

**TO: COUNCIL  
28 FEBRUARY 2018**

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**FINANCIAL PLANS AND REVENUE BUDGETS 2018/19  
Borough Treasurer**

**1 PURPOSE OF REPORT**

- 1.1 At its meeting on 13 February 2018, the Executive considered the 2018/19 proposals for the revenue and capital budgets. The recommendations on these proposals are submitted to the Council by the Executive and are included in section 2 covering all planned spending, service developments and expenditure reductions for next year.
- 1.2 A separate document presents an overview of the Council's spending plans for 2018/19 and detailed budgets for the General Fund and capital programme. The document reflects the Executive's recommendations and includes the reports considered by it.
- 1.3 In order to set a legal budget the full Council must make a formal Council Tax resolution. The Localism Act 2011 has made a number of changes to the Local Government Finance Act 1992, and now requires the Council to calculate a council tax requirement for the year rather than a budget requirement. The appropriate resolution to give effect to the proposals contained in the separate budget report is included in section 3.
- 1.4 The Council Tax Resolution also refers to the Council's capital programme. The revenue budget proposals allow for a council funded capital programme of £40.741m recommended by the Executive.
- 1.5 The resolution in Section 3 also includes reference to the Council Tax for the Police and Crime Commissioner for the Thames Valley, the Royal Berkshire Fire Authority (RBFA) and all Parish Councils as the precepts of these bodies must be included in this Council's formal Council Tax Resolution. The precept for the RBFA will be agreed at its meeting on 27 February 2018. The Council Tax Resolution assumes a 2.99% increase in the RBFA precept; however should this prove to be incorrect paragraphs 3.5 and 3.6 of the Council Tax Resolution will be revised and re-issued once the precept is agreed.
- 1.6 The Final Local Government Finance Settlement was announced by the Secretary of State for Housing, Communities and Local Government on Tuesday 6 February, after the report to the Council's Executive was published. As part of his statement on the Settlement, the Secretary of State announced that an additional £150m Adult Social Care Support Grant was being made available, of which Bracknell Forest's share is £0.226m. It is proposed that the grant is used locally to invest in prevention services aimed at reducing longer-term needs of adults with Mental Health issues, which is a key local priority for social care and health partners. Apart from minor adjustments to the initial New Homes Bonus grant figures, there were no other changes from the Provisional Settlement announced in December. As the additional income is matched by expenditure, there was no impact on the overall budget figures.

## **2 RECOMMENDATIONS SUBMITTED BY THE EXECUTIVE**

### **2.1 Capital Programme 2018/19 - 2020/21**

#### **RECOMMENDED that:**

- i) General Fund capital funding of £58.221m for 2018/19 in respect of those schemes listed on pages 181 to 185, including £30m previously approved by Council on 29 November 2017 for commercial property investments to be made available in the current financial year, be recommended to the Council;
- ii) The inclusion of an additional budget of £1m for 'Invest to Save' schemes be recommended to the Council;
- iii) The inclusion of £3.480m of expenditure to be funded from S106 as outlined in the summary report for Council (page 179) and included on pages 181 to 185;
- iv) That those schemes that attract external grant funding be recommended to the Council for inclusion within the 2018/19 capital programme at the level of funding received;

### **2.2 Revenue Budget 2018/19**

#### **RECOMMENDED that:**

- i) The budget proposals set out in Table 1 (page 4) of the summary report for Council, subject to the changes identified in sections 3.2 (page 5), 3.3 (pages 6 and 7), 3.5 (pages 8 and 9), 3.6 (page 9), 3.9 (pages 10 to 11), 7.2 (page 20) and 7.4 (page 20) of the report, be agreed;
- ii) Fees and charges as set out in Annex G (pages 83 to 165) be approved;
- iii) A provision for inflation of £2.422m be approved;
- iv) The commitment budget as set out in Annex A be approved (pages 23 to 24);
- v) The Schools Budget be funded at the level set out in section 4.1 (page 12) of the summary report for Council, subject to any amendments agreed by the Executive Member for Children, Young People and Learning;
- vi) A contingency of £2.500m be included, use of which is authorised by the Chief Executive in consultation with the Borough Treasurer in accordance with the delegations included in the Council's constitution;
- vii) Subject to the above recommendations the revised draft budget proposals be agreed;
- viii) A contribution of £2.515m (after allowing for additional interest from the use of balances of £0.031m) be made from revenue balances to support revenue expenditure;
- ix) Total net expenditure (after use of balances) of £81.140m, be approved;
- x) The Council's Council Tax requirement, excluding Parish Council precepts, be set at £57.345m;

- xi) The Council Tax for the Council's services for each Valuation Band be set as follows:

Band	Tax Level Relative to Band D	£
A	6/9	843.96
B	7/9	984.62
C	8/9	1,125.28
D	9/9	1,265.94
E	11/9	1,547.26
F	13/9	1,828.58
G	15/9	2,109.90
H	18/9	2,531.88

At the meeting on 13 February 2018 the Executive recommended the 2018/19 Treasury Management Strategy Statement and noted that strategy together with the Prudential Indicators and the Minimum Revenue Provision Policy Statement were matters which the Council needed to approve.

- xii) The Council approves the following indicators, limits, strategies and policies included in Annex E (pages 55 to 74):
- The Prudential Indicators and Limits for 2018/19 to 2020/21 contained within Annex E(i);
  - The Minimum Revenue Provision (MRP) Policy contained within Annex E(ii);
  - The Treasury Management Strategy Statement, and the Treasury Prudential Indicators contained in Annex E(iii);
  - The Authorised Limit Prudential Indicator in Annex E(iii);
  - The Investment Strategy 2018/19 to 2020/21 and Treasury Management Limits on Activity contained in Annex E(iv);
- xiii) The formal Council Tax Resolution contained in section 3 be approved.

### **3 COUNCIL TAX RESOLUTION**

- 3.1 That the recommendations of the Executive outlined in sections 2.1 and 2.2 be agreed.
- 3.2 That it be noted that the amounts calculated for the year 2018/19 in accordance with Section 67 of the Local Government Finance Act 1992 are :-

(a) **45,298 TAX BASE FOR THE WHOLE COUNCIL AREA**

*being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as amended, as its council tax base for the year*

(b) **TAX BASE FOR PART OF THE COUNCIL'S AREA**

**EACH PARISH AREA**

Binfield	3,855
Bracknell	19,209
Crowthorne	2,764
Sandhurst	7,854
Warfield	4,801
Winkfield	6,815

*being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as amended, as the amounts of its council tax base for the year for dwellings in those parts of its area to which one or more special items relate*

- 3.3 That the following amounts be now calculated by the Council for the year 2018/19 in accordance with Sections 31 to 36 of the Local Government and Finance Act 1992 as amended (the Act), noting that Bracknell Town Council's (BTC) precept is subject to confirmation by BTC on 27 February:-

(a) £294,955,070 **TOTAL EXPENDITURE INCLUDING GENERAL FUND, PARISH PRECEPTS AND THE COUNCIL'S SHARE OF ANY DEFICIT ON THE COLLECTION FUND**

*being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act*

Unrestricted

- (b) £234,355,267      **TOTAL INCOME INCLUDING GOVERNMENT SUPPORT AND THE COUNCIL'S SHARE OF ANY SURPLUS ON THE COLLECTION FUND**

*being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act*

- (c) £60,599,803      **BOROUGH AND PARISH PRECEPTS NET EXPENDITURE TO BE FINANCED FROM COUNCIL TAX**

*being the amount by which the aggregate at 3.3(a) above exceeds the aggregate at 3.3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its council tax requirement for the year*

- (d) £1,337.80      **AVERAGE BAND "D" COUNCIL TAX FOR WHOLE BOROUGH**

*being the amount at 3.3(c) above, divided by the amount at 3.2(a) above, calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its council tax for the year (including Parish precepts)*

- (e) £3,255,253      **PARISH PRECEPTS**

*being the aggregate amount of all special items referred to in Section 34(1) of the Act*

- (f) £1,265.94      **BOROUGH COUNCIL TAX FOR BAND "D" PROPERTIES**

*being the amount at 3.3(d) above less the result given by dividing the amount at 3.3(e) above by the amount at 3.2(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its council tax for the year if there were an area of the Borough to which no special item relates*

Unrestricted

**(g) Part of the Council's area      BOROUGH AND PARISH COUNCIL TAX FOR EACH PARISH FOR BAND "D"**

Binfield	£1,314.67
Bracknell	£1,349.60
Crowthorne	£1,341.01
Sandhurst	£1,339.23
Warfield	£1,303.34
Winkfield	£1,338.97

*being the amounts given by adding to the amount at 3.3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 3.2(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate*

**(h) Part of the Council's area      BOROUGH AND PARISH COUNCIL TAX IN EACH PARISH FOR EACH VALUATION BAND**

Parish	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Binfield	876.45	1,022.52	1,168.60	1,314.67	1,606.82	1,898.97	2,191.12	2,629.34
Bracknell	899.73	1,049.69	1,199.64	1,349.60	1,649.51	1,949.42	2,249.33	2,699.20
Crowthorne	894.01	1,043.01	1,192.01	1,341.01	1,639.01	1,937.01	2,235.02	2,682.02
Sandhurst	892.82	1,041.62	1,190.43	1,339.23	1,636.84	1,934.44	2,232.05	2,678.46
Warfield	868.89	1,013.71	1,158.52	1,303.34	1,592.97	1,882.60	2,172.23	2,606.68
Winkfield	892.65	1,041.42	1,190.20	1,338.97	1,636.52	1,934.07	2,231.62	2,677.94

*being the amounts given by multiplying the amounts at 3.3(g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands*

Unrestricted

- 3.4 That it be noted that for the year 2018/19 the Police and Crime Panel have stated the following amounts in precepts issued to the Council regarding the Police and Crime Commissioner for the Thames Valley, in accordance with Section 40 of the Act, for each of the categories of dwellings shown below:-

	<b>A</b> £	<b>B</b> £	<b>C</b> £	<b>D</b> £	<b>E</b> £	<b>F</b> £	<b>G</b> £	<b>H</b> £
Police and Crime Commissioner for the Thames Valley	121.52	141.77	162.03	182.28	222.79	263.29	303.80	364.56

- 3.5 That it be noted that for the year 2018/19 the Royal Berkshire Fire Authority have stated the following amounts in precepts issued to the Council, subject to confirmation by the Fire Authority on 27 February, in accordance with Section 40 of the Act, for each of the categories of dwellings shown below:-

	<b>A</b> £	<b>B</b> £	<b>C</b> £	<b>D</b> £	<b>E</b> £	<b>F</b> £	<b>G</b> £	<b>H</b> £
Royal Berkshire Fire Authority	42.91	50.06	57.21	64.36	78.66	92.96	107.27	128.72

- 3.6 That, having calculated the aggregate in each case of the amounts at 3.3(h), 3.4 and 3.5 above, the Council, in accordance with Section 30(2) of the Act, hereby sets the following amounts as the amounts of council tax for the year 2018/19 for each of the categories of dwellings shown below:-

(a)	Part of the Council's area	<b>TOTAL COUNCIL TAX FOR EACH VALUATION BAND</b>							
		<b>Parish</b>	<b>A</b> £	<b>B</b> £	<b>C</b> £	<b>D</b> £	<b>E</b> £	<b>F</b> £	<b>G</b> £
	Binfield	1,040.88	1,214.35	1,387.84	1,561.31	1,908.27	2,255.22	2,602.19	3,122.62
	Bracknell	1,064.16	1,241.52	1,418.88	1,596.24	1,950.96	2,305.67	2,660.40	3,192.48
	Crowthorne	1,058.44	1,234.84	1,411.25	1,587.65	1,940.46	2,293.26	2,646.09	3,175.30
	Sandhurst	1,057.25	1,233.45	1,409.67	1,585.87	1,938.29	2,290.69	2,643.12	3,171.74
	Warfield	1,033.32	1,205.54	1,377.76	1,549.98	1,894.42	2,238.85	2,583.30	3,099.96
	Winkfield	1,057.08	1,233.25	1,409.44	1,585.61	1,937.97	2,290.32	2,642.69	3,171.22

#### **4 REASONS FOR RECOMMENDATIONS**

To enable the Council to make a formal Council Tax resolution by setting a revenue budget, Council Tax level and capital budget for 2018/19.

#### **5 ALTERNATIVE OPTIONS CONSIDERED**

- 5.1 Background information relating to the options considered is included in the supporting information.

#### **6 SUPPORTING INFORMATION**

- 6.1 The attached 'Financial Plans and Budget Supporting Information 2018/19' presents an overview of the Council's spending plans for 2018/19 and detailed budgets for the General Fund and capital programme. The document reflects the Executive's recommendations and includes summaries of the reports considered by it.

#### **7 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

##### Borough Solicitor

- 7.1 Nothing to add to the report.

##### Borough Treasurer

- 7.2 The financial implications of this report are included in the supporting information.

##### Equalities Impact Assessment

- 7.3 The Council's budget proposals impact on a wide range of services. A detailed consultation was undertaken on the draft budget proposals published in December to provide individuals and groups the opportunity to provide comments.
- 7.4 None of the budget proposals require specific equality impact assessments to be carried out.

##### Strategic Risk Management Issues

- 7.5 The supporting information sets out the key risks facing the Council's budget and the arrangements in place to manage these risks, including maintaining an appropriate level of reserves and contingency.

#### **8 CONSULTATION**

- 8.1 Details of the consultation process and responses received are included in the supporting information.

Contact for further information

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