

## EXECUTIVE COMMITTEE MEETING ON 12th FEBRUARY 2020

### 2020/21 COUNCIL TAX REPORT

## 2. RECOMMENDATIONS

2.1 The Executive is requested to recommend 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 15<sup>th</sup> 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          |
| <b>Total</b>                              | <b>1,256</b> |

\* 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);
- (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 24<sup>th</sup> 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<br>£ | 2020/21<br>£ | Increase<br>£ | Increase<br>%<br>(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 24<sup>th</sup> February 2020.

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 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<br>£ | Greater London Authority<br>£ | Aggregate of Council Tax Requirements<br>£ |
|-----------------|--------------------------------|-------------------------------|--|
| 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 24<sup>th</sup> 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.

## EXECUTIVE COMMITTEE MEETING ON 12th FEBRUARY 2020

### 2020/21 COUNCIL TAX REPORT - SUPPLEMENTARY INFORMATION

#### RECOMMENDATION

The Executive is requested to recommend to Council that it:

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;**

#### BACKGROUND

- (i) Bromley Clinical Commissioning Group are key stakeholders with the Council to work together to develop integrated commissioning in Bromley. The Council continue to work with (BCCG) in developing new transformation opportunities for the wider benefit of health and social care. Joint working and adequate resourcing are critical to achieve successful outcomes.
- (ii) BCCG have identified one off funding of £2m to support wider health and social care initiatives.
- (iii) It is proposed that the sum of £2m, which forms part of a joint Section 75 agreement, between BCCG and the Council is set aside as an earmarked reserve.
- (iv) The primary purpose of the set aside earmarked reserve is for transformation funding which provides a benefit to health care with a positive impact on social care.
- (v) The social care impact is one of the determinants for the release of such funds. Any proposal for the use of the monies will require the approval of Executive.
- (vi) BCCG are also providing one off funding of £993k to form part of a joint Section 75 arrangement to set aside investment resources for the health estates development in Bromley, with key priorities including the Bromley Health and Well Being Centre and also primary care developments in areas, such as Anerley and Penge.
- (vii) It is proposed that the sum of £993k, which forms part of a joint Section 75 agreement, between BCCG and the Council is set aside as an earmarked reserve.
- (viii) Any proposal for the use of the monies will require the approval of Executive.