

TITLE	Medium Term Financial Plan 2015/18 – Revenue Budget Submission 2015/16
FOR CONSIDERATION BY	Council on 19 February 2015
WARD	None specific
DIRECTOR	Graham Ebers, Director of Finance and Resources
LEAD MEMBER	Anthony Pollock, Executive Member for Economic Development and Finance

OUTCOME/BENEFITS TO THE COMMUNITY

To ensure sound finances and value for money through setting a safe budget for the community in accordance with the Council priorities.

RECOMMENDATION

Council is recommended to approve:

- 1) the Medium Term Financial Plan (MTFP) 2015/2018, including the revenue budget submission for 2015/16;
- 2) the Statutory Resolution that sets out the 2015/16 council tax levels (Appendix A);
- 3) that in the event that there are any changes to the provisional precept of the Fire Authority, arising from their precept setting meeting being held on 23 February, the Director of Finance and Resources is delegated authority to enact all relevant changes to the MTFP, Statutory Resolution and council tax levels.

SUMMARY OF REPORT

Members are presented with the Medium Term Financial Plan for 2015/18 including the proposed revenue budget submission for 2015/16 for recommendation to Council. *(Due to the size of this document a copy has been circulated separately to all Members. A copy can also be obtained from the Council's website or on request from Democratic Services).*

Background

The Local Government Act 2003 requires the Chief Finance Officer (Director of Finance and Resources) to report to Members as part of the Budget Setting Process. The report will highlight the key financial and service risks contained in the 2015/16 budget proposals. This will be presented to Council on the 19 February 2015 as part of the MTFP.

Analysis of Issues

The Chief Financial Officers report contains issues, risks and strategic considerations in respect of Revenue and Capital.

Corporate Implications

The Medium Term Financial Plan covers both the revenue and capital budgets required to deliver the priorities of the Council over the next three years.

The net revenue budget for 2015/16 is approximately £112m. The Council needs to set a balanced budget in the context of this. The budget requirements for 2016/17 and 2017/18 are also shown in the plan as indicative figures only.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe financial challenges over the coming years as a result of the austerity measures implemented by the Government and subsequent reductions to public sector funding. It is estimated that Wokingham Borough Council will be required to make budget reductions in excess of £20m over the next three years and all Executive decisions should be made in this context.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	See MTFP		
Next Financial Year (Year 2)			
Following Financial Year (Year 3)			

Other financial information relevant to the Recommendation/Decision

The budget requirements for the General Fund, HRA, DSG, and Capital are set out in the MTFP.

Cross-Council Implications

The budget affects all services

List of Background Papers

Medium Term Financial Plan 2015/16

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Date 10 February 2015	Version No. 1

REVENUE BUDGET & STATUTORY RESOLUTION 2015/16

The Leader of the Council proposes the budget submission contained in the Medium Term Financial Plan and moves the following statutory resolution required to fix the Council Tax for each Band in each part of the Council's area in accordance with the decision on the level of Council Tax. The Localism Act 2011 has made significant changes to the Local Government Finance Act 1992, and now requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously.

The Leader of the Liberal Democrat Group will make her budget speech and propose any amendments that she wishes to the budget proposals put forward by the Leader of the Council.

1. That it be noted that at its meeting on 29th January 2015 Special Council Executive calculated the following amounts for the year 2015/16 in accordance with regulations made under Section 31B of the Local Government Finance Act 1992, as amended by the Localism Act 2011 and the Local Government Finance Act 2012:-
 - (a) 65,157.2 being the amount calculated by the Council, (Item T) in accordance with regulation 31B of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (as amended by the Localism Act 2011 and the Local Government Finance Act 2012), as its council tax base for the year.

(b) Part of the Council's area.

Arborfield and Newland	1,259.5
Barkham	1,440.1
Charvil	1,392.4
Earley	11,671.1
Finchampstead	5,653.7
Remenham	317.5
Ruscombe	495.6
St. Nicholas Hurst	1,039.6
Shinfield	4,621.2
Sonning	805.9
Swallowfield	957.0
Twyford	2,944.0
Wargrave	2,078.7
Winnersh	3,800.7
Wokingham	14,042.0
Wokingham Without	3,073.3
Woodley	9,564.9
	<u>65,157.2</u>

being the amounts calculated by the Council, in accordance with regulation 6 of the Regulations, as the amounts of its council tax base for the year for dwellings in those parts of its area to which a parish precept relates.

2. Calculate that the Council Tax requirement for the Council's own purposes for 2015/2016 (excluding Parish precepts) is £81,199,554.
3. That the following amounts be now calculated by the Council for the year 2015/2016 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992, amended by the Localism Act 2011. However, the precepts shown below for the parishes of Arborfield, Earley, Winnersh and Woodley are provisional and are subject to approval at the parishes annual precept meetings between February 11th and February 18th 2015 :-
 - (a) £302,945,499 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2)(a) to (f) of the Act taking into account all precepts issued to it by parish councils
 - (b) (£218,186,542) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3)(a) to (d) of the Act
 - (c) £84,758,957 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)
 - (d) £1,300.84 being the amount at 3(c) above (Item R), all divided by 1(a) above (Item T), calculated by the Council, in accordance with Section 31B of the Act, as the 'basic amount of its Council Tax for the year (including Parish precepts).
 - (e) £3,559,403 being the aggregate amount of all special items (parish precepts) referred to in Section 34(1) of the Act (as per the table below).

	2015/16			2014/15			Council Tax Increase %
	TAX BASE	PARISH PRECEPT	PARISH BAND D	TAX BASE	PARISH PRECEPT	PARISH BAND D	
	£			£			
Arborfield and Newland	1,259.5	86,280	68.50	1,259.5	86,289	68.51	(0.01)
Barkham	1,440.1	38,342	26.62	1,427.8	38,342	26.85	(0.85)
Charvil	1,392.4	39,451	28.33	1,382.2	38,572	27.91	1.53
Earley	11,671.1	747,387	64.04	11,664.5	735,213	63.03	1.60
Finchampstead	5,653.7	122,410	21.65	5,653.7	122,408	21.65	0.00
Remenham	317.5	21,420	67.46	309.3	21,420	69.25	(2.58)

APPENDIX A

Ruscombe	495.6	9,766	19.71	487.9	9,766	20.02	(1.55)
St. Nicholas Hurst	1,039.6	22,500	21.64	1,022.8	22,500	22.00	(1.62)
Shinfield	4,621.2	277,919	60.14	4,591.3	264,470	57.60	4.41
Sonning	805.9	34,400	42.69	787.5	31,459	39.95	6.85
Swallowfield	957.0	18,540	19.37	956.3	18,303	19.14	1.22
Twyford	2,944.0	58,598	19.90	2,944.0	58,599	19.90	(0.00)
Wargrave	2,078.7	154,937	74.54	2,077.7	152,841	73.56	1.32
Winnersh	3,800.7	107,801	28.36	3,800.7	107,801	28.36	0.00
Wokingham	14,042.0	665,195	47.37	13,600.5	625,492	45.99	3.00
Wokingham Without	3,073.3	143,925	46.83	3,073.3	143,925	46.83	0.00
Woodley	9,564.9	1,010,532	105.65	9,459.9	1,030,349	108.92	(3.00)
Total / Average	65,157.2	3,559,403	54.63	64,498.9	3,507,749	54.38	0.45

(f) £1,246.21 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount at 1(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 special items relates.

- That it be noted that for the year 2015/2016 the Police and Crime Commissioner for the Thames Valley has issued a precept 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 the table below. The Royal Berkshire Fire and Rescue Authority is due to approve its precept on 23rd February 2015, and the provisional precept supplied has been used in the calculation of the council tax figures shown below.
- 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 tables below as the amounts of Council Tax for 2015/2016 for each part of its area and for each of the categories of dwellings.

SUMMARY OF COUNCIL TAX 2015/2016

Valuation Bands

	A	B	C	D	E	F	G	H
Wokingham Borough Council	830.810	969.270	1,107.740	1,246.210	1,523.150	1,800.080	2,077.020	2,492.420
Thames Valley Police Authority	109.130	127.320	145.510	163.700	200.080	236.460	272.830	327.400
Royal Berkshire Fire Authority	40.440	47.180	53.920	60.660	74.140	87.620	101.100	121.320

Aggregate of Council Tax Requirement for each parish and the borough for each part of the Council's area:-

Arborfield and Newland	876.48	1,022.55	1,168.63	1,314.71	1,606.88	1,899.03	2,191.19	2,629.43
Barkham	848.56	989.98	1,131.41	1,272.83	1,555.69	1,838.54	2,121.39	2,545.67
Charvil	849.70	991.31	1,132.92	1,274.54	1,557.78	1,841.01	2,124.24	2,549.09
Earley	873.50	1,019.08	1,164.66	1,310.25	1,601.42	1,892.58	2,183.75	2,620.49
Finchampstead	845.24	986.11	1,126.99	1,267.86	1,549.61	1,831.35	2,113.11	2,535.72
Remenham	875.79	1,021.74	1,167.71	1,313.67	1,605.61	1,897.53	2,189.46	2,627.35
Ruscombe	843.95	984.60	1,125.26	1,265.92	1,547.23	1,828.54	2,109.86	2,531.83
St. Nicholas Hurst	845.24	986.10	1,126.98	1,267.85	1,549.60	1,831.34	2,113.09	2,535.71
Shinfield	870.90	1,016.05	1,161.20	1,306.35	1,596.65	1,886.95	2,177.25	2,612.70
Sonning	859.27	1,002.47	1,145.68	1,288.90	1,575.32	1,861.74	2,148.16	2,577.79
Swallowfield	843.73	984.34	1,124.96	1,265.58	1,546.83	1,828.06	2,109.31	2,531.17
Twyford	844.08	984.75	1,125.43	1,266.11	1,547.48	1,828.83	2,110.19	2,532.23
Wargrave	880.50	1,027.24	1,173.99	1,320.75	1,614.25	1,907.74	2,201.25	2,641.49
Winnersh	849.72	991.33	1,132.95	1,274.57	1,557.82	1,841.05	2,124.29	2,549.15
Wokingham	862.39	1,006.11	1,149.85	1,293.58	1,581.05	1,868.51	2,155.97	2,587.16
Wokingham Without	862.03	1,005.69	1,149.37	1,293.04	1,580.39	1,867.72	2,155.07	2,586.08
Woodley	901.24	1,051.44	1,201.65	1,351.86	1,652.28	1,952.69	2,253.10	2,703.72

Aggregate of Council Tax Requirements for each part of the Council's area:-

Arborfield and Newland	1,026.05	1,197.05	1,368.06	1,539.07	1,881.10	2,223.11	2,565.12	3,078.15
Barkham	998.13	1,164.48	1,330.84	1,497.19	1,829.91	2,162.62	2,495.32	2,994.39
Charvil	999.27	1,165.81	1,332.35	1,498.90	1,832.00	2,165.09	2,498.17	2,997.81
Earley	1,023.07	1,193.58	1,364.09	1,534.61	1,875.64	2,216.66	2,557.68	3,069.21
Finchampstead	994.81	1,160.61	1,326.42	1,492.22	1,823.83	2,155.43	2,487.04	2,984.44
Remenham	1,025.36	1,196.24	1,367.14	1,538.03	1,879.83	2,221.61	2,563.39	3,076.07
Ruscombe	993.52	1,159.10	1,324.69	1,490.28	1,821.45	2,152.62	2,483.79	2,980.55
St. Nicholas Hurst	994.81	1,160.60	1,326.41	1,492.21	1,823.82	2,155.42	2,487.02	2,984.43
Shinfield	1,020.47	1,190.55	1,360.63	1,530.71	1,870.87	2,211.03	2,551.18	3,061.42
Sonning	1,008.84	1,176.97	1,345.11	1,513.26	1,849.54	2,185.82	2,522.09	3,026.51
Swallowfield	993.30	1,158.84	1,324.39	1,489.94	1,821.05	2,152.14	2,483.24	2,979.89
Twyford	993.65	1,159.25	1,324.86	1,490.47	1,821.70	2,152.91	2,484.12	2,980.95
Wargrave	1,030.07	1,201.74	1,373.42	1,545.11	1,888.47	2,231.82	2,575.18	3,090.21
Winnersh	999.29	1,165.83	1,332.38	1,498.93	1,832.04	2,165.13	2,498.22	2,997.87
Wokingham	1,011.96	1,180.61	1,349.28	1,517.94	1,855.27	2,192.59	2,529.90	3,035.88
Wokingham Without	1,011.60	1,180.19	1,348.80	1,517.40	1,854.61	2,191.80	2,529.00	3,034.80
Woodley	1,050.81	1,225.94	1,401.08	1,576.22	1,926.50	2,276.77	2,627.03	3,152.44