

Decision Maker: COUNCIL

Date: Monday 24 February 2020

Decision Type: Non-Urgent Non-Executive Non-Key

Title: 2020/21 COUNCIL TAX

Contact Officer: Graham Walton, Democratic Services Manager
Tel: 0208 461 7743 E-mail: graham.walton@bromley.gov.uk

Chief Officer: Mark Bowen, Director of Corporate Services

Ward: All

1. Reason for report

- 1.1 At its meeting on 12th February 2020, the Executive considered the attached report on the 2020/21 Revenue Budget and made recommendations concerning the level of the Bromley element of the 2020/21 Council Tax and Adult Social Care precept. At the meeting, the Executive received comments from all PDS Committees on the budgets proposed for their respective portfolios, and amended recommendations from the Director of Finance (also attached). The Executive supported the amended recommendations and recommended that they be approved by full Council. The Executive also authorised the Director of Finance to report any further changes directly to the Council meeting on 24th February.

2. **RECOMMENDATIONS**

2.1 The Executive recommends to Council that it -

- (a) Approves the schools budget of £79.506m which matches the estimated level of Dedicated Schools Grant (DSG) after academy recoupment;
- (b) Approves the draft revenue budgets (as in Appendix 2) for 2020/21 to include the following updated changes:
 - (i) minor variation of £27k relating to the collection fund surplus/ collection fund surplus set aside.
- (c) 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 15th January 2020;

- (d) Approves the following provisions for levies for inclusion in the budget for 2020/21:

	£'000
London Pensions Fund Authority *	447
London Boroughs Grant Committee	248
Environment Agency (flood defence etc.) *	252
Lee Valley Regional Park *	309
Total	1,256

* Provisional estimate at this stage

- (e) Approves a revised Central Contingency sum of £12,666k to reflect the changes in (d);
- (f) Notes that the 2020/21 Central Contingency sum includes significant costs not yet allocated and there will therefore be further changes to reflect allocations to individual Portfolio budgets prior to publication of the Financial Control Budget;
- (g) Approves the revised draft 2020/21 revenue budgets to reflect the changes detailed above;
- (h) Sets a 3.99% increase in Bromley's council tax for 2020/21 compared with 2019/20 (1.99% general increase plus 2% Adult Social Care Precept) and notes that, based upon their consultation exercise, the GLA are currently assuming a 3.6% increase in the GLA precept;
- (i) 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 of the report);
- (j) Approves the approach to reserves outlined by the Director of Finance (see Appendix 4 to the report);
- (k) Executive agrees that the Director of Finance be authorised to report any further changes directly to Council on 24th February 2020.

2.2 Council Tax 2020/21 – 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:

	2019/20 £	2020/21 £	Increase £	Increase % (note #)
Bromley (general)	1,128.80	1,153.00	24.20	1.99
Bromley (ASC precept)	87.46	111.77	24.31	2.00
Bromley (total)	1,216.26	1,264.77	48.51	3.99
GLA *	320.51	332.07	11.56	3.61
Total	1,536.77	1,596.84	60.07	3.91

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

(#) in line with the 2020/21 Council Tax Referendum Principles, the % increase applied is based on an authority's "relevant basic amount of Council Tax" (£1,216.26 for Bromley) – see paragraph 6 below. Any further changes arising from these Principles will be reported directly to Council on 24th February 2020.

2.3 The Executive recommends to Council to formally resolve as follows:

- 1. It be noted that the Council Tax Base for 2020/21 is 132,026 'Band D' equivalent properties.**
- 2. Calculate that the Council Tax requirement for the Council's own purposes for 2020/2021 is £166,983k.**
- 3. That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992, as amended (the Act):**
 - (a) £543,554k being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.**
 - (b) £376,571k being the aggregate of the amounts which the Council estimates or the items set out in Section 31A(3) of the Act.**
 - (c) £166,983k 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) £1,264.77 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 2020/21 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	843.18	221.38	1,064.56
B	983.71	258.28	1,241.99
C	1,124.24	295.17	1,419.41
D	1,264.77	332.07	1,596.84
E	1,545.83	405.86	1,951.69
F	1,826.89	479.66	2,306.55
G	2,107.95	553.45	2,661.40
H	2,529.54	664.14	3,193.68

- 6. That the Council hereby determines that its relevant basic amount of council tax for the financial year 2020/21, which reflects a 3.99% increase (including Adult Social Care Precept of 2%), is not excessive. The Referendums Relating to Council Tax Increases (Principles) (England) Report 2020/21 sets out the principles which the Secretary of State has determined will apply to local authorities in England in 2020/21. Any further changes arising from these Principles will be reported directly to Council on 24th February 2020. 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.**
- 7. Set aside a sum of £2m in 2019/20 as an earmarked reserve for transformation funding for health and social care.**
- 8. Set aside a sum of £993k in 2019/20 as an earmarked reserve for health estate development in Bromley.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Not Applicable
-

Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council:
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Recurring Cost: Impact on future years is detailed in appendix 1.
 3. Budget head/performance centre: Council wide
 4. Total current budget for this head: £167m Draft 2020/21 draft budget (excluding GLA precept)
 5. Source of funding: See Appendix 2 for overall funding of the Council budget
-

Personnel

1. Number of staff (current and additional): See Financial Control Budget to be published in March.
 2. If from existing staff resources, number of staff hours: Not Applicable
-

Legal

1. Legal Requirement: Statutory Requirement: Local Government Act 1972, Local Government Finance Act 1998, Local Government Act 2002 and Accounts and Audit Regulations 2015
 2. Call-in: Not Applicable: Full Council decisions are not subject to call-in
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All Council customers and users of services
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: Not Applicable

Non-Applicable Sections:	See attached report
Background Documents: (Access via Contact Officer)	See attached report