

**COUNCIL
27 FEBRUARY 2002**

**FINANCIAL PLANS AND REVENUE BUDGETS 2002/03
(Director of Corporate Services)**

1 INTRODUCTION

- 1.1 At its meeting on 19 February 2002, the Executive considered the General Fund revenue budget and Housing Revenue Account for 2002/03 along with the capital programme for 2002/03 to 2004/05 and agreed recommendations to the Council. The recommendations submitted to the Council by the Executive are included in section 2.
- 1.2 A separate document presents the Council's draft budget for 2002/03 in each of the three areas along with a manpower statement. The document reflects the Executive's recommendations and includes summaries of the reports considered by it. Full copies of the documents are available on the Council's intranet or from the Members Services section.
- 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 section 3. 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, although the limit may be varied at any time by a further determination. The resolution also includes reference to the Council Tax for the Thames Valley Police Authority. This body will not have formally agreed its Council Tax for 2002/03 by the time these papers are circulated, and thus the resolution below is based on the proposals being submitted to it. Any changes will require an amended resolution to be tabled at the Council meeting.
- 1.4 The Council Tax resolution also refers to the Council's capital programme and to the Housing Revenue Account. The revenue budget proposals allow for a capital programme of £12.035m, which represents the amount recommended by the Executive. The proposals also allow for an increase in rents of 5.2%, as recommended by the Executive following the detailed consultation with Tenants.

2 RECOMMENDATIONS SUBMITTED BY THE EXECUTIVE

2.1 Housing Revenue Account 2002/03 (item 3)

RECOMMENDED that:

- i) changes to the 2002/03 base budget as outlined in paragraph 5.5 of the report be approved;
- ii) changes to the 2002/03 net budget position as outlines in table 3 and annexes A, B, C and D to the report be approved;
- iii) garage rents, carports and parking spaces be increased by 5.2% (being 32 pence per week for garages and 16 pence per week for car ports and parking spaces);
- iv) rents on dwellings increase by 5.2%, requiring an average rent increase of £3.03 per week by increasing the current points multiplying factor from 1058 to

2.2 Capital Programme 2002/03 – 2004/05 (item 4)

RECOMMENDED that:

- i) the early repayment of the Local Government Reorganisation Supplementary Credit Approval at an estimated cost of £835,000, to be met from accumulated capital receipts be approved;
- ii) capital funding of £12.035m for 2002/03, in respect of new schemes listed in Annexes B-F of the report, be recommended to the Council;
- iii) those schemes that attract external grant funding be recommended to the Council for inclusion within the 2002/03 capital programme, at the level of funding received;
- iv) the release of £280,948 from S106 monies be recommended to the Council to fund capital schemes outlined in section 5.16 of the report;
- v) the indicative programme for 2003/04 and 2004/05 be reviewed in the light of resources available and spending priorities in December 2002.

2.3 Revenue Budget 2002/03 (Item 3)

RECOMMENDED that:

- i) the draft budget proposals set out in Annexe C to the report be agreed;
- ii) fees and charges as set out in Annexe D to the report and in a separate report for Social Services be approved;
- iii) the new budget proposals identified in section 7.3 for services other than Education, plus a further £0.050m pressure for Social Services income as supported by a separate report be agreed;
- iv) the non service specific budget issues highlighted in section 8, including a contingency of £0.4m to be controlled by the Leader and Chief Executive be incorporated;
- v) the Education budget proposals set out in section 9 and summarised in Table 11 of the report be agreed;
- vi) total expenditure of £90.233m as shown in Table 12 of the report be approved;
- vii) a contribution of £2.659m be made from revenue balances to support revenue expenditure;
- viii) it be recommended to the Council that the Council's total requirement for the Collection Fund, excluding Parish Council precepts, be set as £30.936m;
- ix) it be recommended to the Council that 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 | 500.46 |
| B | 7/9 | 583.87 |
| C | 8/9 | 667.28 |
| D | 9/9 | 750.69 |
| E | 11/9 | 917.51 |
| F | 13/9 | 1,084.33 |
| G | 15/9 | 1,251.15 |
| H | 18/9 | 1,501.38 |

3 COUNCIL TAX RESOLUTION

- 3.1 That the recommendations of the Executive outlined in section 2 be agreed.
- 3.2 That it be noted that at its meeting on 21 November 2001 the Council calculated the following amounts for the year 2002/03 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:-

(a) 41,210 **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 | 3,210 |
| Bracknell | 17,230 |
| Crowthorne | 2,390 |
| Sandhurst | 7,810 |
| Warfield | 4,250 |
| Winkfield | 6,320 |

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 2002/03 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992:-

(a) £167,245,546 **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) £74,491,000 **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) £3,295,951 **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) £89,458,595 **BOROUGH AND PARISH EXPENDITURE TO BE FINANCED FROM GOVERNMENT GRANTS AND COUNCIL TAX**

being the amount by which the aggregate at 3.3(a) above exceeds the aggregate at 3.3(b) and 3.3(c) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year

- (e) £56,964,114 **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) £326,000 **COUNCIL TAX / RESIDUAL COMMUNITY CHARGE**

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) £796.42 **AVERAGE BAND "D" COUNCIL TAX FOR WHOLE BOROUGH**

being the amount at 3.3(d) above less the amount at 3.3(e) plus the amount at 3.3(f) above, all divided by the amount at 3.2(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) £1,884,546 **PARISH PRECEPTS**

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

- (i) £750.69 **BOROUGH COUNCIL TAX FOR BAND "D" PROPERTIES**

being the amount at 3.3(g) above less the result given by dividing the amount at 3.3(h) 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

| (j) | Part of the Council's area | BOROUGH AND PARISH COUNCIL TAX FOR EACH PARISH FOR BAND "D" | |
|-----|----------------------------|--|--------|
| | Binfield | | 784.19 |
| | Bracknell | | 800.72 |
| | Crowthorne | | 798.81 |
| | Sandhurst | | 804.34 |
| | Warfield | | 780.10 |
| | Winkfield | | 791.19 |

being the amounts given by adding to the amount at 3.3(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 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

| (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 | 522.79 | 609.93 | 697.06 | 784.19 | 958.45 | 1,132.72 | 1,306.98 | 1,568.38 | |
| Bracknell | 533.81 | 622.78 | 711.75 | 800.72 | 978.66 | 1,156.60 | 1,334.53 | 1,601.44 | |
| Crowthorne | 532.54 | 621.30 | 710.05 | 798.81 | 976.32 | 1,153.84 | 1,331.35 | 1,597.62 | |
| Sandhurst | 536.23 | 625.60 | 714.97 | 804.34 | 983.08 | 1,161.82 | 1,340.57 | 1,608.68 | |
| Warfield | 520.07 | 606.74 | 693.42 | 780.10 | 953.46 | 1,126.81 | 1,300.17 | 1,560.20 | |
| Winkfield | 527.46 | 615.37 | 703.28 | 791.19 | 967.01 | 1,142.83 | 1,318.65 | 1,582.38 | |

being the amounts given by multiplying the amounts at 3.3(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 2002/03 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 | 48.99 | 57.16 | 65.32 | 73.49 | 89.82 | 106.15 | 122.48 | 146.98 |

- 3.5 That, having calculated the aggregate in each case of the amounts at 3.3(k) and 3.4 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 2002/03 for each of the categories of dwellings shown below:-

| (a) Part of the Council's area | TOTAL COUNCIL TAX FOR EACH VALUATION BAND | | | | | | | |
|--------------------------------|--|----------|----------|----------|----------|----------|----------|----------|
| | A | B | C | D | E | F | G | H |
| Parish | | | | | | | | |
| Binfield | 571.78 | 667.09 | 762.38 | 857.68 | 1,048.27 | 1,238.87 | 1,429.46 | 1,715.36 |
| Bracknell | 582.80 | 679.94 | 777.07 | 874.21 | 1,068.48 | 1,262.75 | 1,457.01 | 1,748.42 |
| Crowthorne | 581.53 | 678.46 | 775.37 | 872.30 | 1,066.14 | 1,259.99 | 1,453.83 | 1,744.60 |
| Sandhurst | 585.22 | 682.76 | 780.29 | 877.83 | 1,072.90 | 1,267.97 | 1,463.05 | 1,755.66 |
| Warfield | 569.06 | 663.90 | 758.74 | 853.59 | 1,043.28 | 1,232.96 | 1,422.65 | 1,707.18 |
| Winkfield | 576.45 | 672.53 | 768.60 | 864.68 | 1,056.83 | 1,248.98 | 1,441.13 | 1,729.36 |

- 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 2002 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

Executive 19 February 2002

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