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To: All Members of the Council

Date: 23 February 2018
Our Ref: RH/CL
Your Ref:

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Dear Councillor

COUNCIL - THURSDAY 1ST MARCH, 2018

I refer to the agenda for the above meeting and now enclose the following report which was unavailable when the agenda was printed.

Agenda No.	Item
1.	Revenue and Capital Budget Plan 2017/18 – 2019/20 (Pages 311 - 320) Joint Report of the Chief Executive and Head of Corporate Resources

Yours faithfully,

M. CARNEY

Chief Executive

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Council - 1 March 2018

Revenue and Capital Budget Plan 2018/19 – 2019/20 – Update

1. Introduction

- 1.1. The Council is legally required to agree its budget and set a Council Tax for 2018/19 by 10 March 2018.
- 1.2. This paper provides final information on the level of resource required by levying bodies, plus agreed precepts from the Police & Crime Commissioner, the Fire & Rescue Authority and local parish councils.
- 1.3. The recommendation to Council on the Authority's Budget and Council Tax level for 2018/19 is contained on the main agenda. Assuming this is approved unaltered at tonight's meeting; the overall Council Tax level for 2018/19 is set out below. The formal resolution for Council is also attached as an Appendix. If any amendments to the proposed Council Tax level for 2018/19 are made at the meeting, a new Council Tax Resolution will be circulated.

2. Charges relating to External / Levying Bodies

- 2.1. The Council is required to pay charges relating to levies from external bodies. The expected amounts to be paid in 2018/19, and their impact on Sefton's budget compared to 2017/18, is shown in the table below:-

<u>Levying Body</u>	<u>2017/18</u>	<u>2018/19</u>	<u>Change</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Liverpool City Region (LCR) Combined Authority	18,677,000	18,605,000	-72,000
Waste Disposal Authority	12,661,305	14,430,056	1,768,751
Environment Agency	152,222	154,826	2,604
Inshore Fisheries & Conservation Authority	64,132	65,415	1,283
Port Health Authority	13,500	13,500	0
	31,568,159	33,268,797	1,700,638

3. Precepts

3.1. Police & Crime Commissioner and Fire & Rescue Precepts

The Police and Crime Commissioner set a budget / precept on 22 February 2018, with a Band C increase of 7.23% (£12.00 on a Band D property). The Fire and Rescue Authority set its budget / precept for 2018/19 on 22 February 2018; with a Band C increase of 2.99%.

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	Precept			Band C		
	2017/18	2018/19	Change	2017/18	2018/19	Change
	£	£	£	£	£	%
Police	13,594,070	14,760,740	1,166,670	147.53	158.20	7.23
Fire	6,088,952	6,349,848	260,896	66.08	68.05	2.99

3.2. Parishes

The Parish precepts variations are highlighted below: -

	Precept			Band C		
	2017/18	2018/19	Change	2017/18	2018/19	Change
	£	£	£	£	£	%
Aintree Village	60,000	113,000	53,000	26.42	49.30	86.60
Formby	72,500	80,000	7,500	7.12	7.79	9.41
Hightown	5,460	5,460	0	5.73	5.62	-1.92
Ince Blundell	1,950	2,009	59	10.60	10.98	3.58
Little Altcar	3,000	3,074	74	8.26	8.26	0.00
Lydiate	144,792	150,583	5,791	63.17	65.36	3.47
Maghull	605,656	643,347	37,691	82.92	87.37	5.37
Melling	20,000	20,000	0	18.12	17.78	-1.88
Sefton	3,600	3,500	-100	13.84	13.15	-4.99
Thornton	4,500	5,000	500	5.24	5.82	11.07
	921,458	1,025,973				

4. Other Government Grant Notifications 2018/19

4.1. Adult Social Care Support Grant - £0.953m

The final Local Government Finance Settlement 2018/19 included an additional £150m of one-off funding to support Adult Social Care. Sefton's allocation of this funding is £0.953m. It is proposed that the funding be reserved against potential Adult Social Care pressures, including the unquantifiable risks outlined at Paragraph 5.10 of the main report.

This grant is an addition to those grants listed in Section 9 of the main report and will be approved as part of recommendation 10.

5. Summary of Budget Proposals for 2018/19

5.1. As a result of the information contained within the main report and this update the bridging of the 2018/19 funding gap is shown as follows:

	2018/19 £'m
Original MTFP funding gap	5.903
MTFP revisions	-1.025
Public Sector Reform Projects	6.349
Revised Funding Gap	11.227
Budget proposals	
Service Delivery Options	-1.330
Strategic Investment /Economic Growth	-0.500
Phasing Proposals	-2.250
Remaining Funding Gap	7.147
Council Tax increase (2.99%)	-3.568
Adult Social Care Precept (3.00%)	-3.579
Balanced Budget	0.000

A summary of the budget for 2018/19 and the Budget Plan for 2019/20 is shown at the revised Appendix B.

6. Recommended Council Tax for 2018/19

- 6.1. Council are recommended to approve the Budget for 2018/19, as set out in the main report.
- 6.2. The recommended overall Band C Council Tax to be raised for 2018/19 (excluding Parish Precepts) is as follows: -

	2017/18	2018/19	Increase
	£	£	%
Sefton	1,278.70	1,355.30	5.99
Police & Crime Commissioner	147.53	158.20	7.23
Fire & Rescue Authority	66.08	68.05	2.99
	1,492.31	1,581.55	5.98

Stephan Van Arendsen
Head of Corporate Resources

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Appendix B (Revised)

Draft Council Budget Summary 2018/19 – 2019/20

Line Ref	Service	Base Budget 2017/2018 £	Draft Base Budget 2018/2019 £	Draft Base Budget 2019/2020 £
1	Strategic Management	3,110,250	2,923,350	2,923,350
2	Strategic Support Unit	3,758,350	3,758,350	3,758,350
3	Adult Social Care	87,003,400	93,910,700	95,486,450
4	Children's Social Care	27,224,575	27,355,025	26,257,025
5	Communities	10,346,650	10,496,350	10,426,350
6	Corporate Resources	5,365,200	5,595,450	5,595,450
7	Health and Wellbeing	23,379,550	23,363,950	23,363,950
8	Inward Investment and Employment	2,561,700	2,533,450	2,308,450
9	Locality Services - Commissioned	18,336,300	18,358,200	18,358,950
10	Locality Services - Provision	9,639,500	9,431,750	9,431,750
11	Regeneration and Housing	4,482,300	4,594,650	4,594,650
12	Regulation and Compliance	3,654,600	3,452,800	3,452,800
13	Schools and Families	25,307,475	24,691,525	24,326,525
14	Public Sector Reform Projects - Budget Planning Assumptions still to be allocated to Services	-1,750,750	-7,345,400	-15,218,400
15	Other Services	3,250,400	3,250,400	3,250,400
16	Net Cost of Services	225,669,500	226,370,550	218,316,050
17	Less Capital Charges	-13,375,600	-13,375,600	-13,375,600
18	Debt Repayment / Net Interest	8,076,800	7,580,800	7,400,800
19	Capital Chargeable to Revenue	95,000	95,000	95,000
20	Sub total	220,465,700	220,670,750	212,436,250
21	Contingency Inflation Provision	-168,388	953,050	351,531
22	Levies	31,554,650	33,255,300	34,141,300
23	Application of Provisions / Reserves / Corporate Expenditure	1,875,050	1,995,050	1,995,050
24	Capitalisation	-3,266,000	-3,266,000	-1,566,000
25	Corporate / One-Off Savings	-11,478,296	-736,200	-3,537,200
26	Inflationary Items to be Allocated	0	3,980,488	7,361,738
27	Corporate Savings to be allocated to Services	-867,550	-532,550	-532,550
28	Total	238,115,166	256,319,888	250,650,119
29	Specific Government Grants	-21,938,000	-21,374,000	-20,810,000
30	Non-Specific Government Grants	-12,993,907	-12,666,650	-11,392,350
31	Total	203,183,259	222,279,238	218,447,769

Appendix B (Revised)

Draft Council Budget Summary 2018/19 – 2019/20

Line Ref	Service	Base Budget 2017/2018 £	Draft Base Budget 2018/2019 £	Draft Base Budget 2019/2020 £
32	Use of Balances	0	0	0
33	Total Budget Requirement	203,183,259	222,279,238	218,447,769
34	Add Parish Precepts	921,458	1,025,973	1,025,973
35	Total Net Expenditure	204,104,717	223,305,211	219,473,742
<u>SUMMARY OF BALANCES</u>				
36	Balances Brought Forward	7,208,743	7,208,743	7,208,743
37	Use of Balances	0	0	0
38	Balances Carried Forward	7,208,743	7,208,743	7,208,743

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<u>FINANCING OF SEFTON'S BUDGET REQUIREMENT</u>				
Total Budget Requirement		203,183,259	222,279,238	218,447,769
Less: Revenue Support Grant		0	0	0
Top-Up Grant		-21,574,749	-24,653,185	-19,632,000
Business Rates Receipts		-61,760,320	-70,420,393	-68,199,000
Collection Fund Deficit / Surplus (-) - Council Tax		-2,021,982	-746,975	0
Sefton Requirement from Council Tax		117,826,208	126,458,685	130,616,769
Band D Council Tax		1,438.54	1,524.71	1,570.30
Illustrative Council Tax Increase			5.99%	2.99%

Note that the Sefton Requirement from Council Tax and quoted Band D Council Tax in 2019/20 is based on a Council Tax increase that is for illustrative purposes only.

PROPOSED COUNCIL TAX 2018/2019:

RESOLVED

1. Note that at its meeting on 25th January 2018, the Council calculated the following amounts for the year 2018/2019 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 1992 (as amended):

(a) 82,939.50 Band D equivalent properties, for the whole area [item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended]; and

(b) for dwellings in those parts of its area to which a Parish precept relates as shown in the table below:

<u>Parish</u>	<u>Council Tax Base</u> (Band D Equivalent Properties)
Aintree Village	2,037.00
Formby	9,125.50
Hightown	864.60
Ince Blundell	162.60
Little Altcar	330.90
Lydiate	2,047.80
Maghull	6,545.40
Melling	999.60
Sefton	236.50
Thornton	763.20

2. Calculate that the Council Tax requirement for the Council's own purposes for 2018/2019 (excluding Parish Precepts) is £126,458,685

3. That the following amounts be calculated by the Council for the year 2018/2019 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:

(a)	£584,459,546	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils.
(b)	-£456,974,888	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£127,484,658	Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(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)	£1,537.08	Being the amount at 3(c) above (item R), divided by the amount at 1(a) above (item T), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
(e)	£1,025,973	Being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act.
(f)	£1,524.71	Being the amount at 3(d) above, less the amount given by dividing the amount at 3(e) above by the amount at 1(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.

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(g) The amounts below, being the amounts given by adding to the amount at 3(f) above the amounts of the special items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council in accordance with Section 34(3) of the Act as basic amounts of its Council Tax for the year for dwellings in those parts of its area to which special items relate.

<u>Parish</u>	£
Aintree Village	1,580.18
Formby	1,533.48
Hightown	1,531.03
Ince Blundell	1,537.07
Little Altcar	1,534.00
Lydiate	1,598.24
Maghull	1,623.00
Melling	1,544.72
Sefton	1,539.51
Thornton	1,531.26

(h) The amounts below being the amounts given by multiplying the amounts at 3(f) and 3(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.

Proportion of Band D	Property Valuation Band							
	A 6/9	B 7/9	C 8/9	D 9/9	E 11/9	F 13/9	G 15/9	H 18/9
<u>Parish</u>	£	£	£	£	£	£	£	£
Aintree Village	1,053.45	1,229.03	1,404.60	1,580.18	1,931.33	2,282.48	2,633.63	3,160.36
Formby	1,022.32	1,192.71	1,363.09	1,533.48	1,874.25	2,215.03	2,555.80	3,066.96
Hightown	1,020.69	1,190.80	1,360.92	1,531.03	1,871.26	2,211.49	2,551.72	3,062.06
Ince Blundell	1,024.71	1,195.50	1,366.28	1,537.07	1,878.64	2,220.21	2,561.78	3,074.14
Little Altcar	1,022.67	1,193.11	1,363.56	1,534.00	1,874.89	2,215.78	2,556.67	3,068.00
Lydiate	1,065.49	1,243.08	1,420.66	1,598.24	1,953.40	2,308.57	2,663.73	3,196.48
Maghull	1,082.00	1,262.33	1,442.67	1,623.00	1,983.67	2,344.33	2,705.00	3,246.00
Melling	1,029.81	1,201.45	1,373.08	1,544.72	1,887.99	2,231.26	2,574.53	3,089.44
Sefton	1,026.34	1,197.40	1,368.45	1,539.51	1,881.62	2,223.74	2,565.85	3,079.02
Thornton	1,020.84	1,190.98	1,361.12	1,531.26	1,871.54	2,211.82	2,552.10	3,062.52
<u>All Other Parts of the Council's Area</u>	1,016.47	1,185.89	1,355.30	1,524.71	1,863.53	2,202.36	2,541.18	3,049.42

4. Note that for the year 2018/2019 the Police and Crime Commissioner and Fire and Rescue Authority have stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Proportion of Band D	Property Valuation Band							
	A 6/9	B 7/9	C 8/9	D 9/9	E 11/9	F 13/9	G 15/9	H 18/9
	£	£	£	£	£	£	£	£
<u>Precepting Authority</u>								
Merseyside Fire & Rescue Authority	51.04	59.55	68.05	76.56	93.57	110.59	127.60	153.12
Merseyside Police & Crime Commissioner	118.65	138.42	158.20	177.97	217.52	257.07	296.62	355.94

5. The Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2018/2019 for each part of its area and for each of the categories of dwellings.

Proportion of Band D	Property Valuation Band							
	A 6/9	B 7/9	C 8/9	D 9/9	E 11/9	F 13/9	G 15/9	H 18/9
	£	£	£	£	£	£	£	£
<u>Parish</u>								
Aintree Village	1,223.14	1,427.00	1,630.85	1,834.71	2,242.42	2,650.14	3,057.85	3,669.42
Formby	1,192.01	1,390.68	1,589.34	1,788.01	2,185.34	2,582.69	2,980.02	3,576.02
Hightown	1,190.38	1,388.77	1,587.17	1,785.56	2,182.35	2,579.15	2,975.94	3,571.12
Ince Blundell	1,194.40	1,393.47	1,592.53	1,791.60	2,189.73	2,587.87	2,986.00	3,583.20
Little Altcar	1,192.36	1,391.08	1,589.81	1,788.53	2,185.98	2,583.44	2,980.89	3,577.06
Lydiate	1,235.18	1,441.05	1,646.91	1,852.77	2,264.49	2,676.23	3,087.95	3,705.54
Maghull	1,251.69	1,460.30	1,668.92	1,877.53	2,294.76	2,711.99	3,129.22	3,755.06
Melling	1,199.50	1,399.42	1,599.33	1,799.25	2,199.08	2,598.92	2,998.75	3,598.50
Sefton	1,196.03	1,395.37	1,594.70	1,794.04	2,192.71	2,591.40	2,990.07	3,588.08
Thornton	1,190.53	1,388.95	1,587.37	1,785.79	2,182.63	2,579.48	2,976.32	3,571.58
<u>All Other Parts of the Council's Area</u>	1,186.16	1,383.86	1,581.55	1,779.24	2,174.62	2,570.02	2,965.40	3,558.48

6. The Council's basic amount of Council Tax for 2018/2019 is not deemed to be excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992.

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