



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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DATE: 7 February 2024

EXECUTIVE

Meeting to be held on Wednesday 7 February 2024

Please see details of amended recommendations

5 COUNCIL TAX REPORT 2024/25 (Pages 3 - 8)

- Statutory Recommendations
- Revised Appendix 2 and 3

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

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EXECUTIVE MEETING ON 7th FEBRUARY 2024

2024/25 COUNCIL TAX REPORT

2. RECOMMENDATIONS

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

- (a) Notes the following recent changes including the outcome of the Final Local Government Settlement 2024/25 announced by DLUHC on 6th February:
 - i) additional Services Grant funding of £24k;
 - ii) final allocation of Public Health Grant which represents a 2.1% increase in funding (£64k); and
 - iii) one-off funding of £411k in 2023/24 only, mainly relating to the government's business rates safety net and levy account.
- (b) Approves the schools budget of £116.453m 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 2024/25;
- (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 17th January 2024;
- (e) Approves a revised Central Contingency sum to reflect the allocation of the pay award, movement of levies and final local government settlement identified in (a) above, resulting in a sum of £9,816k (see Section 6 and the revised Appendix 3);
- (f) Approves the following provisions for levies for inclusion in the budget for 2024/25:

	£'000
London Pensions Fund Authority *	460
London Boroughs Grant Committee	248
Environment Agency (flood defence etc.)	270
Lee Valley Regional Park	351
Total	1,329

* This amount is provisional and subject to revision.

The decrease of £13k in the 2024/25 levy amounts is offset by a £13k increase in the 2024/25 Central Contingency as a provision towards meeting inflation cost pressures;

- (g) Notes the latest position on the GLA precept, 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 2023/24 (2% increase in Adult Social Care Precept and 2.99% increase in Bromley's General Council Tax) and notes that, based upon their consultation exercise, the GLA are currently assuming a 8.6% increase in the GLA precept;
- (i) Approves the approach to reserves outlined by the Director of Finance (see Appendix 4); and
- (j) Consider the Section 25 commentary (Local Government Act 2003), reflected in section 18 of the report, in making recommendations to Full Council.

2.2 Executive is requested to agree that the Director of Finance be authorised to report any further changes directly to Council on 26th February 2024.

2.3 Council Tax 2024/25 – Statutory Calculations and Resolutions (as amended by the Localism Act 2011).

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

	2023/24 £	2024/25 £	Increase £	Increase % (note #)
Bromley (general)	1,218.25	1,260.35	42.10	2.99
Bromley (ASC precept)	189.80	217.96	28.16	2.00
Bromley (total)	1,408.05	1,478.31	70.26	4.99
GLA *	434.14	471.40	37.26	8.58
Total	1,842.19	1,949.71	107.52	5.84

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

(#) in line with the 2024/25 Council Tax Referendum Principles, the % increase applied is based on an authority's "relevant basic amount of Council Tax" (£1,478.31 for Bromley) – see paragraph 6 below. Any further changes arising from these Principles will be reported directly to Council on 26th February 2024.

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 2024/25 is 135,300 'Band D' equivalent properties.
2. Calculate that the Council Tax requirement for the Council's own purposes for 2024/25 is £200,016k.
3. That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended (the Act):

- (a) £663,110k being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
 - (b) £463,094k being the aggregate of the amounts which the Council estimates or the items set out in Section 31A(3) of the Act.
 - (c) £200,016k 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) £1,478.31 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 2024/25 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	985.54	314.27	1,299.81
B	1,149.80	366.64	1,516.44
C	1,314.05	419.02	1,733.07
D	1,478.31	471.40	1,949.71
E	1,806.82	576.16	2,382.98
F	2,135.34	680.91	2,816.25
G	2,463.85	785.67	3,249.52
H	2,956.62	942.80	3,899.42

6. That the Council hereby determines that its relevant basic amount of council tax for the financial year 2024/25, 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 2024/25 sets out the principles which the Secretary of State has determined will apply to local authorities in England from 2024/25. Any further changes arising from these Principles will be reported directly to Council on 26th February 2024. 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 2024/25 REVENUE BUDGET - PORTFOLIO

2023/24 Final Budget	Portfolio/Item	2024/25 Draft Budget £'000	2024/25 Band "D" Equivalent £
106,353	Education	129,344	955.98
Cr 98,674	Less costs funded through Dedicated Schools Grant *	Cr 116,453	-860.70
7,679	Sub total	12,891	95.27
47,574	Childrens Social Care	53,774	397.44
84,178	Adult Care and Health	90,777	670.93
38,033	Environment & Community Services Portfolio	40,631	300.30
3,228	Public Protection and Enforcement	3,357	24.81
15,611	Renewal, Recreation and Housing	16,866	124.66
46,649	Resources, Commissioning & Contracts Management	45,436	335.82
1,361	Non Distributed Costs & Corporate & Democratic Core	1,417	10.47
244,313	Total Controllable Budgets	265,149	1,959.71
8,666	Total Non Controllable Budgets	12,247	90.52
Cr 947	Total Excluded Recharges	Cr 937	-6.93
252,032	Portfolio Total	276,459	2,043.30
Cr 14,710	Reversal of Net Capital Charges	Cr 10,184	-75.27
Cr 9,841	Interest on General Fund Balances	Cr 12,041	-88.99
9	Contribution to Utilisation of New Homes Bonus for Housing		
20,031	Central Contingency Sum	9,816	72.55
	Contingency Provision for Revenue Impact of Capital Programme		
6,600	Financing and Loss of Investment Income from Disposals	2,000	14.78
	Levies		
448	- London Pensions Fund Authority *	460	3.40
246	- London Boroughs Grants Committee	248	1.83
266	- Environment Agency	270	2.00
341	- Lee Valley Regional Park	351	2.59
255,422	Sub Total	267,379	1,976.19
Cr 9	New Homes Bonus	Cr 409	-3.02
Cr 47,000	Business Rate Retention	Cr 50,205	-371.06
Cr 1,556	Services Grant	Cr 269	-1.99
Cr 5,400	Collection Fund Surplus (previous years)		
	Collection Fund Surplus (estimated 2022/23)	Cr 2,500	-18.48
Cr 9,111	Use of estimated 2023/24 Collection Fund Surplus (b/fwd)	Cr 3,400	-25.13
	Contribution from Collection Fund Surplus Earmarked Reserve	Cr 10,000	-73.91
Cr 2,300	Collection fund surplus for future years (council tax support)		
	Use of Specific Earmarked reserve created during 2022-23 to fund additional social work post		
Cr 870		Cr 580	-4.29
189,176	Bromley's Requirement (excluding GLA)	200,016	1,478.31

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

2024/25 CENTRAL CONTINGENCY SUM

General	£'000
Provision for Unallocated Inflation	1,928
General provision for risk/uncertainty	4,652
Direct Line Site	3,076
Planning appeals - changes in legislation	60
Property Valuation	100
	<u>9,816</u>
Contingency Provision for Revenue Impact of Capital Financing Programme	<u>2,000</u>
Total Contingency Provision	<u>11,816</u>

There may be further changes to the Central Contingency to reflect allocations to individual Portfolio budgets prior to publication of the Financial Control Budget.