund budget of £8,062,598 and other matters, the basic amount (Band D) of Council Tax for the Borough Council's functions will be £219.53 calculated as follows:

| | General Expenses only | Total including special items |
|---------------------------------------|------------------------------|--------------------------------------|
| | £000's | £000's |
| Gross Expenditure: | | |
| General Fund | 56,437 | |
| HRA | 18,090 | |
| Business Rates payable to Government | 7,805 | |
| Contributions to Reserves | 80 | |
| | 82,412 | 82,412 |
| Special expenses | | 641 |
| Less Income: | | |
| Service Income | (59,147) | |
| Other Government Grants | (3,378) | |
| Business Rates income | (12,017) | |
| Collection Fund Surplus (Council Tax) | (448) | |
| | (74,990) | (74,990) |
| COUNCIL TAX REQUIREMENT | 7,422 | 8,063 |
| | | |
| Band D Council Tax | £202.08 | £219.53 |

The statutory resolutions relating to this matter are given at paragraphs 6 and 7 below.

6. That it be noted that at its meeting on 3 February 2022 Cabinet approved the following calculations for the year 2022/23, being made in accordance with regulations made under Sections 31(B)(4) and 34(4) of the Local Government Act 1992, as amended:
- (a) 36,726.6 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 | 634.40 |
| Parish of Beddingham and Glynde | 182.30 |
| Parish of Chailey | 1,385.10 |
| Parish of Ditchling | 1120.20 |
| Parish of East Chiltington | 196.50 |
| Parish of Falmer | 67.60 |
| Parish of Firle | 124.30 |
| Parish of Hamsey | 279.10 |
| Parish of Iford | 89.60 |
| Parish of Kingston | 424.60 |
| Town of Lewes | 6049.60 |
| Town of Newhaven | 3638.40 |
| Parish of Newick | 1103.60 |
| Town of Peacehaven | 4752.60 |
| Parish of Piddinghoe | 126.10 |
| Parish of Plumpton | 677.70 |
| Parish of Ringmer | 1950.40 |
| Parish of Rodmell | 214.20 |
| Parish of St Ann Without | 39.60 |
| Parish of St John Without | 27.10 |
| Town of Seaford | 9406.70 |
| Parish of Southease | 22.90 |
| Parish of South Heighton | 255.40 |
| Parish of Streat | 80.20 |
| Parish of Tarring Neville | 9.70 |
| Town of Telscombe | 2498.80 |
| Parish of Westmeston | 160.50 |
| Parish of Wivelsfield | 1,209.40 |

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 2022/23 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended:
- (a) £87,617,418 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
 - (b) £74,990,302 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £12,627,116 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) £343.81 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) £5,205,398 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (f) £202.08 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 | 252.82 | Piddinghoe | 289.05 |
| Beddingham and Glynde | 267.10 | Plumpton | 296.35 |
| Chailey | 252.26 | Ringmer | 271.47 |
| Ditchling | 300.42 | Rodmell | 271.17 |
| East Chiltington | 242.39 | St Ann Without | 202.08 |
| Falmer | 209.48 | St John Without | 202.08 |
| Firle | 286.55 | Seaford | 319.40 |
| Hamsey | 267.34 | Southease | 202.08 |
| Iford | 204.87 | South Heighton | 255.51 |
| Kingston | 319.84 | Streat | 269.60 |
| Lewes | 467.02 | Tarring Neville | 202.08 |
| Newhaven | 398.37 | Telscombe | 329.82 |
| Newick | 263.87 | Westmeston | 283.08 |
| Peacehaven | 355.30 | Wivelsfield | 285.72 |

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 | B | C | D | E | F | G | H |
| | 6/9 | 7/9 | 8/9 | 9/9 | 11/9 | 13/9 | 15/9 | 18/9 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Barcombe | 168.55 | 196.64 | 224.73 | 252.82 | 309.00 | 365.18 | 421.37 | 505.64 |
| Beddingham and Glynde | 178.07 | 207.74 | 237.42 | 267.10 | 326.46 | 385.81 | 445.17 | 534.20 |
| Chailey | 168.17 | 196.20 | 224.23 | 252.26 | 308.32 | 364.38 | 420.43 | 504.52 |
| Ditchling | 200.28 | 233.66 | 267.04 | 300.42 | 367.18 | 433.94 | 500.70 | 600.84 |
| East Chiltington | 161.59 | 188.53 | 215.46 | 242.39 | 296.25 | 350.12 | 403.98 | 484.78 |
| Falmer | 139.65 | 162.93 | 186.20 | 209.48 | 256.03 | 302.58 | 349.13 | 418.96 |
| Firle | 191.03 | 222.87 | 254.71 | 286.55 | 350.23 | 413.91 | 477.58 | 573.10 |
| Hamsey | 178.23 | 207.93 | 237.64 | 267.34 | 326.75 | 386.16 | 445.57 | 534.68 |
| Iford | 136.58 | 159.34 | 182.11 | 204.87 | 250.40 | 295.92 | 341.45 | 409.74 |
| Kingston | 213.23 | 248.76 | 284.30 | 319.84 | 390.92 | 461.99 | 533.07 | 639.68 |
| Lewes | 311.35 | 363.24 | 415.13 | 467.02 | 570.80 | 674.58 | 778.37 | 934.04 |
| Newhaven | 265.58 | 309.84 | 354.11 | 398.37 | 486.90 | 575.42 | 663.95 | 796.74 |
| Newick | 175.91 | 205.23 | 234.55 | 263.87 | 322.51 | 381.15 | 439.78 | 527.74 |
| Peacehaven | 236.87 | 276.34 | 315.82 | 355.30 | 434.26 | 513.21 | 592.17 | 710.60 |
| Piddinghoe | 192.70 | 224.82 | 256.93 | 289.05 | 353.28 | 417.52 | 481.75 | 578.10 |
| Plumpton | 197.57 | 230.49 | 263.42 | 296.35 | 362.21 | 428.06 | 493.92 | 592.70 |
| Ringmer | 180.98 | 211.14 | 241.31 | 271.47 | 331.80 | 392.12 | 452.45 | 542.94 |
| Rodmell | 180.78 | 210.91 | 241.04 | 271.17 | 331.43 | 391.69 | 451.95 | 542.34 |
| St Ann Without | 134.72 | 157.17 | 179.63 | 202.08 | 246.99 | 291.89 | 336.80 | 404.16 |
| St John Without | 134.72 | 157.17 | 179.63 | 202.08 | 246.99 | 291.89 | 336.80 | 404.16 |
| Seaford | 212.93 | 248.42 | 283.91 | 319.40 | 390.38 | 461.36 | 532.33 | 638.80 |
| Southeast | 134.72 | 157.17 | 179.63 | 202.08 | 246.99 | 291.89 | 336.80 | 404.16 |
| South Heighton | 170.34 | 198.73 | 227.12 | 255.51 | 312.29 | 369.07 | 425.85 | 511.02 |
| Streat | 179.73 | 209.69 | 239.64 | 269.60 | 329.51 | 389.42 | 449.33 | 539.20 |
| Tarring Neville | 134.72 | 157.17 | 179.63 | 202.08 | 246.99 | 291.89 | 336.80 | 404.16 |
| Telscombe | 219.88 | 256.53 | 293.17 | 329.82 | 403.11 | 476.41 | 549.70 | 659.64 |
| Westmeston | 188.72 | 220.17 | 251.63 | 283.08 | 345.99 | 408.89 | 471.80 | 566.16 |
| Wivelsfield | 190.48 | 222.23 | 253.97 | 285.72 | 349.21 | 412.71 | 476.20 | 571.44 |

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.

| 2022-23 | | 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 | 1,075.56 | 1,254.82 | 1,434.08 | 1,613.34 | 1,971.86 | 2,330.38 | 2,688.90 | 3,226.68 | |
| Sussex Police Authority | 149.94 | 174.93 | 199.92 | 224.91 | 274.89 | 324.87 | 374.85 | 449.82 | |
| East Sussex Fire Authority | 66.25 | 77.29 | 88.33 | 99.37 | 121.45 | 143.53 | 165.62 | 198.74 | |
| Aggregate of Council Tax Requirements | 1,291.75 | 1,507.04 | 1,722.33 | 1,937.62 | 2,368.20 | 2,798.77 | 3,229.38 | 3,875.24 | |

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 | 1,460.30 | 1,703.68 | 1,947.06 | 2,190.44 | 2,677.20 | 3,163.96 | 3,650.74 | 4,380.88 |
| Beddingham and Glynde | 1,469.82 | 1,714.78 | 1,959.75 | 2,204.72 | 2,694.66 | 3,184.59 | 3,674.54 | 4,409.44 |
| Chailey | 1,459.92 | 1,703.24 | 1,946.56 | 2,189.88 | 2,676.52 | 3,163.16 | 3,649.80 | 4,379.76 |
| Ditchling | 1,492.03 | 1,740.70 | 1,989.37 | 2,238.04 | 2,735.38 | 3,232.72 | 3,730.07 | 4,476.08 |
| East Chiltington | 1,453.34 | 1,695.57 | 1,937.79 | 2,180.01 | 2,664.45 | 3,148.90 | 3,633.35 | 4,360.02 |
| Falmer | 1,431.40 | 1,669.97 | 1,908.53 | 2,147.10 | 2,624.23 | 3,101.36 | 3,578.50 | 4,294.20 |
| Firle | 1,482.78 | 1,729.91 | 1,977.04 | 2,224.17 | 2,718.43 | 3,212.69 | 3,706.95 | 4,448.34 |
| Hamsey | 1,469.98 | 1,714.97 | 1,959.97 | 2,204.96 | 2,694.95 | 3,184.94 | 3,674.94 | 4,409.92 |
| Iford | 1,428.33 | 1,666.38 | 1,904.44 | 2,142.49 | 2,618.60 | 3,094.70 | 3,570.82 | 4,284.98 |
| Kingston | 1,504.98 | 1,755.80 | 2,006.63 | 2,257.46 | 2,759.12 | 3,260.77 | 3,762.44 | 4,514.92 |
| Lewes | 1,603.10 | 1,870.28 | 2,137.46 | 2,404.64 | 2,939.00 | 3,473.36 | 4,007.74 | 4,809.28 |
| Newhaven | 1,557.33 | 1,816.88 | 2,076.44 | 2,335.99 | 2,855.10 | 3,374.20 | 3,893.32 | 4,671.98 |
| Newick | 1,467.66 | 1,712.27 | 1,956.88 | 2,201.49 | 2,690.71 | 3,179.93 | 3,669.15 | 4,402.98 |
| Peacehaven | 1,528.62 | 1,783.38 | 2,038.15 | 2,292.92 | 2,802.46 | 3,311.99 | 3,821.54 | 4,585.84 |
| Piddinghoe | 1,484.45 | 1,731.86 | 1,979.26 | 2,226.67 | 2,721.48 | 3,216.30 | 3,711.12 | 4,453.34 |
| Plumpton | 1,489.32 | 1,737.53 | 1,985.75 | 2,233.97 | 2,730.41 | 3,226.84 | 3,723.29 | 4,467.94 |
| Ringmer | 1,472.73 | 1,718.18 | 1,963.64 | 2,209.09 | 2,700.00 | 3,190.90 | 3,681.82 | 4,418.18 |
| Rodmell | 1,472.53 | 1,717.95 | 1,963.37 | 2,208.79 | 2,699.63 | 3,190.47 | 3,681.32 | 4,417.58 |
| St Ann Without | 1,426.47 | 1,664.21 | 1,901.96 | 2,139.70 | 2,615.19 | 3,090.67 | 3,566.17 | 4,279.40 |
| St John Without | 1,426.47 | 1,664.21 | 1,901.96 | 2,139.70 | 2,615.19 | 3,090.67 | 3,566.17 | 4,279.40 |
| Seaford | 1,504.68 | 1,755.46 | 2,006.24 | 2,257.02 | 2,758.58 | 3,260.14 | 3,761.70 | 4,514.04 |
| Southease | 1,426.47 | 1,664.21 | 1,901.96 | 2,139.70 | 2,615.19 | 3,090.67 | 3,566.17 | 4,279.40 |
| South Heighton | 1,462.09 | 1,705.77 | 1,949.45 | 2,193.13 | 2,680.49 | 3,167.85 | 3,655.22 | 4,386.26 |
| Streat | 1,471.48 | 1,716.73 | 1,961.97 | 2,207.22 | 2,697.71 | 3,188.20 | 3,678.70 | 4,414.44 |
| Tarring Neville | 1,426.47 | 1,664.21 | 1,901.96 | 2,139.70 | 2,615.19 | 3,090.67 | 3,566.17 | 4,279.40 |
| Telscombe | 1,511.63 | 1,763.57 | 2,015.50 | 2,267.44 | 2,771.31 | 3,275.19 | 3,779.07 | 4,534.88 |
| Westmeston | 1,480.47 | 1,727.21 | 1,973.96 | 2,220.70 | 2,714.19 | 3,207.67 | 3,701.17 | 4,441.40 |
| Wivelsfield | 1,482.23 | 1,729.27 | 1,976.30 | 2,223.34 | 2,717.41 | 3,211.49 | 3,705.57 | 4,446.68 |

10. To determine that the Council's basic amount of Council Tax for 2022/23 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, Telephone (01323) 415023, Email: committees@lewes-eastbourne.gov.uk

For further information please contact Homira Javadi, Chief Finance Officer - Telephone (01323) 415149, Email: homira.javadi@lewes-eastbourne.gov.uk.

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 - Cabinet Minute Extract, 3 February 2022, General Fund Budget 2022/23 and Capital Programme.

Appendix 4 – Cabinet Minute Extract, 3 February 2022, Treasury Management and Prudential Indicators 2021/22, Capital Strategy and Investment Strategy.

Appendix 5 – Cabinet Minute Extract, 3 February 2022, Housing Revenue Account (HRA) Revenue Budget and Rent Setting 2022/23 and HRA Capital Programme 2022-25.