

Item 6 (d) – Budget & Council Tax Setting 2024/25

The attached report was considered by the Cabinet, and the relevant minute extract is below:

Budget & Council Tax Setting 2024/25 (Cabinet – 8 February 2024, Minute 85)

The Portfolio Holder for Finance & Investment presented the report which set out the proposed budget for 2024/25. This was the final stage of the budget process which had given members an event greater opportunity to be involved in the processes than in previous years.

If approved, the net expenditure budget for 2024/25 would be £19.4m with the District's Council Tax increasing by 2.97% resulting in Band D Council Tax being £243.72, an increase of £7.02. He stressed again, the importance of recognising that the budget process had been the toughest for many years, and the list of savings reflected some of the difficult decisions that have had to be made.

He was pleased to say that those decisions and the approach adopted once again left the Council with a fully funded budget over the next 10 years that other councils would aspire to.

The Deputy Chief Executive and Chief Officer - Finance & Trading further detailed to Members that it had been an extremely challenging budget process with a number of changes made at each stage, and these were listed in Appendix E.

He went on to advise that the Financial Prospects report presented in September reported an annual budget gap of £1.3m. Members were fully involved during the Advisory Committee stage of the process where discussions on savings and growth proposals were put forward and produced further suggestions. Meanwhile, managers were continuing to search for possible savings recognising the challenges they may cause for their services.

This resulted in the gap being reported to Cabinet in December reducing to £656,000. Chief Officers then liaised with Portfolio Holders to come up with further ideas and managers searched once again. Also, greater risks were included in the assumptions particularly regarding Business Rates. These changes resulted in Cabinet being able to support a balanced annual budget position at their meeting in January. He reiterated again, that difficult decisions have had to be taken to enable the balanced budget.

The Final Local Government Finance Settlement was announced earlier this week and the council would receive an additional £165,000 for 2024/25 only. Cabinet would therefore have to make an additional recommendation as to how they proposed to use that funding.

An additional part of the budget process this year had been a thorough review of fees and charges, as listed in Appendix J and Cabinet were requested to approve the fees and charges for 2024/25. Members were advised that appendices P to S were not included within the Cabinet papers but would be included in the Council version of the report after the other preceptors had set their Council Tax.

The report included his opinion, as the Statutory Finance Officer, on the robustness of the budget estimates and adequacy of reserves.

Members discussed the report, noting the budget process had started earlier this year, with additional training and consultation with the Advisory Committees and Portfolio Holders.

Public Sector Equality Duty

Members note that consideration had been given to impacts under the Public Sector Equality Duty

Resolved: That

- (a) it be recommended to Council that:
 - i. the Summary of Council Expenditure and Council Tax for 2024/25 set out in Appendix F, be approved.
 - ii. the 10-year budget 2024/25 to 2033/34 which was the guiding framework for the detailed approval of future years' budgets set out in Appendix C(i) to the report, including the budget changes set out in Appendix E to the report, and that where possible any variations during and between years be met from the Budget Stabilisation Reserve, be agreed;
 - iii. the Capital Programme 2024/27 and funding method set out in Appendix K(i) and Capital Strategy 2024/25 set out in Appendix K(iii), be approved;
 - iv. the changes to reserves and provisions set out in Appendix L, be approved;

- v. the Local Council Tax Reduction Scheme 2023/24, be rolled forward to 2024/25, with effect from 1 April 2024 (Appendix N), be approved;
 - vi. the agreement made at Council on 21 February 2023 to shorten the Council Tax premium on long term empty dwellings from the current 2 years (empty) to 1 year from 1 April 2024, be confirmed; and
 - vii. the agreement made at Council on 21 February 2023 to implement the 100% Council Tax premium on all second homes from 1 April 2025, be confirmed.
- (b) the fees and charges for 2024/25 as set out in Appendix J, be approved; and
- (c) the additional one-off funding of £165,000 in 2024/25 be placed into the Budget Stabilisation Reserve to reduce the savings required to offset the expected 2023/24 overspend when setting the 2025/26 budget.