

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF SPECIAL COUNCIL ON 17 FEBRUARY 2021

SUBJECT: Arun District Council Budget 2021/22

REPORT AUTHOR: Alan Peach, Group Head of Corporate Support

DATE: February 2021

EXTN: 37558

PORTFOLIO AREA: Corporate Support

EXECUTIVE SUMMARY: This report considers the recommendations made by Cabinet on 08 February 2021 in respect of the Council's Budget for 2021/22.

The associated statutory resolutions will be circulated just before 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 2021/22 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's Band D Council Tax for 2021/22 is set at £191.52, an increase of 2.65%;
3. Arun's Council Tax Requirement for 2021/22, based on a Band D Council Tax of £191.52, is set at £11,994,515 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 2021/22 are increased by 1.5% (CPI plus 1.0%) in accordance with the provisions of the rent standard;
6. HRA garage rents are increased by 5% to give a standard charge of £12.93 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; and
8. The statutory resolutions required by the Council in agreeing its Budget for 2021/22, as set out in Appendix 4, 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 62,628 for 2021/22 and ii) the submission of the Council's NNDR1 return (the estimate of the Council's Business Rate income for 2021/22) to the Ministry of Housing, Communities and Local Government.
2. Resolve that for 2021/22 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's Budget for 2021/22 was considered by Overview Select Committee on 26 January 2021 and by Cabinet on 08 February 2021.

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.

The required statutory resolutions (Appendix 4) will be circulated before the Special Council meeting, following receipt of the West Sussex County Council precepts.

Members are asked to note that as Group 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 2021/22 are adequate. However, there is significant risk in the medium-term for the General Fund when the Council's Funding Resilience reserve is anticipated to be depleted. In addition, the HRA Business Plan and future years Budgets will need to be closely monitored to ensure that the stock acquisition programme and enhanced repairs and improvements programme remain affordable.

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 2021/2022.		

7. REASON FOR THE DECISION:
To ensure that the Council has a firm financial basis for conducting its business in 2021/2022.

8. BACKGROUND PAPERS:
Correspondence from Ministry of Housing, Communities and Local Government and Department for Work and Pensions
Budget working papers held by Accountancy