

CORPORATE PLAN AND BUDGET FOR 2020/21

REPORT OF: HEAD OF CORPORATE RESOURCES
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Wards Affected: All
Key Decision: Yes
Report to: Council
4 March 2020

1. Purpose of Report

1.1 To present the Corporate Plan and Budget for 2020/21 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, assuming that it is approved, enables the Council to set a balanced budget that:

- Provides investment to support the Council's ambitious growth programme;
- Invests in community services and facilities; and,
- Protects key frontline services.

2.3 The draft Corporate Plan and Budget for 2020/21 was considered by the Scrutiny Committee for Leader, Finance and Performance on 15 January 2020. After much discussion and explanation, no changes were made to the papers that were considered by Cabinet in February. These have now been reviewed again before presentation to Council within this report.

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 £170.46 per annum.

2.5 Given the decisions of other authorities, the average council tax level for the Mid Sussex area in 2020/21 will be:

	Average Council Tax £	Change from 2019/20
Mid Sussex District Council	170.46	+3.0%
Town / Parish Councils	74.37	+7.2%
	<u>244.83</u>	+4.2%
West Sussex County Council*	1,438.74	+4.0%
Sussex Police and Crime Commissioner	199.91	+5.3%
	<u>1,883.48</u>	+4.2%

*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 2020/21 represents a sensible and considered approach to the financial year and enables some prudent investment in the most important projects facing the district over the medium term.
- 2.7 In the usual way, throughout the year 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.

3. Recommendations

Members are requested to consider the following recommendations:

3.1 Corporate Plan and Budget 2020/21

- 3.1.1 **That the Corporate Plan and Budget for 2020/21 set out in this report be approved;**

3.2 Mid Sussex District Council Budget 2020/21

3.2.1 Revenue Spending and MSDC council tax levels for 2020/21:

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

	£'000
Service Net Expenditure	14,610
Balance Unallocated	28
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Council Net Expenditure	14,636
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Revenue Spending	14,636
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- (b) That with respect to pensions, the employer's contribution rate should be 21.4% for 2020/21
- (c) That the Mid Sussex District Council element of the Council Tax be increased by 3.00% to £170.46, with no requirement to hold a local referendum in accordance with the Act.

3.2.2 Capital Programme 2020/21 (see Section 3 for details):

- (a) That the Capital Programme for 2020/21 (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 2023/24 (see Section 5 for details) is noted.

3.2.5 Collection Fund:

- (a) That the estimated surplus on the Collection Fund totalling £1,246,000 for the year ended 31st March 2020, of which the Mid Sussex District Council share is £161,850 (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 18th December 2019 the Council calculated the following amounts for the year 2020/21:

- (a) 61,711.6 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 £10,519,362 being the amount calculated as the Council Tax Requirement for the Council's own purposes for 2020/21 (excluding Parish Precepts).

3.3.3 That the following amounts be calculated by the Council for the year 2020/21 in accordance with Section 31 to 36 of the Local Government Finance Act 1992 (as amended by The Localism Act 2011):

- (a) £69,064,574 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) £53,955,575 being the aggregate of the amounts, which the Council estimates for the items set out in Section 31A(3) of the Act;**
- (c) £15,108,999 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) £244.83 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) £4,589,637 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) £170.46 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 Ansty & Staplefield	146.03	170.36	194.70	219.04	267.72	316.39	365.07	438.08
Ardingly	160.52	187.27	214.03	240.78	294.29	347.79	401.30	481.56
Ashurst Wood	192.07	224.09	256.10	288.11	352.13	416.16	480.18	576.22
Balcombe	174.86	204.00	233.15	262.29	320.58	378.86	437.15	524.58
Bolney	172.89	201.71	230.52	259.34	316.97	374.60	432.23	518.68
Burgess Hill	153.05	178.55	204.06	229.57	280.59	331.60	382.62	459.14
Cuckfield	163.85	191.16	218.47	245.78	300.40	355.02	409.63	491.56
East Grinstead	203.68	237.63	271.57	305.52	373.41	441.31	509.20	611.04
Fulking	172.41	201.15	229.88	258.62	316.09	373.56	431.03	517.24
Hassocks	156.29	182.34	208.39	234.44	286.54	338.64	390.73	468.88
Haywards Heath	170.45	198.85	227.26	255.67	312.49	369.30	426.12	511.34
Horsted Keynes Hurstpierpoint & Sayers Common	150.30	175.35	200.40	225.45	275.55	325.65	375.75	450.90
Lindfield	161.87	188.85	215.83	242.81	296.77	350.73	404.68	485.62
Lindfield Rural	168.13	196.16	224.18	252.20	308.24	364.29	420.33	504.40
Newtimber	154.07	179.74	205.42	231.10	282.46	333.81	385.17	462.20
Poynings	140.15	163.51	186.87	210.23	256.95	303.67	350.38	420.46
Pyecombe	117.15	136.67	156.20	175.72	214.77	253.82	292.87	351.44
Slaugham	144.39	168.46	192.52	216.59	264.72	312.85	360.98	433.18
Turners Hill	167.20	195.07	222.93	250.80	306.53	362.27	418.00	501.60
Twineham	164.87	192.34	219.82	247.30	302.26	357.21	412.17	494.60
West Hoathly	196.29	229.01	261.72	294.44	359.87	425.30	490.73	588.88
Worth	153.49	179.07	204.65	230.23	281.39	332.55	383.72	460.46
	165.38	192.94	220.51	248.07	303.20	358.32	413.45	496.14
	153.74	179.36	204.99	230.61	281.86	333.10	384.35	461.22

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 2020/21, 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	959.16	band E	1,758.46
band B	1,119.02	band F	2,078.18
band C	1,278.88	band G	2,397.90
band D	1,438.74	band H	2,877.48

3.3.5 That it be noted that for the year 2020/21 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	133.27	band E	244.33
band B	155.49	band F	288.76
band C	177.70	band G	333.18
band D	199.91	band H	399.82

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 2020/21 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	1,238.46	1,444.87	1,651.28	1,857.69	2,270.51	2,683.33	3,096.15	3,715.38
Ansty & Staplefield	1,252.95	1,461.78	1,670.61	1,879.43	2,297.08	2,714.73	3,132.38	3,758.86
Ardingly	1,284.50	1,498.60	1,712.68	1,926.76	2,354.92	2,783.10	3,211.26	3,853.52
Ashurst Wood	1,267.29	1,478.51	1,689.73	1,900.94	2,323.37	2,745.80	3,168.23	3,801.88
Balcombe	1,265.32	1,476.22	1,687.10	1,897.99	2,319.76	2,741.54	3,163.31	3,795.98
Bolney	1,245.48	1,453.06	1,660.64	1,868.22	2,283.38	2,698.54	3,113.70	3,736.44
Burgess Hill	1,256.28	1,465.67	1,675.05	1,884.43	2,303.19	2,721.96	3,140.71	3,768.86
Cuckfield	1,296.11	1,512.14	1,728.15	1,944.17	2,376.20	2,808.25	3,240.28	3,888.34
East Grinstead	1,264.84	1,475.66	1,686.46	1,897.27	2,318.88	2,740.50	3,162.11	3,794.54
Fulking	1,248.72	1,456.85	1,664.97	1,873.09	2,289.33	2,705.58	3,121.81	3,746.18
Hassocks	1,262.88	1,473.36	1,683.84	1,894.32	2,315.28	2,736.24	3,157.20	3,788.64
Haywards Heath	1,242.73	1,449.86	1,656.98	1,864.10	2,278.34	2,692.59	3,106.83	3,728.20
Horsted Keynes	1,254.30	1,463.36	1,672.41	1,881.46	2,299.56	2,717.67	3,135.76	3,762.92
Hurstpierpoint & Sayers Common	1,260.56	1,470.67	1,680.76	1,890.85	2,311.03	2,731.23	3,151.41	3,781.70
Lindfield	1,246.50	1,454.25	1,662.00	1,869.75	2,285.25	2,700.75	3,116.25	3,739.50
Lindfield Rural	1,232.58	1,438.02	1,643.45	1,848.88	2,259.74	2,670.61	3,081.46	3,697.76
Newtimber	1,209.58	1,411.18	1,612.78	1,814.37	2,217.56	2,620.76	3,023.95	3,628.74
Poynings	1,236.82	1,442.97	1,649.10	1,855.24	2,267.51	2,679.79	3,092.06	3,710.48
Pyecombe	1,259.63	1,469.58	1,679.51	1,889.45	2,309.32	2,729.21	3,149.08	3,778.90
Slaugham	1,257.30	1,466.85	1,676.40	1,885.95	2,305.05	2,724.15	3,143.25	3,771.90
Turners Hill	1,288.72	1,503.52	1,718.30	1,933.09	2,362.66	2,792.24	3,221.81	3,866.18
Twineham	1,245.92	1,453.58	1,661.23	1,868.88	2,284.18	2,699.49	3,114.80	3,737.76
West Hoathly	1,257.81	1,467.45	1,677.09	1,886.72	2,305.99	2,725.26	3,144.53	3,773.44
Worth	1,246.17	1,453.87	1,661.57	1,869.26	2,284.65	2,700.04	3,115.43	3,738.52

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 2020/21 was considered by the Scrutiny Committee for the Leader, Finance and Performance on 15 January 2020. The main comments were reported to Cabinet on 10 February 2020.

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 2020/21 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 2020/21.

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, Finance and Performance – 15 January 2020
- Cabinet - 10 February 2020 - Draft Corporate Plan & Budget for 2020/21