

**COUNCIL MEETING  
1 MARCH 2000**

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**FINANCIAL PLANS AND REVENUE BUDGET 2000/01  
(Director of Corporate Services)**

**1 INTRODUCTION**

- 1.1 At its meeting on 16 February 2000, the Strategy and Policy Committee considered proposals from each Service Committee and recommended a budget for 2000/01 to the Council. The recommendation submitted to the Council by the Strategy and Policy Committee is included in paragraph 2.
- 1.2 A separate document presents the Council's draft budget for 2000/01. This has been prepared to reflect the Strategy and Policy Committee's recommendations and includes updated recharge information.
- 1.3 In order to set a legal budget the full Council must make a formal Council Tax resolution. The appropriate resolution to give effect to the proposals contained in the draft budget book is included in paragraph 3. This resolution includes reference to the Housing Revenue Account, which was agreed under delegated powers by the Social Services and Housing Committee on 16 February 2000. A summary of the Housing Revenue Account is included in the separate document (maize pages).
- 1.4 The Council Tax resolution reflects the Council's capital programme which was agreed by Strategy and Policy Committee on 16 February. The revenue budget proposals allow for new schemes and programmes totalling £7.877m to commence during the year and for funding of £5.250m to be carried forward from 1999/2000. Again, this represents the amount recommended by the Strategy and Policy Committee. A summary of the capital programme is included in the separate document (lilac pages).
- 1.5 Section 45 of the Local Government and Housing Act 1989 also requires the Council to determine its own borrowing limits each year. This is covered by resolution 3.6. The limit may be varied at any time by a further determination.

**2 RECOMMENDATIONS SUBMITTED BY THE STRATEGY AND POLICY COMMITTEE**

**2.1 Revenue Budget 2000/01 (Item 4)**

The Director of Corporate Services presented a report on the preparation of the Council's revenue budget for 2000/2001. The report set out the expenditure proposals put forward by each service committee together with a number of corporate financial issues which needed to be considered in order to recommend a budget and Council Tax for 2000/2001. The final Local Government Finance Settlement announced on 27 January provided a Standard Spending Assessment (SSA) for the Council of £82.335m. This was a slight reduction on the provisional figure and represented an increase of 3.25% over 1999/2000.

Following the meeting of the Committee on 5 January 2000, service committees had considered their draft base budgets within the framework approved by this Committee. The Council's total draft base budget for its service committees in

2000/01 was £79.655m. Service committees had put forward proposals for unavoidable service developments and pressures totalling £2.319m in 2000/01 and a further £0.023m in a full year. A provision for pay and price inflation totalled £2.114m. This included meeting the teacher's pay award in full and a provision of 2.5% for non-teaching pay budgets for all committees, pending the conclusion of national pay negotiations which were unlikely to be concluded before the budget was agreed by the Council on 1 March. Taken together with corporate pressures, economies identified by service committees and the requirements of levying bodies, these provided a total revenue budget requirement of £85.179m for the year. The Committee noted that individual service committee totals would be revised before the Council meeting to reflect the latest recharge data. This would not affect the total expenditure which exceeded the Council's SSA by £2.844m. The Committee considered the funding arrangements to meet this level of expenditure, including the level of contribution from revenue balances and the implications for Council Tax in 2000/01.

Having done this the Committee judged that the Council Tax should increase by 2.9% and that expenditure should be supported by drawing £3.415m from revenue balances.

**RECOMMENDED** to the Council that:

- (i) virements identified by Service Committees, as summarised in Annexe A and set out in paragraph 5.1, be approved;
- (ii) the draft base budgets for 2000/01 submitted by Committees and summarised in Table 3 be agreed;
- (iii) each Committee's proposed service developments included in Annexe B be agreed except the Education Committee's proposal for £0.080m to fund a recruitment and retention initiative for teachers which will instead be funded by a specific grant;
- (iv) the proposals to fund corporate initiatives and pressures totalling £0.504m included in Annexe C be agreed and allocated to service committees as outlined in Table 6;
- (v) an additional £30,000 be allocated to the Finance and Property Sub-Committee to cover an anticipated increase in the Council's external audit fee;
- (vi) each Committee's proposed economies included within Annexe D be agreed plus an additional £0.060m in respect of pupil numbers within the Education Committee;
- (vii) the teachers' pay award of 3.3% in 2000/01 be funded in full by additional resources;
- (viii) the inflation allowances of £2.114m (including the effect of the teachers' and other pay awards) be added to Committee budgets as outlined in Table 5;
- (ix) a sum of £0.5m be set aside in an earmarked reserve to cover the initial revenue costs associated with the provision of the Edge initiative;
- (x) a contingency of £0.2m be agreed to be controlled by the Strategy and Policy Committee;

- (xi) an additional service development of £0.010m be approved for the Education Committee to take expenditure on Education to the SSA level of £43.139m as outlined in paragraph 9.3;
- (xii) the total expenditure of £85.179m as shown in Table 9 be agreed;
- (xiii) a contribution of £3.415m be made from revenue balances to support revenue expenditure;
- (xiv) the Council's total requirement for the Collection Fund, excluding Parish Council precepts, be set as £26.069m;
- (xv) 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	423.58
B	7/9	494.18
C	8/9	564.77
D	9/9	635.37
E	11/9	776.56
F	13/9	917.76
G	15/9	1,058.95
H	18/9	1,270.74

### 3 COUNCIL TAX RESOLUTION

- 3.1 That the recommendations of the Strategy and Policy Committee outlined in paragraph 2 be agreed.
- 3.2 That it be noted that at its meeting on 17 November 1999 the Council calculated the following amounts for the year 2000/01 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:-

- (a) 41,030 **TAX BASE FOR WHOLE BOROUGH 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 its council tax base for the year*

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

#### EACH PARISH AREA

Binfield	3,200
Bracknell	17,230
Crowthorne	2,390
Sandhurst	7,780
Warfield	4,120
Winkfield	6,310

*being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, 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 1998/99 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992:-

(a) £157,253,208 **TOTAL EXPENDITURE INCLUDING GENERAL FUND HOUSING REVENUE ACCOUNT AND PARISH PRECEPTS**

*being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act*

(b) £69,248,000 **TOTAL INCOME INCLUDING GENERAL FUND AND HOUSING REVENUE ACCOUNT**

*being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (b) of the Act*

(c) £4,567,515 **REDUCTION IN GENERAL FUND AND HOUSING REVENUE ACCOUNT BALANCES**

*being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(c) of the Act*

(d) £83,437,693 **BOROUGH AND PARISH EXPENDITURE TO BE FINANCED FROM GOVERNMENT GRANTS AND COUNCIL TAX**

*being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) and 3(c) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year*

(e) £55,837,375 **GOVERNMENT SUPPORT FOR LOCAL SERVICES**

*being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates, revenue support grant and additional grant or SSA reduction grant or relevant special grants*

(f) £142,220 **COUNCIL TAX AND RESIDUAL COMMUNITY CHARGE**

**NIL CONTRIBUTION TO COUNCIL TAX BENEFIT**

*being the amount of the sums which the Council estimates will be transferred in the year to its collection fund from its general fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax Deficit) and increased by the amount of any sum which the Council estimates will be transferred to its collection fund from its general fund pursuant to the Collection Fund (Community Charges) directions under section 98(4) of the Local Government Finance Act 1988 made on 7th February 1994) and*

increased by the amount representing the authority's contribution to council tax benefit resulting from an increase in its council tax calculated in accordance with the Collection Fund (General) (England) Directions 1999, the Collection Fund (Council Tax Benefit) (England) Direction 1999 and the Local Authorities (Alteration of Requisite Calculations) (England) Regulations 1999

- (g) £676.15 **AVERAGE BAND "D" COUNCIL TAX FOR WHOLE BOROUGH**

*being the amount at 3(d) above less the amount at 3(e) plus the amount at 3(f) above, all divided by the amount at 2(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its council tax for the year*

- (h) £1,673,208 **PARISH PRECEPTS**

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

- (i) £635.37 **BOROUGH COUNCIL TAX FOR BAND "D" PROPERTIES**

*being the amount at 3(g) above less the result given by dividing the amount at 3(h) above by the amount at 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*

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

Binfield	668.11
Bracknell	683.34
Crowthorne	668.84
Sandhurst	684.51
Warfield	651.15
Winkfield	669.37

*being the amounts given by adding to the amount at 3(i) 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 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*

(k) 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	445.41	519.64	593.87	668.11	816.58	965.05	1,113.52	1,336.22
Bracknell	455.56	531.49	607.41	683.34	835.19	987.05	1,138.90	1,366.68
Crowthorne	445.89	520.21	594.52	668.84	817.47	966.11	1,114.73	1,337.68
Sandhurst	456.34	532.40	608.45	684.51	836.62	988.74	1,140.85	1,369.02
Warfield	434.10	506.45	578.80	651.15	795.85	940.55	1,085.25	1,302.30
Winkfield	446.25	520.62	594.99	669.37	818.12	966.87	1,115.62	1,338.74

*being the amounts given by multiplying the amounts at 3(j) 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 that 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*

- 3.4 That it be noted that for the year 1999/2000 the Thames Valley Police Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

	A	B	C	D	E	F	G	H
Thames Valley Police Authority	40.23	46.93	53.64	60.34	73.75	87.16	100.57	120.68

- 3.5 That, having calculated the aggregate in each case of the amounts at 3(k) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 1998/99 for each of the categories of dwellings shown below:-

(a) Part of the Council's area **TOTAL COUNCIL TAX FOR EACH VALUATION BAND**

Parish	A	B	C	D	E	F	G	H
Binfield	485.64	566.57	647.51	728.45	890.33	1,052.21	1,214.09	1,456.90
Bracknell	495.79	578.42	661.05	743.68	908.94	1,074.21	1,239.47	1,487.36
Crowthorne	486.12	567.14	648.16	729.18	891.22	1,053.27	1,215.30	1,458.36
Sandhurst	496.57	579.33	662.09	744.85	910.37	1,075.90	1,241.42	1,489.70
Warfield	474.33	553.38	632.44	711.49	869.60	1,027.71	1,185.82	1,422.98

Winkfield      486.48   567.55   648.63   729.71   891.87   1,054.03   1,216.19   1,459.42

- 3.6      (i)      The amount of money which is for the time being the maximum amount which the authority may have outstanding by way of borrowing shall be the sum of the current external borrowing at 31st March 2000 plus the value of the Government's Basic Credit Approval plus such short term borrowing that is needed for temporary capital or revenue purposes or £10 million, whichever is the lower ("the overall borrowing limit");
- (ii)      The amount of money, being part of the overall borrowing limit, which may be held by way of short term borrowing is limited to £1 million;
- (iii)     The proportion of the total amount of interest payable by the Council which is at a rate or rates which can be varied by the person to whom it is payable or which vary by reference to any external factors shall be limited to 10%.

Background Papers

Strategy & Policy Committee 16.02.00

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