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To: Members of the Council

Date: 22 February 2019

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Dear Councillor

COUNCIL - THURSDAY 28TH FEBRUARY, 2019

I refer to the agenda for the above meeting and now enclose the following documents which were unavailable when the agenda was published.

Agenda No.	Item
12.	Revenue and Capital Budget Plan 2019/20 and Council Tax 2019/20 (Pages 343 - 348) Update note and updated Appendix C attached

Yours faithfully,

M. CARNEY

Chief Executive

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Council – 28 February 2019

Revenue and Capital Budget Plan 2019/20 and Council Tax 2019/20 – Update

1. Introduction

- 1.1. The Council is legally required to agree its budget and set a Council Tax for 2019/20 on or before 10 March 2019.
- 1.2. This paper provides final information on the level of resource required by levying bodies, plus agreed precepts from the Police & Crime Commissioner, Liverpool City Region Combined Authority (Mayoral Precept) and local parish councils. The Fire & Rescue Authority are not due to meet until 1.00pm on 28 February 2019 to agree their precept. Therefore, the information contained within the report is based on the precept being recommended for approval by the Fire and Rescue Authority. This report will be updated and re-published immediately following confirmation being received from them.
- 1.3. The recommendation to Council on the Authority's Budget and Council Tax level for 2019/20 is contained on the main agenda. Assuming this is approved unaltered at the Budget Council meeting, and the Fire and Rescue Authority confirm their precept at the same level assumed; the overall Council Tax level for 2019/20 is set out below. A formal resolution for Council, based on these figures, will be published as an Appendix immediately following confirmation being received from the Fire & Rescue Authority. If any amendments to the proposed Council Tax level for 2019/20 are made at the Budget Council 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 2019/20, and their impact on Sefton's budget compared to 2018/19, is shown in the table below: -

<u>Levying Body</u>	<u>2018/19</u>	<u>2019/20</u>	<u>Change</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Liverpool City Region Combined Authority (LCRCA) - Transport Levy	18,605,000	18,490,000	-115,000
Waste Disposal Authority	14,430,056	15,442,157	1,012,101
Environment Agency	154,826	157,430	2,604
Inshore Fisheries & Conservation Authority	65,415	66,723	1,308
Port Health Authority	13,500	27,000	13,500
	33,268,797	34,183,310	914,513

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3. Precepts

3.1. Police & Crime Commissioner and Fire & Rescue Precepts

The Police and Crime Commissioner set a budget / precept on 22 February 2019, with a Band C increase of 13.49% (£24.00 on a Band D property). The Fire and Rescue Authority is due to set its budget / precept for 2019/20 on 28 February 2018; with a Band C increase of 2.98% being recommended for approval by the Authority. This report will be updated and re-published immediately following confirmation being received from them.

	Precept			Band C		
	2018/19	2019/20	Change	2018/19	2019/20	Change
	£	£	£	£	£	%
Police	14,760,740	16,981,090	2,220,350	158.20	179.53	13.49
Fire	6,349,848	6,628,654	278,806	68.05	70.08	2.98

3.2. LCRCA Mayoral Precept

To be able to deliver the Mayor's key priorities in 2019/20 a new Mayoral Precept will be levied on Council Taxpayers across the region, with a Band C increase of £16.89 approved at the Authority's meeting on 1 February 2019 (£19.00 on a Band D property).

3.3. Parishes

The Parish precepts variations are highlighted below: -

	Precept			Band C		
	2018/19	2019/20	Change	2018/19	2019/20	Change
	£	£	£	£	£	%
Aintree Village	113,000	114,100	1,100	49.31	49.07	-0.49
Formby	80,000	91,032	11,032	7.80	8.85	13.46
Hightown	5,460	5,460	0	5.62	5.57	-0.89
Ince Blundell	2,009	2,009	0	10.98	10.68	-2.73
Little Altcar	3,074	3,326	252	8.26	8.85	7.14
Lydiate	150,583	156,606	6,023	65.36	67.40	3.12
Maghull	643,347	652,974	9,627	87.37	87.32	-0.06
Melling	20,000	35,000	15,000	17.79	30.84	73.36
Sefton	3,500	7,000	3,500	13.16	25.96	97.26
Thornton	5,000	5,000	0	5.82	5.77	-0.86
	1,025,973	1,072,507				

4. Summary of Budget Proposals for 2019/20

- 4.1. As a result of the information contained within the main report and this update the bridging of the 2019/20 funding gap is shown as follows:

	2019/20 £'m
Additional Budget Pressures from 2018/19	7.800
Public Sector Reform Projects – amended assumptions	5.024
Public Sector Reform Projects – planned savings	9.517
Total Savings Required 2019/20	22.341
Original 2019/20 MTFP Funding Gap (prior to Council Tax Increase)	3.781
Total Revised MTFP Funding Gap (prior to Council Tax Increase)	26.122
Public Sector Reform Projects – planned savings	-9.517
The Local Government Settlement for 2019/20	-5.134
Key MTFP assumption revisions	-5.421
Revised Funding Gap	6.050
Budget Proposals	
Service Delivery Options	-2.269
Remaining Funding Gap	3.781
Council Tax increase (2.99%)	-3.781
Adult Social Care Precept (no increase)	0.000
Balanced Budget	0.000

A summary of the budget for 2019/20 is shown at the revised Appendix C.

Agenda Item 12

5. Recommended Council Tax for 2019/20

- 5.1. Council are recommended to approve the Budget for 2019/20, as set out in the main report.
- 5.2. The recommended overall Band C Council Tax to be raised for 2019/20 (excluding Parish Precepts) is as follows: -

	2018/19	2019/20	Increase
	£	£	%
Sefton	1,355.30	1,395.82	2.99
Police & Crime Commissioner	158.20	179.53	13.49
Fire & Rescue Authority	68.05	70.08	2.98
Mayoral Precept	0.00	16.89	n/a
	1,581.45	1,662.32	5.11

Stephan Van Arendsen
Head of Corporate Resources

Line Ref	Service	Base Budget 2016/2017 £	Base Budget 2017/2018 £	Draft Base Budget 2018/2019 £	Draft Base Budget 2019/2020 £
1	Strategic Management	2,974,950	3,110,250	3,049,400	3,004,400
2	Strategic Support Unit	2,891,550	3,758,350	3,026,150	2,861,400
3	Adult Social Care	86,171,650	86,984,850	95,349,000	96,730,500
4	Children's Social Care	27,547,600	27,224,575	28,137,275	27,753,275
5	Communities	10,571,750	10,248,320	8,223,070	8,088,070
6	Corporate Resources	4,083,100	5,365,200	5,669,050	5,104,050
7	Health and Wellbeing	23,310,800	23,256,550	22,541,350	22,489,350
8	Inward Investment and Employment	2,516,500	2,561,700	2,446,550	2,221,550
9	Locality Services - Commissioned	18,596,050	18,336,300	20,071,400	18,988,150
10	Locality Services - Provision	9,380,850	9,639,500	10,536,250	10,103,250
11	Regeneration and Housing	4,621,700	4,465,050	4,666,500	4,626,500
12	Regulation and Compliance	4,444,300	3,654,600	3,775,850	3,775,850
13	Schools and Families	25,926,100	25,095,515	23,079,265	23,394,265
14	Public Sector Reform Projects - Budget Planning Assumptions still to be allocated to Services	0	-1,281,660	-4,038,810	-8,456,810
15	Other Services	3,390,400	3,250,400	3,189,400	3,189,400
16	Net Cost of Services	226,427,300	225,669,500	229,721,700	223,873,200
17	Less Capital Charges	-13,375,600	-13,375,600	-13,352,950	-13,352,950
18	Debt Repayment / Net Interest	4,491,800	8,076,800	7,580,800	7,400,800
19	Capital Chargeable to Revenue	95,000	95,000	95,000	0
20	Sub total	217,638,500	220,465,700	224,044,550	217,921,050
21	Provision relating to 2018/19 Service Pressures	0	0	0	7,800,000
22	Budget Pressure Fund	677,757	-168,388	1,601,436	1,000,000
23	Levies	33,768,700	31,554,650	33,255,300	34,156,300
24	Application of Provisions / Reserves / Corporate Expenditure	1,992,550	1,875,050	1,841,200	1,441,200
25	Capitalisation	-2,000,000	-3,266,000	-3,266,000	-2,849,000
26	Corporate / One-Off Savings	-5,055,450	-11,478,296	-995,200	-1,187,001
27	Inflationary Items to be Allocated	3,373,000	0	0	2,633,006
28	Corporate Savings to be allocated to Services	-2,018,300	-867,550	0	-620,000
29	Total	248,376,757	238,115,166	256,481,286	260,295,555
30	Specific Government Grants	-22,492,000	-21,938,000	-21,374,000	-20,810,000
31	Non-Specific Government Grants	-12,310,700	-12,993,907	-12,828,050	-20,346,058
32	Total	213,574,057	203,183,259	222,279,236	219,139,497

Draft Council Budget Summary 2019/20

Appendix C (Revised)

Line Ref	Service	Base Budget 2016/2017 £	Base Budget 2017/2018 £	Draft Base Budget 2018/2019 £	Draft Base Budget 2019/2020 £
33	Use of Balances	-969,000	0	0	0
34	Total Budget Requirement	212,605,057	203,183,259	222,279,236	219,139,497
35	Add Parish Precepts	924,859	921,458	1,025,973	1,072,507
36	Total Net Expenditure	213,529,916	204,104,717	223,305,209	220,212,004
<u>SUMMARY OF BALANCES</u>					
37	Balances Brought Forward	8,177,743	7,208,743	7,208,743	7,208,743
38	Use of Balances	-969,000	0	0	0
39	Balances Carried Forward	7,208,743	7,208,743	7,208,743	7,208,743

<u>FINANCING OF SEFTON'S BUDGET REQUIREMENT</u>					
Total Budget Requirement		212,605,057	203,183,259	222,279,236	219,139,497
Less: Revenue Support Grant		-38,576,743	0	0	0
Top-Up Grant		-24,463,952	-21,574,749	-24,653,183	-19,627,987
Business Rates Receipts		-34,378,682	-61,760,320	-70,420,393	-66,489,370
Collection Fund Deficit / Surplus (-) - Council Tax		-4,467,038	-2,021,982	-746,975	-995,556
Sefton Requirement from Council Tax		110,718,642	117,826,208	126,458,685	132,026,584
Band D Council Tax		1,370.17	1,438.54	1,524.71	1,570.30
Illustrative Council Tax Increase					2.99%