

Agenda Item No: 9
Report To: FULL COUNCIL
Date: 20th February 2014



Report Title: Budget and Council Tax Resolutions 2014/15
Report Author: Paul Naylor, Deputy Chief Executive (and S151 Officer)
Ben Lockwood, Finance Manager

Summary: This report presents the Cabinet's 2014-2015 General Fund Budget and Council Tax recommendations for resolution by the Full Council. It also presents the full statutory resolutions, including the requirements of the Precepting Authorities and Parish Councils, for the area covered by the Borough Council as the billing authority.

Whilst all major preceptors have now resolved their demands, Members attention is drawn to the fact that the draft resolutions in this report are dependent on formal confirmation by Aldington and Bonnington Parish Council of its precept. The parish council has deferred consideration until 18 February, but has been informed the council must have a decision in time for the council meeting. In the event that any decision varies from the assumed position notified to the Council, it would be necessary to table revised recommendations at the Full Council Meeting. In the unlikely event that the Parish Council is unable to set a precept, this Council will use its power to anticipate a precept and set one in accordance with the regulations; the parish council has been informed accordingly.

Excluding Parish Precepts, the Council's net revenue spending, is (1.09)% less than the budget for 2012/13. The Borough Council's element of the Council Tax at band D is to be frozen as £145.45.

On the basis of information available from the Precepting Authorities the **overall** level of Council Tax, excluding Parish Precepts, is anticipated to be £1,427.69 an increase overall of £25.04. (or 1.8%).

Key Decision: Not applicable

Affected Wards: ALL

Recommendations: The Council is asked to:-

- (1) Agree the Budget for 2014/15 as recommended by the Cabinet, subject to confirmation of the treatment of one matter relating to the fees and charges schedule considered at the Cabinet meeting on 13 February (see Cabinet minute 310 recommendation ii).**
- (2) Agree the formal Council Tax resolutions annexed to this Report.**

Policy Overview: The Budget is a matter for the Full Council to approve. Apart from the statutory requirement and status of the budget, the proposals for 2014/15 take forward the fourth year of the Council's Business Plan.

Financial Implications: The budget supports the Business Plan and is the result of considerable input from Members and Services over several months. It is broadly in line with our medium term financial forecasts. The recommended budget requirement (excluding parish precepts) is £13.647 million. The recommended Council Tax at Band D is £145.45, and is frozen from 2013/14. A 'freeze' grant equivalent to a 1% increase will be paid by government and rolled into future years' grant settlements.

Risk Assessment The report to the Cabinet contained advice about the robustness of the budget estimates and the adequacy of the Council's reserves, as required by the Local Government Act 2003. The report concluded that while there are risks, the Council's Members and Officers understand these, but the Council has well-developed budgetary control and monitoring procedures to address these should pressures arise. The Overview and Scrutiny Committee following its review concluded that the draft budget was 'achievable, sufficient and realistic'.

Contacts: Paul.naylor@ashford.gov.uk ben.lockwood@ashford.gov.uk
Tel: (01233) 330436 (01233) 330540

Report Title: Budget and Council Tax Resolutions 2014/15

**IMPORTANT
NOTICE**

The resolutions in this report, which must include the requirements of all Precepting authorities, are based on the recommendations made to these Authorities.

However at the time of writing one Parish Council had still to finalise its precept demand. In the unlikely event that the Parish Council is unable to set a precept this Council will use its powers to anticipate a precept for them.

Purpose of the Report

1. To present the Cabinet Committee's 2014/15 General Fund Budget and Council Tax recommendation for resolution by the Full Council. It presents the full statutory resolutions, including the requirements of the Precepting Authorities (as known at the time of writing) and the Parish Councils, for the areas covered by the Borough Council as the Billing Authority.

Issue to be Decided

2. The Full Council is required to consider and approve the recommended 2014/15 Budget and the Council Tax requirement. The Full Council must also agree the statutory resolutions, which include the Precepting Authorities' requirements.

Ashford Borough Council's General Fund Budget and Council Tax Requirement and Consultation

3. The decisions of the Cabinet at its meeting on 14th February are set out in its Cabinet Minute 310 reported on this Agenda. Recommendation (ii) on a detailed aspect of street trading consents is subject to confirmation. A summary of the recommended budget is included as **Appendix A**. Members will also have received a link to allow them to review the full 2014/2015 Budget Book by the time of the meeting.
4. The report to the Cabinet Meeting included advice required by the Local Government Act 2003, on the robustness of the estimates and the adequacy of the Councils reserves.
5. It should be noted that the period for budget consultation closes on 13th February. No responses were received from the Public and the Cabinet received a paper on the response of the JCC committee. Any further responses to the consultation will be reported to the Full Council Meeting.

Aldington and Bonnington Precept

6. At the time of writing the Parish has been unable to agree a precept. The resolutions contained in this report have been based upon the budget

recommended to the Parish by its Clerk. The Parish has called an extra ordinary meeting to discuss its budget on the 18th February where it is expected to finalise its budget. This Council cannot agree its resolutions without formal notification by this Parish of its precept.

7. As billing authority Ashford Borough Council may anticipate any amount it considers appropriate, up to a limit of the highest amount of the precept issued by that authority for the three immediately preceding years, increased (or reduced) by the increase (or reduction) in the RPI for the 12 month period ending in the September of the year prior to that for which the amount is being 'anticipated'. For this Parish this would mean a precept of £18,000 increased by 3.2% so £18,576. **In the unlikely event that the parish is unable to agree a precept a revised set of resolutions, based upon the 'anticipated' amount, will be tabled at the meeting.**

Council Tax Requirement

8. The demand on the Council Tax Collection Fund for 2014/15 that flows from the recommendation of the Cabinet, and the decisions of the Precepting Bodies totals £60,882,331 analysed as follows: -

Authority	Precept/Demand		2014/2015 Band D Council Tax £	Change over 2013/2014	
	£	%		£	%
Ashford Borough Council	6,086,501	10.00%	145.45	0	0.00%
Kent County Council	44,719,146	73.45%	1068.66	20.88	1.99%
Police and Crime Commissioner for Kent	6,037,541	9.92%	144.28	2.81	1.99%
Kent and Medway Fire Authority	2,899,928	4.76%	69.3	1.35	1.99%
Parish Councils	1,139,215	1.87%	42.78	4.04	10.43%

9. Excluding Parish Precepts the overall Council Tax at Band D for 2014/15 is £1,424.69, and increase of £25.04 2013/14.
10. Attached to this report are the formal resolutions for approval by the Council as the Billing Authority. Also attached at **Appendix A and B** are details on the calculation of this Council's Budget requirement and Council Tax at Band D.

Contact: Paul Naylor
Deputy Chief Executive

Ben Lockwood
Finance Manager

Email: Paul.naylor@ashford.gov.uk

ben.lockwood@ashford.gov.uk

COUNCIL TAX RESOLUTIONS

The Council is recommended to resolve as follows:

1. It be noted that on **05 December 2013** the Cabinet calculated
 - (a) the Council Tax Base 2014/15 for the whole Council area as **41,846.00** [Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the "Act")] and,
 - (b) for dwellings in those parts of its area to which a Parish precept relates as in the attached **Annex A**
2. Calculate that the Council Tax requirement for the Council's own purposes for 2014/15 (excluding Parish precepts) is **£6,086,500.70 (Appendices A and B)**
3. That the following amounts be calculated for the year 2014/15 in accordance with Sections 31 to 36 of the Act:
 - (a) £ 88,017,525 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) (80,791,810) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) 7,225,715 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31A(4) of the Act).
 - (d) 172.67 being the amount at 3(c) above (Item R), all divided by Item T (2 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts). **(Annex C)**
 - (e) 1,139,215 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached **Annex B**).
 - (f) 145.45 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (2 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. **(Annex D & E)**

Annex A

Part of the Council's area (i.e. tax base for parished areas – Band D equivalent properties).

PARISH	LOCAL TAX BASE	PARISH	LOCAL TAX BASE
Aldington & Bonnington	572.00	Little Chart	120.80
Appledore	320.90	Mersham and Sevington	650.40
Bethersden	660.30	Molash	103.30
Biddenden	1,057.50	Newenden	101.70
Bilsington	147.00	Orlestone	518.90
Boughton Aluph and Eastwell	1,030.70	Pluckley	464.10
Brabourne	590.00	Rolvenden	658.20
Brook	147.10	Ruckinge	320.10
Challock	411.00	Shadoxhurst	481.00
Charing	1,165.70	Smarden	605.40
Chilham	714.80	Smeeth	341.00
Crundale (PM)	92.40	Stanhope	692.50
Egerton	499.00	Stone	195.70
Godmersham	170.90	Tenterden (TC)	3,449.80
Great Chart with Singleton	2,318.60	Warehorne	173.20
Hastingleigh	112.60	Westwell	306.30
High Halden	690.10	Wittersham	510.70
Hothfield	275.00	Woodchurch	800.90
Kenardington	104.90	Wye with Hinxhill	982.20
Kingsnorth	4,074.90		

Annex B

PARISH	Parish Precept	PARISH	Parish Precept
Aldington & Bonnington*	26,990	Little Chart	6,000
Appledore	26,000	Mersham and Sevington	14,420
Bethersden	21,100	Molash	4,000
Biddenden	44,360	Newenden	4,910
Bilsington	4,000	Orlestone	18,730
Boughton Aluph and Eastwell	20,980	Pluckley	25,300
Brabourne	13,930	Rolvenden	20,598
Brook	5,000	Ruckinge	9,000
Challock	15,560	Shadoxhurst	12,270
Charing	66,980.00	Smarden	24,870
Chilham	25,060	Smeeth	10,664
Crundale (PM)	200	Stanhope	16,590
Egerton	16,484	Stone	4,250
Godmersham	4,000	Tenterden (TC)	304,650
Great Chart with Singleton	75,589	Warehorne	3,250
Hastingleigh	2,900	Westwell	14,926
High Halden	33,054	Wittersham	20,995
Hothfield	9,500	Woodchurch	20,000
Kenardington	4,180	Wye with Hinxhill	56,318
Kingsnorth	131,607		

***Note – at time of writing still awaiting final confirmation of precept demand**

BILLING AUTHORITY PART OF COUNCIL TAX 2014/2015

PARISH	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
Aldington & Bonnington*	128.43	149.83	171.24	192.64	235.45	278.25	321.07	385.28
Appledore	150.98	176.15	201.31	226.47	276.79	327.12	377.45	452.94
Bethersden	118.28	137.99	157.70	177.41	216.83	256.25	295.69	354.82
Biddenden	124.94	145.76	166.58	187.40	229.04	270.68	312.34	374.80
Bilsington	115.11	134.29	153.48	172.66	211.03	249.39	287.77	345.32
Boughton Aluph and Eastwell	110.54	128.97	147.39	165.81	202.65	239.50	276.35	331.62
Brabourne	112.71	131.49	150.28	169.06	206.63	244.19	281.77	338.12
Brook	119.63	139.57	159.50	179.44	219.31	259.19	299.07	358.88
Challock	122.21	142.58	162.94	183.31	224.04	264.78	305.52	366.62
Charing	135.28	157.82	180.37	202.91	248.00	293.09	338.19	405.82
Chilham	120.34	140.40	160.45	180.51	220.62	260.73	300.85	361.02
Crundale (PM)	98.41	114.81	131.21	147.61	180.41	213.21	246.02	295.22
Egerton	118.99	138.82	158.65	178.48	218.14	257.80	297.47	356.96
Godmersham	112.58	131.34	150.10	168.86	206.38	243.90	281.44	337.72
Great Chart with Singleton	118.70	138.49	158.27	178.05	217.61	257.18	296.75	356.10
Hastingleigh	114.14	133.16	152.18	171.20	209.24	247.28	285.34	342.40
High Halden	128.90	150.39	171.87	193.35	236.31	279.28	322.25	386.70
Hothfield	120.00	140.00	160.00	180.00	220.00	260.00	300.00	360.00
Kenardington	123.54	144.12	164.71	185.30	226.48	267.65	308.84	370.60
Kingsnorth	118.50	138.25	158.00	177.75	217.25	256.75	296.25	355.50
Little Chart	130.08	151.76	173.44	195.12	238.48	281.84	325.20	390.24
Mersham and Sevington	111.75	130.37	149.00	167.62	204.87	242.11	279.37	335.24
Molash	122.78	143.25	163.71	184.17	225.09	266.02	306.95	368.34
Newenden	129.16	150.68	172.21	193.73	236.78	279.83	322.89	387.46
Orlestone	121.04	141.21	161.38	181.55	221.89	262.23	302.59	363.10

Pluckley	133.31	155.53	177.74	199.96	244.39	288.83	333.27	399.92
Rolvenden	117.83	137.47	157.10	176.74	216.01	255.29	294.57	353.48
Ruckinge	115.72	135.00	154.29	173.57	212.14	250.71	289.29	347.14
Shadoxhurst	113.98	132.97	151.97	170.96	208.95	246.94	284.94	341.92
Smarden	124.36	145.08	165.81	186.53	227.98	269.43	310.89	373.06
Smeeth	117.82	137.45	157.09	176.72	215.99	255.26	294.54	353.44
Stanhope	112.94	131.77	150.59	169.41	207.05	244.70	282.35	338.82
Stone	111.45	130.02	148.60	167.17	204.32	241.46	278.62	334.34
Tenterden (TC)	155.84	181.82	207.79	233.76	285.70	337.65	389.60	467.52
Warehorne	109.48	127.72	145.97	164.21	200.70	237.19	273.69	328.42
Westwell	129.46	151.03	172.61	194.18	237.33	280.48	323.64	388.36
Wittersham	124.38	145.10	165.83	186.56	228.02	269.47	310.94	373.12
Woodchurch	113.62	132.55	151.49	170.42	208.29	246.16	284.04	340.84
Wye with Hinxhill	135.20	157.73	180.26	202.79	247.85	292.91	337.99	405.58
Unparished Area	96.97	113.13	129.29	145.45	177.77	210.09	242.42	290.90

***Note – at time of writing still awaiting final confirmation of precept demand**

TOTAL COUNCIL TAX 2014/2015

PARISH	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
Aldington & Bonnington*	983.26	1,147.13	1,311.01	1,474.88	1,802.63	2,130.37	2,458.14	2,949.76
Appledore	1,005.81	1,173.45	1,341.08	1,508.71	1,843.97	2,179.24	2,514.52	3,017.42
Bethersden	973.11	1,135.29	1,297.47	1,459.65	1,784.01	2,108.37	2,432.76	2,919.30
Biddenden	979.77	1,143.06	1,306.35	1,469.64	1,796.22	2,122.80	2,449.41	2,939.28
Bilsington	969.94	1,131.59	1,293.25	1,454.90	1,778.21	2,101.51	2,424.84	2,909.80
Boughton Aluph and Eastwell	965.37	1,126.27	1,287.16	1,448.05	1,769.83	2,091.62	2,413.42	2,896.10
Brabourne	967.54	1,128.79	1,290.05	1,451.30	1,773.81	2,096.31	2,418.84	2,902.60
Brook	974.46	1,136.87	1,299.27	1,461.68	1,786.49	2,111.31	2,436.14	2,923.36
Challock	977.04	1,139.88	1,302.71	1,465.55	1,791.22	2,116.90	2,442.59	2,931.10
Charing	990.11	1,155.12	1,320.14	1,485.15	1,815.18	2,145.21	2,475.26	2,970.30
Chilham	975.17	1,137.70	1,300.22	1,462.75	1,787.80	2,112.85	2,437.92	2,925.50
Crundale (PM)	953.24	1,112.11	1,270.98	1,429.85	1,747.59	2,065.33	2,383.09	2,859.70
Egerton	973.82	1,136.12	1,298.42	1,460.72	1,785.32	2,109.92	2,434.54	2,921.44
Godmersham	967.41	1,128.64	1,289.87	1,451.10	1,773.56	2,096.02	2,418.51	2,902.20
Great Chart with Singleton	973.53	1,135.79	1,298.04	1,460.29	1,784.79	2,109.30	2,433.82	2,920.58
Hastingleigh	968.97	1,130.46	1,291.95	1,453.44	1,776.42	2,099.40	2,422.41	2,906.88
High Halden	983.73	1,147.69	1,311.64	1,475.59	1,803.49	2,131.40	2,459.32	2,951.18
Hothfield	974.83	1,137.30	1,299.77	1,462.24	1,787.18	2,112.12	2,437.07	2,924.48
Kenardington	978.37	1,141.42	1,304.48	1,467.54	1,793.66	2,119.77	2,445.91	2,935.08
Kingsnorth	973.33	1,135.55	1,297.77	1,459.99	1,784.43	2,108.87	2,433.32	2,919.98
Little Chart	984.91	1,149.06	1,313.21	1,477.36	1,805.66	2,133.96	2,462.27	2,954.72
Mersham and Sevington	966.58	1,127.67	1,288.77	1,449.86	1,772.05	2,094.23	2,416.44	2,899.72
Molash	977.61	1,140.55	1,303.48	1,466.41	1,792.27	2,118.14	2,444.02	2,932.82

Newenden	983.99	1,147.98	1,311.98	1,475.97	1,803.96	2,131.95	2,459.96	2,951.94
Orlestone	975.87	1,138.51	1,301.15	1,463.79	1,789.07	2,114.35	2,439.66	2,927.58
Pluckley	988.14	1,152.83	1,317.51	1,482.20	1,811.57	2,140.95	2,470.34	2,964.40
Rolvenden	972.66	1,134.77	1,296.87	1,458.98	1,783.19	2,107.41	2,431.64	2,917.96
Ruckinge	970.55	1,132.30	1,294.06	1,455.81	1,779.32	2,102.83	2,426.36	2,911.62
Shadoxhurst	968.81	1,130.27	1,291.74	1,453.20	1,776.13	2,099.06	2,422.01	2,906.40
Swarden	979.19	1,142.38	1,305.58	1,468.77	1,795.16	2,121.55	2,447.96	2,937.54
Smeeth	972.65	1,134.75	1,296.86	1,458.96	1,783.17	2,107.38	2,431.61	2,917.92
Stanhope	967.77	1,129.07	1,290.36	1,451.65	1,774.23	2,096.82	2,419.42	2,903.30
Stone	966.28	1,127.32	1,288.37	1,449.41	1,771.50	2,093.58	2,415.69	2,898.82
Tenterden (TC)	1,010.67	1,179.12	1,347.56	1,516.00	1,852.88	2,189.77	2,526.67	3,032.00
Warehorne	964.31	1,125.02	1,285.74	1,446.45	1,767.88	2,089.31	2,410.76	2,892.90
Westwell	984.29	1,148.33	1,312.38	1,476.42	1,804.51	2,132.60	2,460.71	2,952.84
Wittersham	979.21	1,142.40	1,305.60	1,468.80	1,795.20	2,121.59	2,448.01	2,937.60
Woodchurch	968.45	1,129.85	1,291.26	1,452.66	1,775.47	2,098.28	2,421.11	2,905.32
Wye with Hinxhill	990.03	1,155.03	1,320.03	1,485.03	1,815.03	2,145.03	2,475.06	2,970.06
Unparished Area	951.80	1,110.43	1,269.06	1,427.69	1,744.95	2,062.21	2,379.49	2,855.38

***Note – at time of writing still awaiting final confirmation of precept demand**

Council Tax Schedule 2014/15

Precepting Authority	VALUATION BANDS							
	A	B	C	D	E	F	G	H
Ashford Borough Council	96.97	113.13	129.29	145.45	177.77	210.09	242.42	290.90
Kent County Council	712.44	831.18	949.92	1,068.66	1,306.14	1,543.62	1,781.10	2,137.32
Police and Crime Commissioner for Kent	96.19	112.22	128.25	144.28	176.34	208.40	240.47	288.56
Kent and Medway Towns Fire Authority	46.20	53.90	61.60	69.30	84.70	100.10	115.50	138.60

APPENDIX A

CALCULATION OF THE BUDGET REQUIREMENT AND COUNCIL TAX AT BAND D		
	£	£
Gross Expenditure - General Fund	57,232,310	
Gross Expenditure - HRA	29,646,000	
Parish Precepts	<u>1,139,215</u>	88,017,525
Less Gross Income	(73,169,790)	(73,169,790)
NET EXPENDITURE		14,847,735
Add Deficit Distribution from Collection Fund	0	
New Homes Bonus	(1,878,000)	
Retained Business Rates	(2,457,510)	
Government Grant (RSG and S31 grants)	<u>(3,286,510)</u>	(7,622,020)
BUDGET REQUIREMENT		7,225,715
Less Parish Precepts		(1,139,215)
Council Tax Requirement		<u>6,086,500</u>
Council Tax Base		41,846.00
Band 'D' Council Tax		145.45
Average including Parishes		172.67

APPENDIX B

SUMMARY

ACTUALS	ESTIMATE	PROJECTED	DETAIL	ESTIMATE
2012/13	2013/14	OUTTURN		2014/15
£	£	2013/14		£
£	£	£		£
1,825,249	1,639,060	1,823,640	Corporate, Strategy & Personnel	1,844,470
1,173,433	1,250,300	1,251,700	Legal & Democratic	1,310,750
1,490,229	1,462,340	1,610,370	Planning & Development	1,810,300
1,235,530	2,189,360	2,206,660	Financial Services	2,055,760
284,271	297,470	324,470	Communications & Technology	340,150
744,706	952,630	1,112,030	Community & Housing	1,046,190
8,606,203	7,702,360	8,052,430	Culture & the Environment	7,074,780
15,359,620	15,493,520	16,381,300	SERVICE EXPENDITURE	15,482,400
(1,974,718)	(1,905,520)	(1,905,520)	Capital Charges	(1,762,880)
753,878	(319,450)	(319,450)	Net Interest	(375,880)
66,350	60,520	60,520	Concurrent Functions Grant	50,350
240,624	235,210	235,210	Drainage Board Levies	241,000
1,138,937	233,220	118,150	Contribution to Balances	12,030
15,584,691	13,797,500	14,570,210	ABC BUDGET REQUIREMENT	13,647,020
			INCOME	
(7,628,107)	(3,778,800)	(3,778,800)	Government Grant	(2,942,520)
	(2,707,970)	(2,707,970)	Retained Business Rates	(2,457,510)
			Business Rates S31 Grants	(343,990)
	(8,100)	(8,100)	Parish CTS Payment	61,500
(1,437,684)	(1,313,000)	(1,907,000)	New Homes Bonus	(1,878,000)
(6,518,900)	(5,989,630)	(5,989,629)	Council Tax	(6,086,500)
(0)	0	178,711	Budget Gap	0