

8. CORPORATE PLAN AND BUDGET FOR 2018/19

REPORT OF: HEAD OF CORPORATE RESOURCES
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Wards Affected: All
Key Decision: Yes
Report to: Council
28 February 2018

1. Purpose of Report

- 1.1 To present the Corporate Plan and Budget for 2018/19 for approval by Council.

2. Background

- 2.1 Each year the Council is required to approve a corporate plan and budget that shows how it will deliver its services and spend its financial resources in the following financial year. The approved budget must be in balance, which means that expenditure plans must be matched by income received. As usual, these plans include a recommendation for the level of council tax to be set for the year.
- 2.2 The proposals in the Corporate Plan are underpinned by the service plans which are produced following a full and robust service and financial planning process. The Corporate Plan and Budget has been circulated as a separate document and if approved, enables the Council to approve a balanced budget that:
- Invests in key projects over the longer term by allocating resources to the Council's priorities;
 - Protects key frontline services;
 - Continues to protect and reinforce the Council's reserves position and fund the proposed capital programme.
- 2.3 The draft Corporate Plan and Budget for 2018/19 was considered by the Scrutiny Committee for Leader, Resources and Economic Growth on 30 January 2018 and, after much discussion and explanation, no changes have been made to the papers. The Plan was also considered by Cabinet on 19 February 2018. There are two instances of minor amendments being made between the draft Plan and now; these relate to an increased contribution to be made to the Rate Retention Equalisation Reserve and an amendment to the 2019/20 council tax calculation.
- 2.4 Members should note that neither of these changes affect the 2018/19 revenue budget.

- 2.4 If approved, the proposals in the report result in a modest increase in council tax of £4.95 per year. This means that the Mid Sussex element of the council tax at Band D would increase to £160.56 per annum.
- 2.5 Given the decisions of other authorities, the average council tax level for the Mid Sussex area in 2018/19 will be:

Average Council Tax		
	£	Change from 2017/18
Mid Sussex District Council	160.56	+3.2%
Town / Parish Councils	69.36	+8.4%
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	229.92	+4.7%
West Sussex County Council*	1,317.78	+4.95%
Sussex Police and Crime Commissioner	165.91	+7.8%
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	1,713.61	+5.2%

*The WSCC figure includes the ringfenced 2% increase to fund Adult Social Care

- 2.6 Overall, it is considered that the Corporate Plan and Budget for 2018/19 represents a sensible and considered approach to the 2018/19 financial year and enables some prudent investment in the most important projects facing the district over the medium term, particularly in the Burgess Hill area and in Development Control generally. In the usual way, throughout 2018/19 the Cabinet will use its regular revenue budget management and capital programme reports to closely monitor the on-going impact on the Council's services and budget position and present any remedial actions required to ensure the service plans and budget will be delivered at year end.

Recommendations

3.0 Recommendations

Members are requested to consider the following recommendations:

3.1 Corporate Plan and Budget 2018/19

- 3.1.1 That the Corporate Plan and Budget for 2018/19 set out in this report be approved;

3.2 Mid Sussex District Council Budget 2018/19

3.2.1 Revenue Spending and MSDC council tax levels for 2018/19:

- (a) That Revenue Spending summarised below (see Section 2 for details) is approved:

	£'000
Service Net Expenditure	13,875
Balance Unallocated	27
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Council Net Expenditure	13,902
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Revenue Spending	13,902
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- (b) That with respect to pensions, the employer's contribution rate should be 18.6% for 2018/19
- (c) That the Mid Sussex District Council element of the Council Tax be increased by 3.20% to £160.56, with no requirement to hold a local referendum in accordance with the Act.

3.2.2 Capital Programme 2018/19 (see Section 3 for details):

- (a) That the Capital Programme for 2018/19 (as set out in Section 3) is approved.

3.2.3 Usable Reserves and other balances

- (a) That the estimates for cash balances (see Section 4 for details) are noted.

3.2.4 Financial Strategy & Medium Term Financial Plan:

- (a) That the summary Medium Term Financial Plan to 2021/22 (see Section 5 for details) is noted.

3.2.5 Collection Fund:

- (a) That the estimated surplus on the Collection Fund totalling £1,079,000 for the year ended 31st March 2018, of which the Mid Sussex District Council share is £145,440 (see Section 6 for details) is noted.

3.3 Council Taxes For The Mid Sussex Area:

3.3.1 It be noted that at its meeting held on 13th December 2017 the Council calculated the following amounts for the year 2018/19:

- (a) 59,983.3 being the amount calculated, in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012, as its council tax base for the year; and**
- (b) for dwellings in those parts of its area to which a Parish precept relates as set out in Table 3 Section 7 of this report.**

3.3.2 £9,630,920 being the amount calculated as the Council Tax Requirement for the Council's own purposes for 2018/19 (excluding Parish Precepts).

3.3.3 That the following amounts be calculated by the Council for the year 2018/19 in accordance with Section 31 to 36 of the Local Government Finance Act 1992 (as amended by The Localism Act 2011):

- (a) £67,512,208 being the aggregate of the amounts, which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish Councils;**
- (b) £53,720,559 being the aggregate of the amounts, which the Council estimates for the items set out in Section 31A(3) of the Act;**
- (c) £13,791,649 being the amount by which the aggregate at 3.3.3(a) above exceeds the aggregate at 3.3.3(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year;**
- (d) £229.92 being the amount at 3.3.3(c) above, all divided by the amount at 3.3.1(a) above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts);**
- (e) £4,160,729 being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act (see Section 7 for details);**
- (f) £160.56 being the amount at 3.3.3(d) above less the result given by dividing the amount at 3.3.3(e) above by the amount at 3.3.1(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 for dwellings in those parts of its area to which no Parish precept relates;**

g) Part of the Council's area

Parish area	band A £	band B £	band C £	band D £	band E £	band F £	band G £	band H £
Albourne	139.93	163.25	186.57	209.89	256.53	303.17	349.82	419.78
Ansty & Staplefield	147.64	172.25	196.85	221.46	270.67	319.89	369.10	442.92
Ardingly	180.39	210.46	240.52	270.59	330.72	390.85	450.98	541.18
Ashurst Wood	166.93	194.76	222.58	250.40	306.04	361.69	417.33	500.80
Balcombe	160.49	187.24	213.99	240.74	294.24	347.74	401.23	481.48
Bolney	144.57	168.67	192.76	216.86	265.05	313.24	361.43	433.72
Burgess Hill	159.09	185.61	212.12	238.64	291.67	344.70	397.73	477.28
Cuckfield	188.51	219.93	251.35	282.77	345.61	408.45	471.28	565.54
East Grinstead	160.61	187.38	214.15	240.92	294.46	348.00	401.53	481.84
Fulking	146.94	171.43	195.92	220.41	269.39	318.37	367.35	440.82
Hassocks	161.53	188.45	215.37	242.29	296.13	349.97	403.82	484.58
Haywards Heath	140.16	163.52	186.88	210.24	256.96	303.68	350.40	420.48
Horsted Keynes	150.51	175.60	200.68	225.77	275.94	326.11	376.28	451.54
Hurstpierpoint & Sayers Common	152.59	178.02	203.45	228.88	279.74	330.60	381.47	457.76
Lindfield	143.83	167.80	191.77	215.74	263.68	311.62	359.57	431.48
Lindfield Rural	133.10	155.28	177.47	199.65	244.02	288.38	332.75	399.30
Newtimber	110.55	128.98	147.40	165.83	202.68	239.53	276.38	331.66
Poynings	132.91	155.07	177.22	199.37	243.67	287.98	332.28	398.74
Pyecombe	148.26	172.97	197.68	222.39	271.81	321.23	370.65	444.78
Slaugham	147.23	171.77	196.31	220.85	269.93	319.01	368.08	441.70
Turners Hill	184.68	215.46	246.24	277.02	338.58	400.14	461.70	554.04
Twineham	144.13	168.16	192.18	216.20	264.24	312.29	360.33	432.40
West Hoathly	150.38	175.44	200.51	225.57	275.70	325.82	375.95	451.14
Worth	143.27	167.15	191.03	214.91	262.67	310.43	358.18	429.82

being the amounts given by multiplying the amounts at as set out in Table 3 Section 7 of this report 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.

3.3.4 That it be noted that for the year 2018/19, West Sussex County Council have stated the following amounts in precept issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown below:

Valuation band	£	Valuation band	£
band A	878.52	band E	1,610.62
band B	1,024.94	band F	1,903.46
band C	1,171.36	band G	2,196.30
band D	1,317.78	band H	2,635.56

3.3.5 That it be noted that for the year 2018/19 the Sussex Police and Crime Commissioner have stated the following amounts in precept issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, as amended by the Police Reform and Social Responsibility Act 2011, for each of the categories of dwellings shown below:

Valuation band	£	Valuation band	£
band A	110.61	band E	202.78
band B	129.04	band F	239.65
band C	147.48	band G	276.52
band D	165.91	band H	331.82

3.3.6 That, having calculated the aggregate in each case of the amounts as at 3.3.3(g), 3.3.4 and 3.3.5 above, the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, 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:

Parish area	band A £	band B £	band C £	band D £	band E £	band F £	band G £	band H £
Albourne	1,129.06	1,317.23	1,505.41	1,693.58	2,069.93	2,446.28	2,822.64	3,387.16
Ansty & Staplefield	1,136.77	1,326.23	1,515.69	1,705.15	2,084.07	2,463.00	2,841.92	3,410.30
Ardingly	1,169.52	1,364.44	1,559.36	1,754.28	2,144.12	2,533.96	2,923.80	3,508.56
Ashurst Wood	1,156.06	1,348.74	1,541.42	1,734.09	2,119.44	2,504.80	2,890.15	3,468.18
Balcombe	1,149.62	1,341.22	1,532.83	1,724.43	2,107.64	2,490.85	2,874.05	3,448.86
Bolney	1,133.70	1,322.65	1,511.60	1,700.55	2,078.45	2,456.35	2,834.25	3,401.10
Burgess Hill	1,148.22	1,339.59	1,530.96	1,722.33	2,105.07	2,487.81	2,870.55	3,444.66
Cuckfield	1,177.64	1,373.91	1,570.19	1,766.46	2,159.01	2,551.56	2,944.10	3,532.92
East Grinstead	1,149.74	1,341.36	1,532.99	1,724.61	2,107.86	2,491.11	2,874.35	3,449.22
Fulking	1,136.07	1,325.41	1,514.76	1,704.10	2,082.79	2,461.48	2,840.17	3,408.20
Hassocks	1,150.66	1,342.43	1,534.21	1,725.98	2,109.53	2,493.08	2,876.64	3,451.96
Haywards Heath	1,129.29	1,317.50	1,505.72	1,693.93	2,070.36	2,446.79	2,823.22	3,387.86
Horsted Keynes	1,139.64	1,329.58	1,519.52	1,709.46	2,089.34	2,469.22	2,849.10	3,418.92
Hurstpierpoint & Sayers Common	1,141.72	1,332.00	1,522.29	1,712.57	2,093.14	2,473.71	2,854.29	3,425.14
Lindfield	1,132.96	1,321.78	1,510.61	1,699.43	2,077.08	2,454.73	2,832.39	3,398.86
Lindfield Rural	1,122.23	1,309.26	1,496.31	1,683.34	2,057.42	2,431.49	2,805.57	3,366.68
Newtimber	1,099.68	1,282.96	1,466.24	1,649.52	2,016.08	2,382.64	2,749.20	3,299.04
Poynings	1,122.04	1,309.05	1,496.06	1,683.06	2,057.07	2,431.09	2,805.10	3,366.12
Pyecombe	1,137.39	1,326.95	1,516.52	1,706.08	2,085.21	2,464.34	2,843.47	3,412.16
Slaugham	1,136.36	1,325.75	1,515.15	1,704.54	2,083.33	2,462.12	2,840.90	3,409.08
Turners Hill	1,173.81	1,369.44	1,565.08	1,760.71	2,151.98	2,543.25	2,934.52	3,521.42
Twineham	1,133.26	1,322.14	1,511.02	1,699.89	2,077.64	2,455.40	2,833.15	3,399.78
West Hoathly	1,139.51	1,329.42	1,519.35	1,709.26	2,089.10	2,468.93	2,848.77	3,418.52
Worth	1,132.40	1,321.13	1,509.87	1,698.60	2,076.07	2,453.54	2,831.00	3,397.20

Explanatory Note for the Recommendations

Under the constitution, only full Council can approve the budget. This report, therefore, is Cabinet's recommendation.

The budget recommendations are in three parts:

- Those that refer to the approval of the Corporate Plan (recommendations contained in 3.1 above);
- Those that refer to the approval of the Council's expenditure (recommendations contained in 3.2 above); and
- Those that refer to the Council's responsibilities for calculating council taxes for the Mid Sussex area.

The latter are set out according to proper practice.

In recommendations 3.2, No's 3.2.1 – 3.2.5 are relatively self-explanatory. Recommendations in 3.3 are explained below:

- 3.3.1 the taxbase for each parish area;
 - 3.3.2 the Council Tax Requirement for Mid Sussex District Council
 - 3.3.3 this recommendation calculates the council taxes for the District and parish councils:
 - (a) gross expenditure of the Mid Sussex District Council plus parish precepts, and the effect of the balance on the Collection Fund*;
 - (b) gross income for Mid Sussex District Council, Formula Grant plus the effect of the balance on the Collection Fund;
 - (c) net expenditure i.e. the difference between (a) and (b) which is the Council Tax Requirement including parish precepts;
 - (d) the average band D council tax for Mid Sussex District Council plus the parishes i.e. (c) - (d) divided by the taxbase;
 - (e) the total of parish precepts;
 - (f) the band D council tax after subtracting parish precepts i.e. the Mid Sussex District Council band D;
 - (g) the actual council taxes for all bands for Mid Sussex District Council and the parishes.
 - 3.3.4 the West Sussex County Council council taxes for all bands;
 - 3.3.5 the Sussex Police and Crime Commissioner council taxes for all bands;
 - 3.3.6 the full council taxes for all bands for all parishes i.e. Mid Sussex District Council plus parishes plus West Sussex County Council plus the Sussex Police and Crime Commissioner.
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4. Scrutiny arrangements

- 4.1 The draft Corporate Plan and Budget for 2018/19 was considered by the Scrutiny Committee for the Leader, Resources and Economic Growth on 30 January 2018. The main comments were reported to Cabinet on 19 February 2018.

5. Policy Context

- 5.1 The Corporate Plan and Budget has been developed in line with the Council's revised corporate priorities.:

6. Risk Management Implications

- 6.1 As in previous years, the Corporate Plan and Budget for 2018/19 has been risk assessed. Details of this are set out in Section 1 of the appended Plan.

7. Legal Implications

- 7.1 The Local Government Finance Act 1992 provides that for each financial year a local authority should set the amount of Council Tax before 11th March in the financial year preceding that for which it is set. The Act makes provisions regarding the calculations necessary in setting the Council Tax. The Localism Act 2011 made significant changes to the Local Government Finance Act 1992, and requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously. This report is instrumental in achieving this requirement.

8. Financial Implications

- 8.1 The Financial implications of this report are as set out in the recommendations and the appended Corporate Plan and Budget 2018/19.

9. Equality and customer service implications

- 9.1 Proposals for new or changed services will be subject to Equality Impact Assessments at the appropriate time.

10. Background Papers

- Scrutiny Committee for Leader, Resources and Economic Growth – 30 January 2018
- Cabinet - 19 February 2018 - Draft Corporate Plan & Budget for 2018/19