



THE LONDON BOROUGH  
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DATE: 8 February 2023

## EXECUTIVE

### Meeting to be held on Wednesday 8 February 2023

**Please see details of amended recommendations**

#### **6 2023/24 COUNCIL TAX (Pages 3 - 10)**

- Statutory Recommendations
- Revised Appendix 2 (Summary of Draft 2023/24 Revenue Budget by Portfolio)
- Revised Appendix 3 (2023/24 Central Contingency Sum)

***Copies of the documents referred to above can be obtained from***  
***<http://cds.bromley.gov.uk/>***

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## EXECUTIVE COMMITTEE MEETING ON 8th FEBRUARY 2023

### 2023/24 COUNCIL TAX REPORT

## 2. RECOMMENDATIONS

2.1 The Executive is requested to recommend to Council that it:

- (a) Notes the Final Local Government Settlement 2023/24, announced by DLUHC on 6<sup>th</sup> February, which included additional Services Grant funding of £61.5k and that these monies be set aside within the 2023/24 Central Contingency.
- (b) Approves the schools budget of £98.674m which matches the estimated level of Dedicated Schools Grant (DSG) after academy recoupment;
- (c) Approves the draft revenue budgets (as detailed in the revised Appendix 2) for 2023/24
- (d) Agrees that Chief Officers identify alternative savings/mitigation within their departmental budgets where it is not possible to realise any savings/mitigation reported to the previous meeting of the Executive held on 18<sup>th</sup> January 2023;
- (e) Approves a revised Central Contingency sum to reflect the allocation of the pay award, movement of levies and final local government settlement, resulting in a sum of £17,536k (see Section 6 and the revised Appendix 3);
- (f) Approves the following provisions for levies for inclusion in the budget for 2023/24:

	£'000
London Pensions Fund Authority *	460
London Boroughs Grant Committee	246
Environment Agency (flood defence etc.)	266
Lee Valley Regional Park	353
<b>Total</b>	<b>1,325</b>

\* This amount is provisional and subject to revision.

The increase of £23k in the 2023/24 levy amounts is offset by a £23k decrease in the 2023/24 Central Contingency as a provision towards meeting inflation cost pressures.

- (g) Notes the latest position on the GLA precept, as above, which will be finalised in the overall Council Tax figure to be reported to full Council (see section 12);
- (h) Sets a 2% increase in Adult Social Care Precept with a 2.99% increase in Bromley's General Council Tax, compared with 2022/23 (1% Adult

Social Care Precept) and notes that, based upon their consultation exercise, the GLA are currently assuming a 9.7% increase in the GLA precept;

- (i) Approves the revised draft 2023/24 revenue budgets to reflect the changes detailed above;
- (j) Approves the approach to reserves outlined by the Director of Finance (see Appendix 4);
- (k) Executive agrees that the Director of Finance be authorised to report any further changes directly to Council on 27<sup>th</sup> February 2023.

## 2.2 Council Tax 2023/24 – Statutory Calculations and Resolutions (as amended by the Localism Act 2011).

Subject to 2.1 (a) to (k) above, if the formal Council Tax Resolution as detailed below is approved, the total Band D Council Tax will be as follows:

	2022/23 £	2023/24 £	Increase £	Increase % (note #)
Bromley (general)	1,178.15	1,218.25	40.10	2.99
Bromley (ASC precept)	162.98	189.80	26.82	2.00
Bromley (total)	1,341.13	1,408.05	66.92	4.99
GLA *	395.59	434.14	38.55	9.7
Total	1,736.72	1,842.19	105.47	6.07

\* The GLA Precept may need to be amended once the actual GLA budget is set.

- (#) in line with the 2023/24 Council Tax Referendum Principles, the % increase applied is based on an authority's "relevant basic amount of Council Tax" (£1,408.05 for Bromley) – see paragraph 6 below. Any further changes arising from these Principles will be reported directly to Council on 27<sup>th</sup> February 2023.

## 2.3 The Executive is requested to recommend to Council to formally resolve as follows:

1. It be noted that the Council Tax Base for 2023/24 is 134,093 'Band D' equivalent properties.
2. Calculate that the Council Tax requirement for the Council's own purposes for 2023/2024 is £188,810k.
3. That the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended (the Act):
  - (a) £617,863k being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
  - (b) £429,053k being the aggregate of the amounts which the Council estimates or the items set out in Section 31A(3) of the Act.

- (c) £188,810k 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.
- (d) £1,408.05 being the amount at 3(c) above, divided by (1) above, calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.
4. To note that the Greater London Authority (GLA) has issued a precept to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below (NB. the GLA precept figure may need to be amended once the actual GLA budget is set).
5. That 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 2023/24 for each part of its area and for each of the categories of dwellings.

Valuation Bands	London Borough of Bromley £	Greater London Authority £	Aggregate of Council Tax Requirements £
A	938.70	289.43	1,228.13
B	1,095.15	337.66	1,432.81
C	1,251.60	385.90	1,637.50
D	1,408.05	434.14	1,842.19
E	1,720.95	530.62	2,251.57
F	2,033.85	627.09	2,660.94
G	2,346.75	723.57	3,070.32
H	2,816.10	868.28	3,684.38

6. That the Council hereby determines that its relevant basic amount of council tax for the financial year 2023/24, which reflects a 4.99% increase (Adult Social Care Precept increase of 2%), is not excessive. The Referendums Relating to Council Tax Increases (Principles) (England) Report 2023/24 sets out the principles which the Secretary of State has determined will apply to local authorities in England from 2023/24. Any further changes arising from these Principles will be reported directly to Council on 27<sup>th</sup> February 2023. The Council is required to determine whether its relevant basic amount of Council Tax is excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992.

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## SUMMARY OF DRAFT 2023/24 REVENUE BUDGET - PORTFOLIO

2022/23 Final Budget	Portfolio/Item	2023/24 Updated Draft Budget £'000	2023/24 Band "D" Equivalent £
98,429	Education	106,324	792.91
Cr 92,411	Less costs funded through Dedicated Schools Grant*	Cr 98,674	-735.86
6,018	Sub total	7,650	57.05
41,485	Childrens Social Care	47,609	355.04
80,790	Adult Care and Health	84,178	627.76
34,213	Environment & Community Services Portfolio	38,033	283.63
2,644	Public Protection and Enforcement	3,228	24.07
14,555	Renewal, Recreation and Housing	15,600	116.34
40,774	Resources, Commissioning & Contracts Management	48,188	359.36
1,284	Non Distributed Costs & Corporate & Democratic Core	1,361	10.15
221,763	Total Controllable Budgets	245,847	1,833.41
4,043	Total Non Controllable Budgets	4,823	35.97
	Additional Revenue Expenditure Funded From Capital Under Statute	4,832	36.03
Cr 942	Total Excluded Recharges	Cr 947	-7.06
224,864	Portfolio Total	254,555	1,898.35
Cr 9,878	Reversal of Net Capital Charges	Cr 9,930	-74.05
	Additional Capital Grants Funding Revenue Expenditure Under Statute	Cr 4,832	-36.03
Cr 2,841	Interest on General Fund Balances	Cr 9,841	-73.39
	Contribution to Carbon Neutral Initiatives Fund		
253	Contribution to Utilisation of New Homes Bonus for Housing		
	Utilisation of Prior Year Collection Fund Surplus/Set Aside		
18,208	Central Contingency Sum	17,536	130.77
	Contingency Provision for Revenue Impact of Capital Financing Programme	6,600	49.22
	Levies		
447	- London Pensions Fund Authority*	460	3.43
247	- London Boroughs Grants Committee	246	1.83
263	- Environment Agency *	266	1.98
315	- Lee Valley Regional Park *	353	2.63
231,878	Sub Total	255,413	1,904.75
Cr 253	New Homes Bonus		
Cr 42,828	Business Rate Retention	Cr 42,828	-319.39
Cr 2,652	Reduced funding following continuation of one off service grant	Cr 1,556	-11.6
	Increase in funding (inflation)	Cr 4,172	-31.11
Cr 2,400	Collection Fund Surplus (previous years)	Cr 5,400	-40.27
Cr 2,662	Council tax support - collection fund surplus	Cr 366	-2.73
Cr 1,700	Collection Fund Surplus - set aside for future years	Cr 9,111	-67.95
	Collection fund surplus for future years (council tax support)	Cr 2,300	-17.15
Cr 548	Funding Covid cost pressures from Earmarked Reserve		
	Use of Specific Earmarked reserve created during 2022-23 to fund additional social work post	Cr 870	-6.49
178,835	Bromley's Requirement (excluding GLA)	188,810	1,408.05

\* The highlighted budgets above are still in draft with final allocations still awaited.

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**2023/24 CENTRAL CONTINGENCY SUM****February Exec**

<b>General</b>		
Provision for Unallocated Inflation		9,209
General provision for risk/uncertainty		3,500
Adult Social Care Market Sustainability and Improvement Fund		2,800
Building Infrastructure Fund		2,000
SEND Transport Growth		1,000
Property income recovery/rent variations		500
Grants to be consolidated into core funding and no longer reflected in departmental budgets		0
Legal support - childcare and adults social care		170
Property Valuation		100
Planning appeals - changes in legislation		60
Social Care grant re asc reforms	Cr	720
ASC Discharge Fund	Cr	1,083
Increase in Homelessness Prevent Grant and Domestic Abuse Grant Related Expenditure		360
Increase in Grant related income for Homelessness Prevention and Domestic Abuse Expenditure	Cr	360
		<u>17,536</u>

<b>Contingency Provision for Revenue Impact of Capital Financing Programme</b>	<b><u>6,600</u></b>
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*There may be further changes to the Central Contingency to reflect allocations to individual Portfolio budgets prior to publication of the Financial Control Budget.*

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