

Extract from the minutes of the Adur Cabinet 2 February 2023

A CAB/006/22-23 Budget Estimates 2023/24 and setting of the 2023/24 Council Tax

The Executive had before it a report from the Director for Digital, Sustainability and Resources, attached to these minutes as item 5.

The report was the final budget report of the year, the culmination of the annual budgeting exercise, and asked members to consider:

- The final revenue estimates for 2023/24 including any adjustments arising from settlement;
- An updated outline 5-year forecast; and
- The provisional level of Council Tax for 2023/24, prior to its submission to the Council for approval on the 23rd February 2023. This will be subject to any proposals to change the draft revenue budget following the consideration of the budget by the Cabinet.

The report outlined the medium term financial challenge through to 2027/28, discussed the impact of the current high inflation was having on the budget over the next year, and set out performance in the key strategic areas of commercialisation, digital transformation and strategic asset investment. This had been updated to include the latest information regarding the impact of the inflation on the Council's financial position. The current budget strategy was having a significant effect on how the Council would be funded in the future with increasing income generated from commercial income and rents. Following the delay to the fairer funding review, the challenge still remained significant for 2023/24, however the delivery of the budget strategy would ensure that this was met.

These budgets reflected the Council's ambitions set out in the JSC Sub-Committee report 'Priorities for Adur District Council' supported by 'Our plan', and agreed savings proposals contributing to the financial sustainability of the Councils.

The major points raised within the report included:

- A full update on the impact of settlement. The Council should prepare itself for a continuation of the reduction in Government resources for 2023/24 and beyond (see section 4);
- Highlights the proposed funding for initiatives to support the Councils' ambitions set out in Our Plan;
- Details the proposals to invest in services outlined in Appendix 2;
- The Cabinet will need to consider whether to increase Council Tax by 2.00% or by a different amount (section 5.10).

The budget was analysed by Cabinet Member portfolio. In addition, the draft estimates for 2023/24 had been prepared, in accordance with the requirements of the Service Reporting Code of Practice for Local Authorities (except in relation to pension costs adjustments that did not impact either on the Budget Requirement or the Council Tax Requirement).

The Police and Crime Commissioner (PCC) had been informed that the referendum criteria for this year is an increase of £15.00 per Band D property which would be equivalent to an increase of 6.67% and a further £10.00 in 2024/25. The proposed 2023/24 budget was due to be considered by the Sussex Police and Crime Panel (PCP) on 27th January 2023. If the proposals were vetoed by the PCP, revised proposals would be considered by the Panel on the 20th February 2023 at which point the Commissioner would be in a position to confirm the Council Tax for 2023/34 in time for Council on the 23rd February 2023.

The draft Local Government Settlement allowed Councils to increase core Council Tax by up to 2.99%. Those Councils with responsibility for Adult Social Care can increase Council Tax by up to a further 2%. Therefore a Council Tax increase of 4.99% for Councils with social care responsibilities is allowed for 2023/24.

The precept for West Sussex County Council had not yet been finalised and would not be confirmed until 17th February 2023. The formal detailed resolution setting the overall Council Tax for next year would be presented directly to the Council Meeting on 23rd February 2023.

Members thanked Officers for the report and noted that the budget would become increasingly resilient over the next 5-10 years.

A recorded vote was taken, the results of which, are set out below:-

For: (6) - Councillors C Albury, K Boram, A Dunn, E Evans, S Neocleous and N Parkin

Against: (0)

Abstentions: (0)

Decision

The Cabinet:

- (a) approved the proposals to invest in services outlined in Appendix 2;
- (b) recommended to Council the draft budgets for 2023/24 at Appendix 6, as submitted in Cabinet Member Portfolio order, and the transfer to Reserves leading to a net budget requirement of £10,611,720 which included provision for the proposals in Appendix 2; and
- (c) recommended to Council an average increase of 2% in Council Tax, making the average Band D £324 for Adur District Council's requirements in 2023/24, as set out in paragraph 5.10;
- (d) recommended to Council that special expenses of £26.28 per Band D equivalent, to be charged in all areas of the District except Lancing;
- (e) approved the Council Tax base of 21,937.3 for 2023/24 as set out in paragraph 12.3.