

**MID SUFFOLK DISTRICT COUNCIL**

**APPENDIX C**

**Budget and Council Tax Resolutions 2020/21**

**Summary of Budget 2020/21**

	<b>2020/21 Budget Requirement £</b>	<b>2020/21 Council Tax at Band D £</b>	<b>2019/20 Budget Requirement £</b>
<b>Mid Suffolk District Council</b>			
General Fund Budget Requirement - District Council Purposes	8,648,400	231.85	8,023,280
Parish/Town Council Precepts (net of Council Tax Support Scheme grant)	2,858,574	76.63	2,700,731
	<b>11,506,974</b>	<b>308.48</b>	<b>10,724,011</b>
Settlement Funding from Government	(1,772,040)	(47.51)	(2,042,860)
Rural Services Delivery Grant	(432,990)	(11.61)	(432,990)
Business Rates Collection Fund Deficit	(119,860)	(3.21)	597,000
Council Tax Collection Fund Surplus	(27,340)	(0.73)	(27,340)
MSDC's basic amount under section 33 of the 1992 Local Government Act	<b>9,154,744</b>	<b>245.42</b>	<b>8,817,821</b>
<b>LESS</b> Parish/Town Council Precepts	(2,858,574)	(76.63)	(2,700,731)
Basic amount under s.34 of the 1992 Act for dwellings to which no special items relate	<b>6,297,170</b>	<b>168.79</b>	<b>6,117,090</b>
Suffolk County Council Precept Requirement	50,118,736	1,343.61	47,603,943
Suffolk Police and Crime Commissioner's Requirement	8,308,920	222.75	7,838,387
<b>Basic amount for areas where there are no special items.</b>	<b>64,723,826</b>	<b>1,735.15</b>	<b>61,559,420</b>

**APPENDIX C**

**Council Tax Resolution 2020/21**

1. It is a requirement for the billing authority to calculate a council tax requirement for the year as opposed to its budget requirement.

2. It be noted that the Council, as delegated to the Section 151 Officer, calculated the taxbase:
  - a) for the whole Council area as 37,301.55 and,
  - b) for dwellings in those parts of its area to which a Parish precept relates as further detailed in Appendix C.
3. The council tax requirement for the Council's own purposes for 2020/21 (excluding Parish precepts) is £6,297,170.
4. That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 to 36 of the Act:

a)	51,114,044	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 (gross expenditure)
b)	(40,959,300)	Being the aggregate of the amounts which the Council estimates for items set out in Section 31(A)(3) of the Act (gross income)
c)	9,154,744	Being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(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) (net expenditure)
d)	245.42	Being the amount at 4(c) above (item R) all divided by item T (2(a) 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) (average council tax)
e)	2,858,574	Being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per Appendix C)
f)	168.79	Being the amount at 4(d) above less the result given by dividing the amount at 4(e) above by item T (2(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 (basic council tax)

5. To note that Suffolk County Council and the Police and Crime Commissioner have issued precepts to the Council in accordance with section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in Section 7 below.
6. That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below and further in Appendix C as the amounts of council tax for 2020/21 for each part of its area and for each of the categories of dwellings.
7. Since the Cabinet meeting on 10 February 2020, the precept levels of other precepting bodies have been received. These are detailed below;

**a) Suffolk County Council**

Suffolk County Council met on 13 February 2020 and set their precept at £50,118,736. This includes an adjustment for the Collection Fund contribution of £286,870 and results in a Band D council tax of £1,343.61.

**b) Suffolk Police and Crime Commissioner**

The Police and Crime Commissioner has set their precept at £8,308,920, adjusted by a Collection Fund contribution of £27,240. This results in a Band D council tax of £222.75.

**c) Mid Suffolk District Council**

The General Fund council tax requirement for Mid Suffolk District Council is based on an increase in council tax from £166.04 to £168.79 for a Band D property.

**d) Aggregated council tax requirement**

The aggregated council tax requirement for Suffolk County Council, Suffolk Police and Crime Commissioner and Mid Suffolk District Council results in a Band D council tax of £1,735.15.

	<b>Suffolk County Council</b>	<b>Police and Crime Commissioner</b>	<b>Mid Suffolk District Council</b>	<b>Aggregated Council Tax requirement</b>
<b>Valuation Bands</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>A</b>	895.74	148.50	112.53	<b>1,156.77</b>
<b>B</b>	1,045.03	173.25	131.28	<b>1,349.56</b>
<b>C</b>	1,194.32	198.00	150.04	<b>1,542.36</b>
<b>D</b>	1,343.61	222.75	168.79	<b>1,735.15</b>
<b>E</b>	1,642.19	272.25	206.30	<b>2,120.74</b>
<b>F</b>	1,940.77	321.75	243.81	<b>2,506.33</b>
<b>G</b>	2,239.35	371.25	281.32	<b>2,891.92</b>
<b>H</b>	2,687.22	445.50	337.58	<b>3,470.30</b>

8. The Town and Parish Council Precepts for 2020/21 are detailed further in Appendix C and total £2,857,574. The increase in the average Band D for Town and Parish Councils is 4.2% and results in an average Band D council tax figure of £76.63 for 2020/21.

**APPENDIX C**

**Council Taxbase for Parishes and District – 2020/21**

Parish	COUNCIL TAX BASE		% Change
	19/20	20/21	
Akenham	22.48	23.61	4.79%
Ashbocking	143.70	139.70	-2.86%
Ashfield-cum-Thorpe	96.07	99.57	3.52%
Aspall	27.81	29.24	4.89%
Athelington	19.96	19.96	0.00%
Bacton	450.84	461.24	2.25%
Badley	34.55	34.41	-0.41%
Badwell Ash	313.63	316.07	0.77%
Barham	532.03	531.95	-0.02%
Barking	169.24	175.73	3.69%
Battisford	246.47	254.36	3.10%
Baylham	115.17	112.98	-1.94%
Bedfield	156.55	159.82	2.05%
Bedingfield	99.93	101.34	1.39%
Beyton	310.97	312.20	0.39%
Botesdale	277.30	277.62	0.12%
Braiseworth	30.54	29.85	-2.31%
Bramford	862.93	871.08	0.94%
Brome and Oakley	193.72	195.03	0.67%
Brundish	74.72	76.84	2.76%
Burgate	67.87	68.94	1.55%
Buxhall	158.48	163.72	3.20%
Claydon	755.95	758.91	0.39%
Coddenham	278.21	277.64	-0.21%
Combs	301.88	312.01	3.25%
Cotton	229.32	239.62	4.30%
Creeting St Mary	304.73	310.72	1.93%
Creeting St Peter	101.38	101.12	-0.26%
Crowfield	160.56	161.23	0.42%
Darmsden	18.35	18.49	0.76%
Debenham	813.12	811.59	-0.19%
Denham	77.62	79.14	1.92%
Drinkstone	281.80	283.36	0.55%
Earl Stonham	248.92	255.01	2.39%
Elmswell	1,421.17	1,464.69	2.97%
Eye	801.59	797.61	-0.50%
Felsham	180.42	182.13	0.94%
Finningham	206.38	212.87	3.05%
Flowton	49.77	49.74	-0.06%
Framsden	142.21	139.71	-1.79%
Fressingfield	421.71	421.98	0.06%
Gedding	52.36	54.05	3.13%
Gipping	25.98	26.37	1.48%
Gislingham	429.22	435.65	1.48%
Gosbeck	86.32	89.03	3.04%
Great Ashfield	150.54	151.94	0.92%
Great Blakenham	720.17	750.58	4.05%
Great Bricett	212.83	215.18	1.09%
Great Finborough	318.38	324.06	1.75%
Harleston	67.65	66.07	-2.39%
Haughley	572.09	579.18	1.22%
Helmingham	68.07	69.37	1.87%
Hemingstone	97.94	97.80	-0.14%
Henley	231.81	233.01	0.51%
Hessett	201.93	203.80	0.92%
Hinderclay	122.59	123.65	0.86%
Horham	121.99	121.98	-0.01%
Hoxne	357.27	355.10	-0.61%
Hunston	55.46	56.18	1.28%
Kenton	96.45	96.88	0.44%
Langham	42.54	43.48	2.16%
Laxfield	375.10	388.72	3.50%

Parish	COUNCIL TAX BASE		% Change
	19/20	20/21	
Little Blakenham	105.78	109.17	3.11%
Little Finborough	26.23	26.04	-0.73%
Mellis	204.00	206.94	1.42%
Mendham	177.25	178.37	0.63%
Mendlesham	552.52	570.68	3.18%
Metfield	174.75	172.50	-1.30%
Mickfield	88.33	89.43	1.23%
Monk Soham	73.53	74.76	1.65%
Needham Market	1,606.14	1,611.57	0.34%
Nettlestead	40.55	39.32	-3.13%
Norton	419.53	419.67	0.03%
Occold	193.60	194.19	0.30%
Offton	150.60	149.64	-0.64%
Old Newton with Dagworth	424.04	434.09	2.32%
Onehouse	281.70	287.07	1.87%
Palgrave	363.16	368.97	1.57%
Pettaugh	87.15	87.94	0.90%
Rattlesden	380.75	387.53	1.75%
Redgrave	262.33	257.73	-1.78%
Redlingfield	51.91	51.88	-0.06%
Rickinghall Inferior	164.47	167.97	2.08%
Rickinghall Superior	322.43	322.57	0.04%
Ringshall	258.45	257.57	-0.34%
Rishangles	37.48	36.84	-1.74%
Shelland	25.36	27.09	6.39%
Somersham	244.53	241.76	-1.15%
Southolt	28.84	28.59	-0.87%
Stoke Ash	96.80	110.80	12.64%
Stonham Aspal	242.88	242.87	0.00%
Stonham Parva	136.93	139.71	1.99%
Stowlangtoft	90.53	91.15	0.68%
Stowmarket	6,647.51	6,716.80	1.03%
Stowupland	685.25	718.03	4.57%
Stradbroke	559.41	576.73	3.00%
Stuston	85.94	87.86	2.19%
Syleham	94.69	93.66	-1.10%
Tannington	40.35	41.65	3.12%
Thorndon	309.77	307.26	-0.82%
Thornham Magna	80.07	79.94	-0.16%
Thornham Parva	26.23	25.46	-3.02%
Thrandeston	70.21	70.34	0.18%
Thurston	1,219.82	1,228.87	0.74%
Thwaite	61.39	61.75	0.58%
Tostock	210.28	206.73	-1.72%
Walsham-le-Willows	474.43	482.92	1.76%
Wattisfield	193.98	195.98	1.02%
Westhorpe	81.19	80.26	-1.16%
Wetherden	237.52	240.18	1.11%
Wetheringsett-cum-Brockford	286.82	279.50	-2.62%
Weybread	178.60	180.72	1.17%
Whitton	24.10	27.72	13.06%
Wickham Skeith	136.75	137.46	0.52%
Wilby	128.29	132.13	2.91%
Willisham	102.43	104.90	2.35%
Wingfield	146.00	149.93	2.62%
Winston	65.96	69.89	5.62%
Woolpit	787.79	804.24	2.05%
Worlingworth	315.82	322.40	2.04%
Wortham	327.76	330.89	0.95%
Wyverstone	137.13	137.68	0.40%
Yaxley	206.67	210.35	1.75%
<b>Total</b>	<b>36,841.45</b>	<b>37,301.55</b>	<b>1.23%</b>

## APPENDIX C

### Precepts and Council Tax Band D for Parishes

Parish	2019/20	Tax Base	Council Tax Band D	2020/21	Tax Base	Council Tax Band D	Increase / Decrease (-)
	Parish Precept			Parish Precept			
	£		£	£		£	£
Akenham	-	22.48	-	-	23.61	-	0.00
Ashbocking	1,950.00	143.70	13.57	1,950.00	139.70	13.96	0.39
Ashfield-cum-Thorpe	2,926.58	96.07	30.46	2,982.19	99.57	29.95	-0.51
Aspall	-	27.81	-	-	29.24	-	0.00
Athelington	421.84	19.96	21.13	421.87	19.96	21.14	0.00
Bacton	22,671.38	450.84	50.29	23,724.35	461.24	51.44	1.15
Badley	-	34.55	-	-	34.41	-	0.00
Badwell Ash	19,500.00	313.63	62.18	22,425.00	316.07	70.95	8.77
Barham	27,290.00	532.03	51.29	28,108.70	531.95	52.84	1.55
Barking	9,000.00	169.24	53.18	10,381.00	175.73	59.07	5.89
Battisford	10,725.00	246.47	43.51	10,725.00	254.36	42.16	-1.35
Baylham	-	115.17	-	-	112.98	-	0.00
Bedfield	3,600.00	156.55	23.00	4,100.00	159.82	25.65	2.66
Bedingfield	1,620.00	99.93	16.21	1,620.00	101.34	15.99	-0.23
Beyton	16,622.00	310.97	53.45	16,622.00	312.20	53.24	-0.21
Botesdale	29,500.00	277.30	106.38	30,700.00	277.62	110.58	4.20
Braiseworth	-	30.54	-	-	29.85	-	0.00
Bramford	67,500.00	862.93	78.22	68,850.00	871.08	79.04	0.82
Brome and Oakley	6,630.00	193.72	34.22	6,630.00	195.03	33.99	-0.23
Brundish	3,860.69	74.72	51.67	3,976.51	76.84	51.75	0.08
Burgate	2,915.48	67.87	42.96	3,017.41	68.94	43.77	0.81
Buxhall	4,119.21	158.48	25.99	4,617.70	163.72	28.20	2.21
Claydon	39,728.44	755.95	52.55	39,902.52	758.91	52.58	0.02
Coddenham	30,872.00	278.21	110.97	37,810.00	277.64	136.18	25.22
Combs	8,000.00	301.88	26.50	9,000.00	312.01	28.85	2.34
Cotton	6,180.00	229.32	26.95	6,500.00	239.62	27.13	0.18
Creeting St Mary	9,800.00	304.73	32.16	9,993.00	310.72	32.16	0.00
Creeting St Peter	5,300.00	101.38	52.28	5,285.00	101.12	52.26	-0.01
Crowfield	2,650.00	160.56	16.50	2,750.00	161.23	17.06	0.55
Darmsden	-	18.35	-	-	18.49	-	0.00
Debenham	74,232.00	813.12	91.29	78,686.00	811.59	96.95	5.66
Denham	3,090.00	77.62	39.81	3,191.97	79.14	40.33	0.52
Drinkstone	8,790.00	281.80	31.19	8,920.00	283.36	31.48	0.29
Earl Stonham	6,400.00	248.92	25.71	6,556.00	255.01	25.71	0.00
Elmswell	130,051.00	1,421.17	91.51	159,000.00	1,464.69	108.56	17.05
Eye	91,068.00	801.59	113.61	105,102.00	797.61	131.77	18.16
Felsham	6,990.00	180.42	38.74	7,133.00	182.13	39.16	0.42
Finningham	7,101.00	206.38	34.41	7,243.00	212.87	34.03	-0.38
Flowton	-	49.77	-	-	49.74	-	0.00
Framsden	9,478.00	142.21	66.65	9,573.00	139.71	68.52	1.87
Fressingfield	25,210.00	421.71	59.78	21,800.00	421.98	51.66	-8.12
Gedding	1,000.00	52.36	19.10	1,000.00	54.05	18.50	-0.60
Gipping	1,436.17	25.98	55.28	1,495.86	26.37	56.73	1.45
Gislingham	15,120.00	429.22	35.23	15,420.00	435.65	35.40	0.17
Gosbeck	1,000.00	86.32	11.58	1,500.00	89.03	16.85	5.26
Great Ashfield	2,415.00	150.54	16.04	2,415.00	151.94	15.89	-0.15
Great Blakenham	45,300.00	720.17	62.90	47,220.00	750.58	62.91	0.01
Great Bricett	10,350.00	212.83	48.63	10,465.00	215.18	48.63	0.00
Great Finborough	12,393.00	318.38	38.93	13,048.00	324.06	40.26	1.34
Harleston	1,858.00	67.65	27.46	1,858.00	66.07	28.12	0.66
Haughley	46,082.00	572.09	80.55	46,646.00	579.18	80.54	-0.01
Helmingham	2,600.00	68.07	38.20	2,600.00	69.37	37.48	-0.72
Hemingstone	2,040.00	97.94	20.83	2,040.00	97.80	20.86	0.03
Henley	12,111.00	231.81	52.25	12,111.00	233.01	51.98	-0.27
Hessett	9,645.00	201.93	47.76	9,886.00	203.80	48.51	0.74
Hinderclay	5,000.00	122.59	40.79	5,150.00	123.65	41.65	0.86
Horham	2,578.16	121.99	21.13	2,578.13	121.98	21.14	0.00
Hoxne	15,386.00	357.27	43.07	16,155.00	355.10	45.49	2.43
Hunston	-	55.46	-	-	56.18	-	0.00
Kenton	1,600.00	96.45	16.59	1,600.00	96.88	16.52	-0.07
Langham	-	42.54	-	-	43.48	-	0.00
Laxfield	41,880.00	375.10	111.65	42,430.00	388.72	109.15	-2.50
Little Blakenham	5,916.00	105.78	55.93	6,200.00	109.17	56.79	0.86
Little Finborough	-	26.23	-	-	26.04	-	0.00

## APPENDIX C

### Precepts and Council Tax Band D for Parishes

Parish	2019/20 Parish Precept	Tax Base	Council Tax Band D	2019/20 Parish Precept	Tax Base	Council Tax Band D	Increase / Decrease (-)
	£		£	£		£	£
Mellis	7,900.00	204.00	38.73	7,900.00	206.94	38.18	-0.55
Mendham	6,500.00	177.25	36.67	6,500.00	178.37	36.44	-0.23
Mendlesham	37,700.00	552.52	68.23	40,000.00	570.68	70.09	1.86
Metfield	5,500.00	174.75	31.47	5,500.00	172.50	31.88	0.41
Mickfield	4,700.00	88.33	53.21	4,840.00	89.43	54.12	0.91
Monk Soham	1,500.00	73.53	20.40	2,250.00	74.76	30.10	9.70
Needham Market	119,935.00	1,606.14	74.67	125,029.00	1,611.57	77.58	2.91
Nettlestead	-	40.55	-	-	39.32	-	0.00
Norton	20,000.00	419.53	47.67	22,000.00	419.67	52.42	4.75
Occold	8,500.00	193.60	43.90	8,800.00	194.19	45.32	1.41
Offton	5,406.67	150.60	35.90	5,330.34	149.64	35.62	-0.28
Old Newton with Dagworth	23,440.83	424.04	55.28	24,624.14	434.09	56.73	1.45
Onehouse	13,000.00	281.70	46.15	13,500.00	287.07	47.03	0.88
Palgrave	14,595.00	363.16	40.19	14,770.00	368.97	40.03	-0.16
Pettaugh	2,625.00	87.15	30.12	2,940.00	87.94	33.43	3.31
Rattlesden	14,600.00	380.75	38.35	18,476.00	387.53	47.68	9.33
Redgrave	15,400.00	262.33	58.70	18,000.00	257.73	69.84	11.14
Redlingfield	-	51.91	-	-	51.88	-	0.00
Rickingham Inferior	8,323.15	164.47	50.61	8,971.37	167.97	53.41	2.80
Rickingham Superior	16,316.85	322.43	50.61	17,228.63	322.57	53.41	2.80
Ringshall	5,900.00	258.45	22.83	7,100.00	257.57	27.57	4.74
Rishangles	-	37.48	-	-	36.84	-	0.00
Shelland	100.00	25.36	3.94	100.00	27.09	3.69	-0.25
Somersham	17,052.00	244.53	69.73	17,308.00	241.76	71.59	1.86
Southolt	-	28.84	-	-	28.59	-	0.00
Stoke Ash	3,286.88	96.80	33.96	4,178.36	110.80	37.71	3.76
Stonham Aspal	7,000.00	242.88	28.82	5,500.00	242.87	22.65	-6.17
Stonham Parva	6,565.00	136.93	47.94	6,700.00	139.71	47.96	0.01
Stowlangtoft	3,300.00	90.53	36.45	3,300.00	91.15	36.20	-0.25
Stowmarket	1,065,416.43	6,647.51	160.27	1,108,710.75	6,716.80	165.07	4.79
Stowupland	34,886.00	685.25	50.91	38,132.00	718.03	53.11	2.20
Stradbroke	33,225.00	559.41	59.39	35,107.00	576.73	60.87	1.48
Stuston	-	85.94	-	250.00	87.86	2.85	2.85
Syleham	1,600.00	94.69	16.90	1,600.00	93.66	17.08	0.19
Tannington	-	40.35	-	-	41.65	-	0.00
Thorndon	13,500.00	309.77	43.58	15,000.00	307.26	48.82	5.24
Thornham Magna	1,200.00	80.07	14.99	1,680.00	79.94	21.02	6.03
Thornham Parva	300.00	26.23	11.44	300.00	25.46	11.78	0.35
Thrandeston	2,500.00	70.21	35.61	2,500.00	70.34	35.54	-0.07
Thurston	96,889.00	1,219.82	79.43	105,162.00	1,228.87	85.58	6.15
Thwaite	2,084.52	61.39	33.96	2,328.64	61.75	37.71	3.76
Tostock	8,285.00	210.28	39.40	9,265.00	206.73	44.82	5.42
Walsham-le-Willows	20,851.00	474.43	43.95	21,649.00	482.92	44.83	0.88
Wattisfield	9,680.00	193.98	49.90	9,680.00	195.98	49.39	-0.51
Westhorpe	1,600.00	81.19	19.71	1,640.00	80.26	20.43	0.73
Wetherden	12,911.00	237.52	54.36	12,915.00	240.18	53.77	-0.59
Wetheringsett-cum-Brockford	8,850.00	286.82	30.86	8,850.00	279.50	31.66	0.81
Weybread	4,700.00	178.60	26.32	4,700.00	180.72	26.01	-0.31
Whiton	1,266.56	24.10	52.55	1,457.48	27.72	52.58	0.02
Wickham Skeith	3,000.00	136.75	21.94	3,500.00	137.46	25.46	3.52
Wilby	5,625.00	128.29	43.85	5,769.00	132.13	43.66	-0.18
Willisham	3,677.33	102.43	35.90	3,736.66	104.90	35.62	-0.28
Wingfield	4,905.00	146.00	33.60	4,905.00	149.93	32.72	-0.88
Winston	650.00	65.96	9.85	650.00	69.89	9.30	-0.55
Woolpit	27,000.00	787.79	34.27	30,000.00	804.24	37.30	3.03
Worlingworth	12,968.00	315.82	41.06	13,162.52	322.40	40.83	-0.23
Wortham	14,079.52	327.76	42.96	14,482.59	330.89	43.77	0.81
Wyverstone	3,182.00	137.13	23.20	3,230.00	137.68	23.46	0.26
Yaxley	5,250.00	206.67	25.40	6,250.00	210.35	29.71	4.31
<b>Total</b>	<b>2,700,730.69</b>	<b>36,841.45</b>	<b>73.31</b>	<b>2,858,573.69</b>	<b>37,301.55</b>	<b>76.63</b>	<b>3.33</b>

## APPENDIX C

### Precept for each banding by Parish

	Valuation Bands (£)							
	A	B	C	D	E	F	G	H
Mid Suffolk District Council	112.53	131.28	150.04	168.79	206.30	243.81	281.32	337.58
Suffolk County Council	895.74	1,045.03	1,194.32	1,343.61	1,642.19	1,940.77	2,239.35	2,687.22
Police and Crime Commissioner	148.50	173.25	198.00	222.75	272.25	321.75	371.25	445.50
Aggregate of Council Tax Requirements	<b>1,156.77</b>	<b>1,349.56</b>	<b>1,542.36</b>	<b>1,735.15</b>	<b>2,120.74</b>	<b>2,506.33</b>	<b>2,891.92</b>	<b>3,470.30</b>
	<b>Total Amount of Council Tax for 2020/21</b>							
	6/9 ths	7/9 ths	8/9 ths		11/9 ths	13/9 ths	15/9 ths	18/9 ths
Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Akenham	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Ashbocking	1,166.07	1,360.42	1,554.76	1,749.11	2,137.80	2,526.49	2,915.18	3,498.22
Ashfield-cum-Thorpe	1,176.73	1,372.86	1,568.98	1,765.10	2,157.34	2,549.59	2,941.83	3,530.20
Aspall	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Athelington	1,170.86	1,366.00	1,561.15	1,756.29	2,146.58	2,536.86	2,927.15	3,512.58
Bacton	1,191.06	1,389.57	1,588.08	1,786.59	2,183.61	2,580.03	2,977.65	3,573.18
Badley	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Badwell Ash	1,204.07	1,404.74	1,605.42	1,806.10	2,207.46	2,608.81	3,010.17	3,612.20
Barham	1,191.99	1,390.66	1,589.32	1,787.99	2,185.32	2,582.65	2,979.98	3,575.98
Barking	1,196.15	1,395.50	1,594.86	1,794.22	2,192.94	2,591.65	2,990.37	3,588.44
Battisford	1,184.87	1,382.35	1,579.83	1,777.31	2,172.27	2,567.23	2,962.18	3,554.62
Baylham	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Bedfield	1,173.87	1,369.51	1,565.16	1,760.80	2,152.09	2,543.38	2,934.67	3,521.60
Bedingfield	1,167.43	1,362.00	1,556.57	1,751.14	2,140.28	2,529.42	2,918.57	3,502.28
Beyton	1,192.26	1,390.97	1,589.68	1,788.39	2,185.81	2,583.23	2,980.65	3,576.78
Botesdale	1,230.49	1,435.57	1,640.65	1,845.73	2,255.89	2,666.05	3,076.22	3,691.46
Braiseworth	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Bramford	1,209.46	1,411.04	1,612.61	1,814.19	2,217.34	2,620.50	3,023.65	3,628.38
Brome and Oakley	1,179.43	1,376.00	1,572.57	1,769.14	2,162.28	2,555.42	2,948.57	3,538.28
Brundish	1,191.27	1,389.81	1,588.36	1,786.90	2,183.99	2,581.08	2,978.17	3,573.80
Burgate	1,185.95	1,383.60	1,581.26	1,778.92	2,174.24	2,569.55	2,964.87	3,557.84
Buxhall	1,175.57	1,371.49	1,567.42	1,763.35	2,155.21	2,547.06	2,938.92	3,526.70
Claydon	1,191.82	1,390.46	1,589.09	1,787.73	2,185.00	2,582.28	2,979.55	3,575.46
Coddenham	1,247.55	1,455.48	1,663.40	1,871.33	2,287.18	2,703.03	3,118.88	3,742.66
Combs	1,176.00	1,372.00	1,568.00	1,764.00	2,156.00	2,548.00	2,940.00	3,528.00
Cotton	1,174.85	1,370.66	1,566.47	1,762.28	2,153.90	2,545.52	2,937.13	3,524.56
Creting St Mary	1,178.21	1,374.57	1,570.94	1,767.31	2,160.05	2,552.78	2,945.52	3,534.62
Creting St Peter	1,191.61	1,390.21	1,588.81	1,787.41	2,184.61	2,581.81	2,979.02	3,574.82
Crowfield	1,168.14	1,362.83	1,557.52	1,752.21	2,141.59	2,530.97	2,920.35	3,504.42
Darmsden	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Debenham	1,221.40	1,424.97	1,628.53	1,832.10	2,239.23	2,646.37	3,053.50	3,664.20
Denham	1,183.65	1,380.93	1,578.20	1,775.48	2,170.03	2,564.58	2,959.13	3,550.96
Drinkstone	1,177.75	1,374.05	1,570.34	1,766.63	2,159.21	2,551.80	2,944.38	3,533.26
Earl Stonham	1,173.91	1,369.56	1,565.21	1,760.86	2,152.16	2,543.46	2,934.77	3,521.72
Elmswell	1,229.14	1,434.00	1,638.85	1,843.71	2,253.42	2,663.14	3,072.85	3,687.42
Eye	1,244.61	1,452.05	1,659.48	1,866.92	2,281.79	2,696.66	3,111.53	3,733.84
Felsham	1,182.87	1,380.02	1,577.16	1,774.31	2,168.60	2,562.89	2,957.18	3,548.62
Finningham	1,179.45	1,376.03	1,572.60	1,769.18	2,162.33	2,555.48	2,948.63	3,538.36

## APPENDIX C

Precept for each banding by Parish

	Valuation Bands (£)							
	A	B	C	D	E	F	G	H
Mid Suffolk District Council	112.53	131.28	150.04	168.79	206.30	243.81	281.32	337.58
Suffolk County Council	895.74	1,045.03	1,194.32	1,343.61	1,642.19	1,940.77	2,239.35	2,687.22
Police and Crime Commissioner	148.50	173.25	198.00	222.75	272.25	321.75	371.25	445.50
<b>Aggregate of Council Tax Requirements</b>	<b>1,156.77</b>	<b>1,349.56</b>	<b>1,542.36</b>	<b>1,735.15</b>	<b>2,120.74</b>	<b>2,506.33</b>	<b>2,891.92</b>	<b>3,470.30</b>
Flowton	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Framsden	1,202.45	1,402.85	1,603.26	1,803.67	2,204.49	2,605.30	3,006.12	3,607.34
Fressingfield	1,191.21	1,389.74	1,588.28	1,786.81	2,183.88	2,580.95	2,978.02	3,573.62
Gedding	1,169.10	1,363.95	1,558.80	1,753.65	2,143.35	2,533.05	2,922.75	3,507.30
Gipping	1,194.59	1,393.68	1,592.78	1,791.88	2,190.08	2,588.27	2,986.47	3,583.76
Gislingham	1,180.37	1,377.09	1,573.82	1,770.55	2,164.01	2,557.46	2,950.92	3,541.10
Gosbeck	1,168.00	1,362.67	1,557.33	1,752.00	2,141.33	2,530.67	2,920.00	3,504.00
Great Ashfield	1,167.36	1,361.92	1,556.48	1,751.04	2,140.16	2,529.28	2,918.40	3,502.08
Great Blakenham	1,198.71	1,398.49	1,598.28	1,798.06	2,197.63	2,597.20	2,996.77	3,596.12
Great Bricett	1,189.19	1,387.38	1,585.58	1,783.78	2,180.18	2,576.57	2,972.97	3,567.56
Great Finborough	1,183.61	1,380.87	1,578.14	1,775.41	2,169.95	2,564.48	2,959.02	3,550.82
Harleston	1,175.51	1,371.43	1,567.35	1,763.27	2,155.11	2,546.95	2,938.78	3,526.54
Haughley	1,210.46	1,412.20	1,613.95	1,815.69	2,219.18	2,622.66	3,026.15	3,631.38
Helmingham	1,181.75	1,378.71	1,575.67	1,772.63	2,166.55	2,560.47	2,954.38	3,545.26
Hemingstone	1,170.67	1,365.79	1,560.90	1,756.01	2,146.23	2,536.46	2,926.68	3,512.02
Henley	1,191.42	1,389.99	1,588.56	1,787.13	2,184.27	2,581.41	2,978.55	3,574.26
Hessett	1,189.11	1,387.29	1,585.48	1,783.66	2,180.03	2,576.40	2,972.77	3,567.32
Hinderclay	1,184.53	1,381.96	1,579.38	1,776.80	2,171.64	2,566.49	2,961.33	3,553.60
Horham	1,170.86	1,366.00	1,561.15	1,756.29	2,146.58	2,536.86	2,927.15	3,512.58
Hoxne	1,187.09	1,384.94	1,582.79	1,780.64	2,176.34	2,572.04	2,967.73	3,561.28
Hunston	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Kenton	1,167.78	1,362.41	1,557.04	1,751.67	2,140.93	2,530.19	2,919.45	3,503.34
Langham	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Laxfield	1,229.53	1,434.46	1,639.38	1,844.30	2,254.14	2,663.99	3,073.83	3,688.60
Little Blakenham	1,194.63	1,393.73	1,592.84	1,791.94	2,190.15	2,588.36	2,986.57	3,583.88
Little Finborough	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Mellis	1,182.22	1,379.26	1,576.29	1,773.33	2,167.40	2,561.48	2,955.55	3,546.66
Mendham	1,181.06	1,377.90	1,574.75	1,771.59	2,165.28	2,558.96	2,952.65	3,543.18
Mendlesham	1,203.49	1,404.08	1,604.66	1,805.24	2,206.40	2,607.57	3,008.73	3,610.48
Metfield	1,178.02	1,374.36	1,570.69	1,767.03	2,159.70	2,552.38	2,945.05	3,534.06
Mickfield	1,192.85	1,391.65	1,590.46	1,789.27	2,186.89	2,584.50	2,982.12	3,578.54
Monk Soham	1,176.83	1,372.97	1,569.11	1,765.25	2,157.53	2,549.81	2,942.08	3,530.50
Needham Market	1,208.49	1,409.90	1,611.32	1,812.73	2,215.56	2,618.39	3,021.22	3,625.46
Nettlestead	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Norton	1,191.71	1,390.33	1,588.95	1,787.57	2,184.81	2,582.05	2,979.28	3,575.14
Occold	1,186.98	1,384.81	1,582.64	1,780.47	2,176.13	2,571.79	2,967.45	3,560.94
Offton	1,180.51	1,377.27	1,574.02	1,770.77	2,164.27	2,557.78	2,951.28	3,541.54
Old Newton with Dagworth	1,194.59	1,393.68	1,592.78	1,791.88	2,190.08	2,588.27	2,986.47	3,583.76
Onehouse	1,188.12	1,386.14	1,584.16	1,782.18	2,178.22	2,574.26	2,970.30	3,564.36
Palgrave	1,183.45	1,380.70	1,577.94	1,775.18	2,169.66	2,564.15	2,958.63	3,550.36
Pettaugh	1,179.05	1,375.56	1,572.07	1,768.58	2,161.60	2,554.62	2,947.63	3,537.16
Rattlesden	1,188.55	1,386.65	1,584.74	1,782.83	2,179.01	2,575.20	2,971.38	3,565.66
Redgrave	1,203.33	1,403.88	1,604.44	1,804.99	2,206.10	2,607.21	3,008.32	3,609.98
Redlingfield	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Rickinghall Inferior	1,192.37	1,391.10	1,589.83	1,788.56	2,186.02	2,583.48	2,980.93	3,577.12
Rickinghall Superior	1,192.37	1,391.10	1,589.83	1,788.56	2,186.02	2,583.48	2,980.93	3,577.12
Ringshall	1,175.15	1,371.00	1,566.86	1,762.72	2,154.44	2,546.15	2,937.87	3,525.44
Rishangles	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Shelland	1,159.23	1,352.43	1,545.64	1,738.84	2,125.25	2,511.66	2,898.07	3,477.68
Somersham	1,204.49	1,405.24	1,605.99	1,806.74	2,208.24	2,609.74	3,011.23	3,613.48
Southolt	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Stoke Ash	1,181.91	1,378.89	1,575.88	1,772.86	2,166.83	2,560.80	2,954.77	3,545.72
Stonham Aspal	1,171.87	1,367.18	1,562.49	1,757.80	2,148.42	2,539.04	2,929.67	3,515.60
Stonham Parva	1,188.74	1,386.86	1,584.99	1,783.11	2,179.36	2,575.60	2,971.85	3,566.22
Stowlangtoft	1,180.90	1,377.72	1,574.53	1,771.35	2,164.98	2,558.62	2,952.25	3,542.70

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Precept for each banding by Parish



	Valuation Bands (£)							
	A	B	C	D	E	F	G	H
Mid Suffolk District Council	112.53	131.28	150.04	168.79	206.30	243.81	281.32	337.58
Suffolk County Council	895.74	1,045.03	1,194.32	1,343.61	1,642.19	1,940.77	2,239.35	2,687.22
Police and Crime Commissioner	148.50	173.25	198.00	222.75	272.25	321.75	371.25	445.50
<b>Aggregate of Council Tax Requirements</b>	<b>1,156.77</b>	<b>1,349.56</b>	<b>1,542.36</b>	<b>1,735.15</b>	<b>2,120.74</b>	<b>2,506.33</b>	<b>2,891.92</b>	<b>3,470.30</b>
Stowmarket	1,266.81	1,477.95	1,689.08	1,900.22	2,322.49	2,744.76	3,167.03	3,800.44
Stowupland	1,192.17	1,390.87	1,589.56	1,788.26	2,185.65	2,583.04	2,980.43	3,576.52
Stradbroke	1,197.35	1,396.90	1,596.46	1,796.02	2,195.14	2,594.25	2,993.37	3,592.04
Stuston	1,158.67	1,351.78	1,544.89	1,738.00	2,124.22	2,510.44	2,896.67	3,476.00
Syleham	1,168.15	1,362.85	1,557.54	1,752.23	2,141.61	2,531.00	2,920.38	3,504.46
Tannington	1,156.77	1,349.56	1,542.36	1,735.15	2,120.74	2,506.33	2,891.92	3,470.30
Thorndon	1,189.31	1,387.53	1,585.75	1,783.97	2,180.41	2,576.85	2,973.28	3,567.94
Thornham Magna	1,170.78	1,365.91	1,561.04	1,756.17	2,146.43	2,536.69	2,926.95	3,512.34
Thornham Parva	1,164.62	1,358.72	1,552.83	1,746.93	2,135.14	2,523.34	2,911.55	3,493.86
Thrandeston	1,180.46	1,377.20	1,573.95	1,770.69	2,164.18	2,557.66	2,951.15	3,541.38
Thurston	1,213.82	1,416.12	1,618.43	1,820.73	2,225.34	2,629.94	3,034.55	3,641.46
Thwaite	1,181.91	1,378.89	1,575.88	1,772.86	2,166.83	2,560.80	2,954.77	3,545.72
Tostock	1,186.65	1,384.42	1,582.20	1,779.97	2,175.52	2,571.07	2,966.62	3,559.94
Walsham-le-Willows	1,186.65	1,384.43	1,582.20	1,779.98	2,175.53	2,571.08	2,966.63	3,559.96
Wattisfield	1,189.69	1,387.98	1,586.26	1,784.54	2,181.10	2,577.67	2,974.23	3,569.08
Westhorpe	1,170.39	1,365.45	1,560.52	1,755.58	2,145.71	2,535.84	2,925.97	3,511.16
Wetherden	1,192.61	1,391.38	1,590.15	1,788.92	2,186.46	2,584.00	2,981.53	3,577.84
Wetheringsett-cum-Brockford	1,177.87	1,374.19	1,570.50	1,766.81	2,159.43	2,552.06	2,944.68	3,533.62
Weybread	1,174.11	1,369.79	1,565.48	1,761.16	2,152.53	2,543.90	2,935.27	3,522.32
Whitton	1,191.82	1,390.46	1,589.09	1,787.73	2,185.00	2,582.28	2,979.55	3,575.46
Wickham Skeith	1,173.74	1,369.36	1,564.99	1,760.61	2,151.86	2,543.10	2,934.35	3,521.22
Wilby	1,185.87	1,383.52	1,581.16	1,778.81	2,174.10	2,569.39	2,964.68	3,557.62
Willisham	1,180.51	1,377.27	1,574.02	1,770.77	2,164.27	2,557.78	2,951.28	3,541.54
Wingfield	1,178.58	1,375.01	1,571.44	1,767.87	2,160.73	2,553.59	2,946.45	3,535.74
Winston	1,162.97	1,356.79	1,550.62	1,744.45	2,132.11	2,519.76	2,907.42	3,488.90
Woolpit	1,181.63	1,378.57	1,575.51	1,772.45	2,166.33	2,560.21	2,954.08	3,544.90
Worlingworth	1,183.99	1,381.32	1,578.65	1,775.98	2,170.64	2,565.30	2,959.97	3,551.96
Wortham	1,185.95	1,383.60	1,581.26	1,778.92	2,174.24	2,569.55	2,964.87	3,557.84
Wyverstone	1,172.41	1,367.81	1,563.21	1,758.61	2,149.41	2,540.21	2,931.02	3,517.22
Yaxley	1,176.57	1,372.67	1,568.76	1,764.86	2,157.05	2,549.24	2,941.43	3,529.72

## APPENDIX C

## **Budget, Funding and Council Tax Requirements**

- 1) The precept requirements of Parish / Town Councils must be aggregated with the requirement of this authority to arrive at an average Council Tax figure for the district / parish purposes. This figure however is totally hypothetical and will not be paid by any taxpayer (other than by coincidence). A schedule of the precept requirements from Parish / Town Councils is shown further down in Appendix C.
- 2) The County and the Police and Crime Commissioner's precept requirements are added to this.
- 3) The legally required calculation is set out below:
  - 1) The General Fund Budget requirement for the District Council purposes in 2020/21 will be £168.79, based on an increase to Council Tax of £2.76 per annum for a Band D property which is the equivalent to 1.66%.
  - 2) The County Council precept requirement is £1,343.61 for a Band D property in 2020/21, an increase of 3.98%.
  - 3) The Police and Crime Commissioner's precept requirement is likely to be £222.75 an increase of 4.69%.
  - 4) At the time of preparing this report, not all Parish / Town Councils have supplied formal notification of their 2020/21 precept. The final figures will be reported to Council.
- 4) Mid Suffolk is a billing authority and collects council tax and non-domestic rates on behalf of the other precepting authorities i.e. Suffolk County Council, Suffolk Police and Crime Commissioner and Parish / Town Councils. The dates that monies collected are paid over to the County Council, and the Police and Crime Commissioner ("precept dates") need to be formally agreed under Regulation 5(i) of the Local Authorities (Funds) (England) Regulations 1992.
- 5) Established practice is for payments to be made in 12 equal instalments on the 15th of each month or the next banking day if the 15th falls on a weekend or bank holiday. Accordingly, the precept dates applicable for 2020/21 are expected to be as follows:

15 April 2020	15 May 2020	15 June 2020	15 July 2020
17 August 2020	16 September 2020	15 October 2020	16 November 2020
15 December 2020	15 January 2021	15 February 2021	15 March 2021

## **APPENDIX C**

### **Section 25 report on the robustness of estimates and adequacy of reserves**

## **1. Background**

- 1.1 Section 25 of the Local Government Act 2003 requires Councils, when setting its annual General Fund budget and level of council tax, to take account of a report from its Section 151 Officer on the robustness of estimates and adequacy of reserves. This report fulfils that requirement for the setting of the budget and council tax for 2020/21.
- 1.2 This is to ensure that when deciding on its budget for a financial year, Members are made aware of any issues of risk and uncertainty, or any other concerns by the Chief Financial Officer (CFO). The local authority is also expected to ensure that its budget provides for a prudent level of reserves to be maintained.
- 1.3 Section 26 of the Act empowers the Secretary of State to set a minimum level of reserves for which a local authority must provide in setting its budget. Section 26 would only be invoked as a fallback in circumstances in which a local authority does not act prudently, disregards the advice of its CFO and is heading for financial difficulty. The Section 151 Officer and Members, therefore, have a responsibility to ensure in considering the budget that:
- It is realistic and achievable and that appropriate arrangements have been adopted in formulating it.
  - It is based on clearly understood and sound assumptions and links to the delivery of the Council's strategic priorities.
  - It includes an appropriate statement on the use of reserves and the adequacy of these.

## **2. Basis of Advice for Section 25 Report**

- 2.1 In forming the advice for this year's Section 25 report, the CFO has considered the following:
- a) The role of the Chief Finance Officer
  - b) The effectiveness of financial controls
  - c) The effectiveness of budget planning and budget management
  - d) The adequacy of insurance and risk management
  - e) The mitigation of strategic financial risks
  - f) The Capital Programme

### **a) Role of the Chief Finance Officer**

- 2.2 The statutory role of the Chief Finance Officer in relation to financial administration and stewardship of the Council, and its role in the organisation are both key to ensuring that financial discipline is maintained.
- 2.3 The statutory duties of the Chief Finance Officer are set out in the Financial Regulations which form part of the Council's Constitution. These include the requirement to report to council if there is an unbalanced budget (under Section 114 of the Local Government Act 1988).
- 2.4 The Chartered Institute of Public Finance and Accountancy (CIPFA) published a Statement on the Role of the Chief Financial Officer (CFO) in Local Government. The Statement requires that in order to meet best practice the CFO:

- a) is a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the organisation's strategic objectives sustainably and in the public interest;
- b) must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer-term implications, opportunities and risks are fully considered, and alignment with the organisation's financial strategy; and
- c) must lead the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

To deliver these responsibilities the CFO:

- d) must lead and direct a finance function that is resourced to be fit for purpose; and
- e) must be professionally qualified and suitably experienced.

2.5 In October 2019, CIPFA published The CIPFA Financial Management Code, set to be introduced in April 2020 and fully operational from April 2021. This code complements the Statement on the Role of the Chief Financial Officer, developing a set of financial management standards to be complied with. The standards emphasise how financial management is a collective responsibility of the Council's Corporate Leadership Team, acting alongside the CFO, stating that "it is for the leadership team to ensure that authority's governance arrangements and style of financial management promote financial sustainability. Although not yet adopted these standards have been considered in drafting this statement.

## **b) Financial Controls**

2.5 In December 2019, CIPFA provided the Council's Section 151 Officer with analysis relating to Mid Suffolk District Council from its newly developed 'Resilience Index' tool, designed to support and improve discussions surrounding local authority financial resilience. The tool is based on a series of indicators relating to the sustainability of reserves, external debt, fees & charges and income from local taxation (business rates and council tax). The information is based on the latest available annual data and reserves measures. The following paragraphs describe how Mid Suffolk compares to its nearest neighbours, which are the councils that are statistically similar.

2.6 The tool shows that the only areas where Mid Suffolk is higher risk is on external debt and interest payable compared to its nearest neighbours. This reflects the fact that we had to take on a significant amount of debt in relation to our housing stock in 2012 and our strategy to borrow money to generate a return to the council e.g. CIFCO and Gateway 14 to replace reduced government funding. Based on this, I would expect Mid Suffolk to be higher than other authorities, but the decisions taken have been based on robust business cases and full consideration of the risks.

2.7 As a counterbalance to the higher risk on debt and interest costs, Mid Suffolk is low risk in terms of its level of reserves and changes in the level of reserves. Reserves could be used in the short term to offset the effect of any changes to investment plans, if required.

- 2.8 Alongside the statutory role of the CFO the Council has in place a number of financial management policies and financial controls which are set out in the Financial Regulations.
- 2.9 Other safeguards which ensure that the Council does not over-commit financially include:
- a) the statutory requirement for each local authority to set and arrange their affairs to remain within prudential limits for borrowing and capital investment;
  - b) the balanced budget requirement of the Local Government Finance Act 1992 (Sections 32, 43 and 93); and
  - c) the auditors' consideration of whether the authority has made proper arrangements to secure economy, efficiency and effectiveness in its use of resources (the value for money conclusion).
- 2.11 The Council conducts an annual review of the effectiveness of the system of internal control and reports on this in the "Annual Governance Statement".
- 2.12 The internal and external audit functions play a key role in ensuring that the Council's financial controls and governance arrangements are operating satisfactorily. This is backed up by the review processes of Cabinet and the Joint Audit and Standards Committee undertaking the role of the Council's Audit Committee.

### **c) Budget Planning and Budget Management**

- 2.13 The financial planning process is Councillor-led as Cabinet decides the principles and policies that underpin budget planning. The Budget Report describes the strategy for 2020/21 and beyond.
- 2.14 Cost increases and variations in key areas of income and expenditure have been carefully considered and reflected in the budget.
- 2.15 Key assumptions have been made and updated during the budget process to reflect the changing economic position and latest information.
- 2.16 Detailed scrutiny, review and challenge of budgets has been undertaken by finance officers and the Senior Leadership Team.
- 2.17 There has been an examination by the Overview and Scrutiny Committee in advance of the budget being approved. The recommendations made by the Committee are considered by Cabinet before the budget is presented to Council.
- 2.18 A key factor in effective budget management is the Council's regular monitoring of spending against budgets throughout the year and at year-end. Budget managers are required to update their forecasts during the year and these are subject to review by Cabinet on a quarterly basis. The development of budget managers and initiatives to strengthen budgetary control and financial management throughout the Council is an ongoing process.

2.19 The Council has a proven track record on budget management, which is confirmed by Ernst & Young in their Annual Audit Letter. The auditors are required to form a conclusion on the arrangements the Council has put in place to secure economy, efficiency and effectiveness in its use of resources. There has been a delay in the external audit process for 2018/19, but an unqualified opinion is expected again for 2018/19.

#### **d) Adequacy of Insurance and Risk Management**

2.20 The Council's insurance arrangements are in the form of external insurance premiums with regular reviews being undertaken of the level at which risks are insured.

2.21 A critical area where risk management thinking can add significant value is to enhance the planning and budgeting process. Utilising a risk-based approach directly links to the Council's risk appetite to its core financial and economic performance, supported by the Council's Significant Risk Register. The goal when integrating risk management into budget planning is to understand the assumptions that the budget is based on.

2.22 The effective application of the Council's risk management principles enhances many processes within the context of managing its services and enables management to make better and more informed decision.

2.23 Our approach is to identify the major line items of each service budget, the personnel who contributed to them and the basis of estimation and then to ask key questions such as:

- What are the potential risks that could interfere with the accuracy of the estimate?
- What is the likelihood of these risks materialising?
- What would the impact on the organisation be if they did materialise?

#### **e) Mitigation of Strategic Financial Risk**

2.24 No budget can be completely free from risk and these are still prevalent in the ongoing financial climate. Some comments on the areas of the budget having key financial impacts or significant changes for 2020/21 are set out below:

- **Pay and Pensions** – The budget includes provision for pay increases of 2% for each of the 4 years to 2023/24 and continues to provide for annual progression through pay scales where employees are not at the top of their grades. A 1% change in pay amounts to around £95k per annum.

2019/20 is the last year of adjustment to the employers' pension fund contribution resulting from the 2016 triennial valuation. Based on the 2019 valuation a decrease of 1% per annum has been included for each of the three years commencing 2020/21.

The Council's establishment budget is based on a full establishment. To allow for in-year vacancy savings the budget includes an annual vacancy saving of £455k. This is based on previous years' outturn.

- **Price Increases** – Allowances for price increases have been made on some budgets including major contracts, where there is a contractual requirement to do so. For other areas the budget assumes any price inflation is absorbed by the service. A 1% change in the refuse and ICT contracts and the Shared Revenues Partnership is around £34k.
- **Income from Fees and Charges** – A significant part of the Council's costs continues to be met from fees and charges. For some of these headings it is difficult to predict the level of income to be received e.g. planning fees, so progress against these income targets will need to be monitored throughout the year, particularly in the light of continuing economic volatility. A 1% change in income from planning, garden waste, car park and recycling performance payments income is around £38k.
- **Investment Income and Interest Payable** – Since 2009 interest rates have produced low returns from investments, but the Council has diversified its investments into a property fund and other pooled funds, following advice from Arlingclose, to increase the return on investment. Following implementation of International Financial Reporting Standards (IFRS) and how changes to the year-end values of pooled funds have to be treated could encourage the redemption of holdings and reduce the anticipated level of return, but this will not come into force until April 2023.

The Council is making other commercial investments in order to generate income or regenerate an area. Where this investment is relying on borrowing as the funding source then any return will be subject to changes in interest rates. The Public Works Loan Board (PWLB) increased rates by 1% at the end of 2019. This has been factored into the budget proposals for 2020/21, but the way that it was introduced with no notice poses a risk that it could happen again. This is particularly relevant to the Capital Investment Fund Company (CIFCO) where borrowing is taken out and lent to CIFCO for investment in commercial property. The 2020/21 budget includes the continuation of the investment of the second £25m in CIFCO to generate additional income and shows a positive net return to the council.

- **Business Rate Retention** – As business rates is an increasingly important source of income for the Council, measures for closer monitoring have been put in place. Under the current retention system, the General Fund's exposure to variances can come from economic decline, cessation of business from a major ratepayer and appeals to rateable values. The Council operates a Business Rates Equalisation Reserve to cover for this possibility as appropriate.

In 2021/22 local government is expected to be given 75% retention of business rates. The figures for this year and beyond assume a cost neutral position, but this is currently untested. If baseline funding levels should reduce, the Business Rates Equalisation Reserve could be used to support a short-term reduction, but medium-term plans and resources would need to be reviewed.

- **Government Funding** – The Council's share of Revenue Support Grant (RSG) ended after 2018/19 and in theory is now in a negative RSG position i.e. money to be paid to the Government for redistribution. This has been offset by centrally retained business rates money for 2019/20 and 2020/21

but could be reinstated in future years. The Council's core Government funding is now reduced to Rural Services Delivery Grant (RSDG) and New Homes Bonus (NHB). 2020/21 is a one-year settlement from the Government with a new 4-year Comprehensive Spending Review due during 2020/21. Funding levels beyond 2020/21 are therefore currently uncertain, so the medium-term figures are based on the current level of RSDG and NHB reducing each year and disappearing by 2023/24, according to announcements within the final finance settlement.

- **Welfare Reforms, Benefits and Council Tax Reductions** – At a forecast of £13m for 2020/21, housing benefit remains one of the Council's largest financial transactions, which due to the welfare reforms and introduction of Universal Credit and the Council Tax Reduction scheme is subject to increasing risk and change. This will continue to be closely monitored in order to protect the Council from any emerging risks and liabilities.

## **f) Capital Programme**

- 2.25 The Council has a significant capital programme for the next 4 years (£26m) which is largely funded through borrowing and is based upon reasonable estimates of cost and capacity to deliver the programme. The programme has been developed to support the key deliverables of the Council and its ambition through the Joint Corporate Plan.
- 2.26 A key risk therefore to consider in the Council's budget planning is the interest cost and provision for repayment of debt (Minimum Revenue Provision – MRP) that it will need to meet commitments on the borrowing it undertakes for capital purposes.
- 2.27 Review of the capital programme on an ongoing basis is required to ensure that future borrowing is targeted on projects that deliver the most for the district and are affordable within the current revenue resources.
- 2.28 The borrowing strategy and MRP policy are set out in detail in the Capital, Investment and Treasury Management Strategies document.

## **Conclusion**

- 2.29 Taking all of the above into consideration, the Section 151 Officer's opinion is that the Council's budget and estimates are reasonable based on the assumptions and available information, but cannot be absolutely robust, so a full assurance cannot be given that there will be no unforeseen adverse variances.
- 2.30 This is an expected and acceptable situation for any organisation that is dealing with a large number of variables. Also, the general economic situation continues to impact on expenditure and income. Provided that the minimum safe level of reserves is maintained, any variations arising as a result of lack of robustness in the estimates should be manageable.

## **3 Adequacy of Reserves**

- 3.1 There is no available guidance on the minimum level of reserves that should be maintained. Each authority should determine a prudent level of reserves based



upon their own circumstances, risk and uncertainties. Regard has been had to guidance that has been issued to CFO's and the risks and uncertainties faced.

- 3.2 The Council is required to maintain adequate financial reserves to meet the needs of the authority. This is the General Reserve and provides a safe level of contingency.
- 3.3 The CFO's opinion is that the minimum level of unearmarked reserves should, for the time being, be maintained at the current level of £1.05m without increasing the risk to the Council. This represents 11% of the annual General Fund Budget, so no action is required as part of the 2020/21 budget. This is partly based on the understanding that there are further sums available in earmarked reserves that will not be fully spent during 2020/21 as set out below.
- 3.4 Levels of earmarked reserves (excluding those relating to the Housing Revenue Account but including the Growth and Efficiency Fund and the Community Infrastructure Levy) are forecast to be £19.3m as at 31 March 2021. The level of earmarked reserves as at the 31 March 2021 will depend on the extent to which the New Homes Bonus money that is transferred to the Growth and Efficiency Fund is spent in 2020/21. The Growth and Efficiency Fund is continuing to support the delivery of the Council's Joint Corporate Plan in 2020/21.

#### **4. Background Documents**

Local Government Act 2003; Guidance Note on Local Authority Reserves and Balances – CIPFA 2003; Medium Term Financial Strategy

Katherine Steel  
Assistant Director, Corporate Resources  
(Section 151 Officer)