

COUNCIL, 28 February 2024

REPORT OF CABINET

SUBJECT: THE COUNCIL'S BUDGET 2024/2025

The purpose of this report is to enable the Council to calculate and set the Council Tax for 2024/25.

The Localism Act 2011 made significant changes to the Local Government Finance Act 1992 ("the Act"), and now requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously.

The Council has to formally resolve that it calculates certain figures, which broadly are:

- its gross expenditure, including contingency and levies (but not precepts)
- its gross income from fees & charges and other sources, specific grants, external finance from the Government, and any surplus/deficit on the collection fund
- the difference between the two, being the amount which the Council needs for its own services to be paid from the collection fund, defined as the Council Tax requirement
- the basic amount of Council Tax for the net position of all these figures, including precepts, and
- the amount of Council Tax for each other category of dwelling.

The Council is also required to formally approve the management of the Council's treasury management functions, including the Treasury Management Strategy Statement, Prudential Indicators and Minimum Revenue Provision Statement; the proposed revenue budget for both the General Fund and Schools' Delegated Budgets; the Capital Strategy & Programme and the Housing Revenue Account.

Members are asked to refer to the Cabinet reports including the appendices and any supplementary paper, as the recommendations before Council make specific reference to these reports.

Attached to this report are:

- **Annex A** which are the draft minutes of the Cabinet meeting.
- **Annex B** for the final notification of the Levies.
- **Annex C** is a revised Council Tax statement, also included in the Cabinet report marked as **Appendix E**, amended following the final notification of the levies.

The Treasury Management Strategy Statement and the Capital Programme & Strategy with all related documents were reported to Cabinet separately and are attached. A separate report also covers the proposed Members Allowances scheme for 2024/25.

The HRA Major Works Capital Programme and Revenue Budget for 2024/25 were also reported separately to Cabinet and approved at the meeting on 7 February 2024 and are also attached. It includes a detailed HRA Budget for 2024/2025 and HRA Major Works Capital Programme 2024/25 – 2028/29.

In the light of the above **Cabinet recommends the Council to adopt the following resolutions as set out below.**

The effect of adopting these resolutions would be to set the Council Tax for a Band D property at £2,207.92

RECOMMENDATIONS

1. That Council agree and endorse the recommendations in the report to Cabinet of 7 February 2024 titled Bridge Close Regeneration LLP Business Plan Refresh 2024-25.
2. That Council approves the Housing Revenue Account (HRA) Major Works Capital Programme, detailed in **Appendix 1a** of the HRA Budget for 2024/2025 and HRA Major Works Capital Programme 2024/25 – 2028/29 report to Cabinet of 7 February 2024.
3. That Council approves the HRA Capital expenditure and financing for the 12 Sites Joint Venture, detailed in paragraphs **4.1 to 4.26** and **Appendix 1b** of the of the HRA Budget for 2024/2025 and HRA Major Works Capital Programme 2024/25 – 2028/29 report to Cabinet of 7 February 2024.
4. That Council approves the Capital Strategy and Programme for 2024/25 as shown in the separate report to Cabinet of 7 February 2024.
5. That Council approves the Treasury Management Strategy Statement, Prudential Indicators, and the Minimum Revenue Provision Statement for 2024/25 as shown in the separate report to Cabinet of 7 February 2024.
6. That the following as submitted in the report to Cabinet of 7 February 2024 be approved:
 - The General Fund budget for 2024/25
 - The Council Tax for Band D properties and for other Bands of properties, all as set out in **Appendix E** of the Cabinet report.
 - The Delegated Schools' Budget for 2024/25, as set out in section 6 of the Cabinet report.
 - The Capital Programme for 2024/25 as set out in the Capital Strategy and Programme Report reported to Cabinet on 7 February 2024.
7. The Council delegate authority to the Chief Financial Officer to adjust the Corporate Risk Budget to account for any further variations that may arise.

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8. That, in accepting recommendation 1, Council is mindful of the advice of the Chief Finance Officer as set out in Appendix H of the report to Cabinet.
9. That it be noted that under delegated powers the Chief Finance Officer has calculated the amount of 91000 (called T in the Act and Regulations) as its Council Tax base for the year 2024/25 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended) made under Section 31B of the Local Government Finance Act 1992 as amended.
10. That the amount of £158,023,320 be now calculated as the Council Tax requirement for the Council's own purposes for 2024/25, with £23,233,210 of that amount being ringfenced for Adult Social Care.
11. That the following amounts be now calculated by the Council for the year 2024/25 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended:

(a)	£724,273,337	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act.
(b)	(£566,250,017)	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
(c)	£158,023,320	being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.
(d)	£1,736.52	being the amount at (c) above divided by the taxbase, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

12. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts shown in the table below as the amounts of Council Tax for 2024/25 for each of the categories of dwellings.

Valuation Bands London Borough of Havering			
	Havering	Adult Social Care	Total
	£ p	£ p	£ p
A	987.47	170.21	1,157.68
B	1,152.05	198.58	1,350.63
C	1,316.63	226.94	1,543.57
D	1,481.21	255.31	1,736.52
E	1,810.37	312.04	2,122.41
F	2,139.53	368.78	2,508.31
G	2,468.68	425.52	2,894.20
H	2,962.42	510.62	3,473.04

13. That it be noted for the year 2024/25 the major precepting authority (the GLA) has 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 the dwellings shown below as proposed by the Mayor.

Valuation Bands Greater London Authority	
	£ p
A	314.27
B	366.64
C	419.02
D	471.40
E	576.16
F	680.91
G	785.67
H	942.80

14. That, having calculated the aggregate in each case of the amounts at 7 and 8 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 2024/25 for each of the categories of dwellings shown below:

Valuation Bands	£ p
A	1,471.95
B	1,717.27
C	1,962.59
D	2,207.92
E	2,698.57
F	3,189.22
G	3,679.87
H	4,415.84

The effect of adopting this resolution would be to set the Council Tax for a Band D property at £2,207.92

15. That Council having considered the principles approved under the Local Government Finance Act 1992 by the Secretary of State for Communities and Local Government concludes that the Council's basic relevant amount of Council Tax for 2024/25 is not excessive.
16. That any Council Tax payer who is liable to pay an amount of Council Tax to the Authority in respect to the year ending on 31 March 2024, who is served with a demand notice under Regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 as amended and who makes payment to the Authority of the full balance of the estimated amount shown on that demand by 1 April 2024, may deduct a sum equivalent to 1.5% of and from the estimated amount and such reduced amount shall be accepted in full settlement of that estimated amount.

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17. That Council approves that the Council Tax Support Scheme 2024/25 is adopted for 2024/25 as set out in Section 10 of the Cabinet report of 7 February 2024.

REPORT DETAIL

As set out in the reports to Cabinet of 7 February 2024 and the attached Annexes.