

**COUNCIL MEETING  
3 MARCH 1999**

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**FINANCIAL PLANS AND REVENUE BUDGET 1999/2000  
(Director of Corporate Services)**

**1 INTRODUCTION**

- 1.1 At its meeting on 16 February 1999, the Strategy and Policy Committee considered the budget proposals for each service Committee and recommended a budget for 1999/2000 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 1999/2000. This has been prepared to reflect the Strategy and Policy Committee's recommendations.
- 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 1999. 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.
- 1.4 The Council Tax resolution also refers to the Council's capital programme. The revenue budget proposals allow for a capital programme, which will be equal to the estimated value of new capital receipts that will be generated in 1999/2000. Committees will submit proposals for capital spending to the Council's next meeting.

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

**2.1 Revenue Budget 1999/2000 (Item 2)**

The Director of Corporate Services presented a report on the preparation of the Council's Revenue Budget for 1999/2000. 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 1999/2000. The final Local Government Finance Settlement announced on 1 February 1999 had provided a Standard Spending Assessment (SSA) for the Council of £79.740m. This was slightly lower than the provisional figure but represented an increase of 4.8% over the 1998/99 settlement.

Following the meeting of the Committee on 6 January 1999 service committees had examined their budgets to identify both essential service developments and

opportunities to rationalise expenditure through a mixture of good housekeeping measures and service reviews. Accordingly, the report set out details of service committees' draft base budgets, service pressures and economies identified for the coming year. Taken together with corporate expenditure these provided a total revenue budget requirement of £81.048m for the year. This figure exceeded the Council's SSA by £1.308m. The Committee considered the funding arrangements to meet this level of expenditure, including the level of contribution from balances and the implications for Council Tax in 1999/2000.

**RECOMMENDED** to the Council that:

- (i) the draft base budgets for 1999/2000 submitted by Committees and summarised in Table 3 of the report be agreed except that for the Education Committee which be reduced by £0.087m in recognition of the Standards Fund grant to support music tuition;
- (ii) each Committee's proposed service developments included in Annexe A of the report be agreed except:
  - a) the Social Services and Housing Committee's proposal for £0.095m to support the Quality Protects initiative which will be funded by a specific grant;
  - and
  - b) the Education Committee's request for £0.085m to cover demographic growth which is not needed in the light of the January pupil count.
- (iii) each Committee's proposed economies included within Annexe C of the report be agreed plus an additional £0.065m in respect of pupil numbers within the Education Committee;
- (iv) each Committee's proposals for generating additional income included within Annexe D of the report be agreed;
- (v) the teachers' pay award of 3.6% in 1999/2000 and the additional full year effect of 0.1% in 2000/01 be funded in full by additional resources;
- (vi) the inflation allowances of £2.451m (including the effect of the teachers' pay award) be added to Committee budgets as outlined in Table 5 of the report;
- (vii) the proposals to fund corporate initiatives and pressures totalling £0.843m included in Annexe B of the report be agreed and allocated to service committees as outlined in Table 6 of the report;
- (viii) an additional £0.27m be added to the Education Committee's budget to fund an increase in the Age Weighted Pupil Unit within Key Stage 2;
- (ix) a contingency of £0.2m be agreed to be controlled by the Finance and Property Sub-Committee;
- (x) the total expenditure of £81.048m as shown in Table 10 of the report be

agreed;

- (xi) a contribution of £1.129m be made from revenue balances to support revenue expenditure after allowing for the contribution to the collection fund for the loss of council tax benefit subsidy of £3,030;
- (xii) £0.5m of capitalised maintenance within the 1998/99 capital programme be funded from capital reserves rather than revenue balances;
- (xiii) £1.1m of expenditure in 1998/99 for improvements to Council houses within the Housing Revenue Account be funded from capital receipts as requested by the Social Services and Housing Committee;
- (xiv) the Council's total requirement for the Collection Fund, excluding Parish Council precepts, be set as £25.359m;
- (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	411.64
B	7/9	480.25
C	8/9	548.85
D	9/9	617.46
E	11/9	754.67
F	13/9	891.89
G	15/9	1,029.10
H	18/9	1,234.92

- (xvi) Service Committees be requested to submit proposals to the next meeting of this Committee for schemes to be included within the Council's capital programme.

### **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 18 November 1998 the Council calculated the following amounts for the year 1999/2000 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:-

(a) 41,070 **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	3,220
Bracknell	17,320
Crowthorne	2,400
Sandhurst	7,730
Warfield	4,090
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) £153,739,968 **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) £70,586,450 **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) £1,725,000 **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) £81,458,518 **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) £54,563,590 **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) NIL **COUNCIL TAX AND RESIDUAL COMMUNITY CHARGE**

£3,030 **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) £654.93 **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) £1,538,886 **PARISH PRECEPTS**

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

(i) £617.46 **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	646.76
Bracknell	664.03
Crowthorne	642.88
Sandhurst	660.21
Warfield	629.11
Winkfield	648.96

*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	431.17	503.04	574.89	646.76	790.48	934.21	1077.93	1293.52
Bracknell	442.69	516.47	590.25	664.03	811.59	959.16	1106.72	1328.06
Crowthorne	428.59	500.02	571.45	642.88	785.74	928.61	1071.47	1285.76
Sandhurst	440.14	513.50	586.85	660.21	806.92	953.64	1100.35	1320.42
Warfield	419.41	489.31	559.21	629.11	768.91	908.72	1048.52	1258.22
Winkfield	432.64	504.75	576.85	648.96	793.17	937.39	1081.60	1297.92

*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	37.69	43.97	50.25	56.53	69.09	81.65	94.22	113.06

- 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	<b>TOTAL COUNCIL TAX FOR EACH AND 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>	<b>H</b>
Binfield	468.86	547.01	625.14	703.29	859.57	1015.86	1172.15	1406.58
Bracknell	480.38	560.44	640.50	720.56	880.68	1040.81	1200.94	1441.12
Crowthorne	466.28	543.99	621.70	699.41	854.83	1010.26	1165.69	1398.82
Sandhurst	477.83	557.47	637.10	716.74	876.01	1035.29	1194.57	1433.48
Warfield	457.10	533.28	609.46	685.64	838.00	990.37	1142.74	1371.28
Winkfield	470.33	548.72	627.10	705.49	862.26	1019.04	1175.82	1410.98

- 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 1999 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 16.02.99

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