

Working in partnership with **Eastbourne Homes**

Meeting: Council

Date: 28 February 2024

Subject: General fund budget 2024/25 and capital programme

Report of: Councillor Robin Maxted on behalf of the Cabinet

The Council is asked to consider the minute and resolution of the **Cabinet** meeting held on 7 February 2024 as set out below.

Recommendations for Full Council have been set out and incorporated into the covering report.

Minute extract
Cabinet – 7 February 2024.

The Cabinet considered the report of the Director of Finance and Performance, seeking its agreement and recommendation to Full Council of the General Fund Budget 2023/24 and updated Medium Term Financial Strategy (MTFS), together with the updated Capital Programme and Treasury Management position.

Thanks were expressed to officers for their work in producing the report and for their ongoing discussions with the Department of Levelling Up Housing & Communities (DLUHC).

Since publication of the report, the Cabinet reported that DLUHC had rejected its application for additional Council Tax setting powers above 2.99%, detailed as Option C in the report. This would therefore be withdrawn as an option to be recommended to Full Council. The Council were still to be notified of its request for Exceptional Financial Support.

A minor correction to the proposed fees and charges, set out at Appendix 6 was reported in relation to annual green waste fees. The corrected figure would be uploaded following the meeting, ahead of Full Council consideration.

Officers had also been informed of a late change to the forecast used to establish the potential business rate deficit, as part of the government return called NNDR1. Due to several last-minute appeal applications by business rate payers, the level of provision for appeals may increase.

The Scrutiny Committee at its meeting on 5 February 2024, considered the report and made the following comment for Cabinet's consideration:

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- **That the Scrutiny Committee endorse the Cabinet's work in continuing to lobby the Government to support local councils through exceptional financial challenges and exploring all funding options.**

Cabinet acknowledged and expressed its thanks to the Scrutiny Committee for the comment.

Recommended to Full Council (Budget and policy framework):

(1) Continue to lobby the UK Government for additional funding in recognition of the exceptional financial pressures placed on Local Councils in tackling the cost of homelessness, which in Eastbourne is projected to be £4.9m for 23/24 to pay for temporary accommodation.

- a) In this circumstance, EBC Council Tax would increase for a Band D property to 2.99% and deliver £3.8m of savings over two years as per previous MTFS and reporting. This is Eastbourne Borough Councils preferred option.
- b) Our preference is that the Government recognise the extreme pressures placed on Councils of all political persuasions, and agrees, as they have done with social care, to provide exceptional, emergency support to Councils to cover the costs of EA/TA in the Budget.
- c) However, in appreciation that this may be unlikely, the Council have put forward other alternatives as we continue dialogue with DLHUC to provide support for this authority.

(2) To give delegated authority to the Section 151 Officer and Chief Executive in consultation with the Leader of the Council and the Cabinet Member for Finance to approve one of the following options in respect to the General Fund Budget 2024/25 dependent on the outcome of the Councils application to the Department of Levelling Up Housing & Communities for Exceptional Financial Support.

- a) Option A is based on Department of Levelling Up Housing & Communities recognising and directly funding the increased number of homelessness and temporary accommodation placements activity from 2023/24 onwards (Appendices 1A, 2A, 3A & 4A).
- b) Option B which assumes the acceptance of Exceptional Financial Support by Department of Levelling Up Housing & Communities but does not include additional Council Tax setting powers over and above the existing pre-referendum limit of 2.99% (Appendices 1B, 2B, 3B & 4B).
- d) Option D which assumes the refusal of Exceptional Financial Support by Department of Levelling Up Housing & Communities (Appendices 1D, 2D, 3D & 4D).

(3) To give delegated authority to the Section 151 Officer and Chief executive in consultation with the Leader of the Council and the Cabinet Member for Finance to approve an increase in the Council Tax for Eastbourne Borough Council dependent on the options described above.

a) Option A, B & D- An increase of 2.99% resulting in a gross Band D charge of £277.74 for 2024/25 an increase of £8.06 per annum.

(4) The revised General Fund & Housing Revenue Account Capital Programme 2024/25 as set out at Appendix 5 to the report.

(5) The rates of Fees and Charges proposed within Appendix 5 to apply from 1 April 2024 and to implement changes to statutory fees and charges for services shown within Appendix 5 as and when notified by Government.

(6) To note the Section 151 Officer's sign off as outlined in the report.

Reason for decisions:

The Cabinet has to recommend to Full Council the setting of a revenue budget and associated Council Tax for the forthcoming financial year by law.

For a copy of the report please contact Democratic Services:

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

A copy may be downloaded on the [Council's website](#).