

AGENDA ITEM NO. 8

ARUN DISTRICT COUNCIL

**REPORT TO AND DECISION OF SPECIAL COUNCIL
ON 20 FEBRUARY 2019**

PART A : REPORT

SUBJECT: Arun District Council Budget 2019/20

REPORT AUTHOR: Alan Peach, Group Head of Corporate Support

DATE: 6 February 2019

EXTN: 37558

PORTFOLIO AREA: Corporate Resources

EXECUTIVE SUMMARY: This report considers the recommendations made by Cabinet on 11 February 2019 in respect of the Council's Budget for 2019/20.

The associated statutory resolutions will be circulated at the meeting, following receipt of the West Sussex County Council and Sussex Police and Crime Commissioner precepts.

There are additional recommendations associated with the approval of the Council's tax base and NNDR1 for 2019/20 and Special Expenses.

Restrictions on voting under Section 106 of the Local Government Finance Act 1992

Members are reminded of the restrictions on voting outlined in Section 106 of the Local Government Finance Act 1992. In particular it should be noted that where a Member has at least two months arrears of Council Tax he or she must not vote on any matter relating directly to the setting of next year's Council Tax (though they may remain in the meeting and may speak).

RECOMMENDATIONS:

Council is recommended to RESOLVE that:

1. The General Fund Revenue Budget as set out in Appendix 1 is approved;
2. Arun District Council's Band D Council Tax for 2019/20 is set at £181.62, an increase of 2.96%;
3. Arun District Council's Tax Requirement for 2019/20, based on a Band D Council Tax of £181.62, is set at £11,129,855 plus parish precepts as demanded, to be transferred to the General Fund in accordance with statutory requirements;
4. The Housing Revenue Account (HRA) Budget as set out in Appendix 2 is approved;
5. HRA rents for 2019/20 are set at 1% below the current year's level in accordance with the provisions of the Welfare Reform and Work Act;

6. HRA garage rents are increased by 5% to give a standard charge of £11.72 per week (excluding VAT), and heating and water/sewerage charges increased on a scheme by scheme basis, with a view to balancing costs with income;
7. The Capital Budget as set out in Appendix 3 is approved;
8. The statutory resolutions required by the Council in agreeing its Budget for 2019/20, as set out in Appendix 4, [which will be circulated at the meeting] are approved.

Council is also recommended to :

1. Note that the Group Head of Corporate Support, in consultation with the Deputy Leader of the Council and Cabinet Member for Corporate Support, has approved i) a Council Tax base of 61,281 for 2019/20 and ii) the submission of the Council's NNDR1 return (the estimate of the Council's Business Rate income for 2019/20) to the Ministry of Housing, Communities and Local Government. The NNDR1 return reflects the changes made in the recent Autumn Budget;
2. Note that in accordance with the provisions of the Local Government Finance (New Parishes) (England) Regulations 2008 a precept has been anticipated for the new parish of Barnham and Eastergate and that the amount anticipated is equal to that specified in the establishment order. (The new parish of Barnham and Eastergate cannot request more than the sum anticipated).
3. Resolve that for 2019/20 any expenses incurred by the Authority in performing in part of its area a function performed elsewhere in its area by a Parish/Town Council or the Chairman of a Parish Meeting shall not be treated as special expenses for the purposes of Section 35 of the Local Government Finance Act 1992.

1. BACKGROUND:

Arun District Council's Budget for 2019/20 was considered by the Overview Select Committee on 29 January 2019 and by Cabinet on 11 February 2019.

Members have already received a copy of the Budget but for ease of reference the key summary tables (General Fund, Housing Revenue Account and Capital, Asset Management and other projects) are attached as Appendices 1, 2 and 3 respectively.

Appendix 1 has been updated to reflect the most up to date information with regard to parish precepts.

The required statutory resolutions (Appendix 4) will be circulated at the meeting, following receipt of the West Sussex County Council and Sussex Police and Crime Commissioner precepts.

Members are asked to note that as Group Head of Head of Corporate Support I am satisfied that the estimates as presented in this Budget are sufficiently robust and that the reserve balances proposed for 2019/20 are adequate. **However the budgeted level of HRA deficit cannot be sustained beyond 2019/20 and this issue will need to be addressed in the HRA Business Plan.**

2. PROPOSAL(S):		
The Council is requested to consider the report and to approve the recommendations.		
3. OPTIONS:		
n/a		
4. CONSULTATION:		
Consultation has also been undertaken with Non-Domestic Rate Payers		
Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify) Overview Select Committee and Cabinet	✓	
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial	✓	
Legal		✓
Human Rights/Equality Impact Assessment		✓
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability		✓
Asset Management/Property/Land		✓
Technology		✓
Other (please explain)		✓
6. IMPLICATIONS:		
The Budget will form the main reference point for financial decisions made in 2019/2020.		

7. REASON FOR THE DECISION:
To ensure that the Council has a firm financial basis for conducting its business in 2019/20.

8. BACKGROUND PAPERS:
Financial Prospects 2018/19 to 2023/24 link: http://www1.arun.gov.uk/PublicViewer/Tempfiles/f6a1e3388aa345d.pdf
Correspondence from the MHCLG (Ministry of Housing Communities and Local Government) and Department for Work and Pensions. Budget Working Papers (held by Accountancy).

