

District Councillor Report: January 2020

District Council Budget and Council Tax

Members received a briefing on the draft budget for 2020/21. This draft budget is to be considered by Cabinet on 13 January and Overview and Scrutiny Committee on 16 January; it is to be debated at full Council meeting on 27 February. Government have agreed that Shire Districts may increase council tax by £5 or 2% whichever is the greater. There are no new proposals for Central Government grants to District Councils. Government propose to phase out New Homes Bonus, without having any clear replacement, but any new grant is likely to be based upon achieving higher house building targets.

New Homes Bonus for 2020/21 will be £1.612M, an increase of £232k over 2019/20 but is likely to reduce (possibly by 50%) in 2021/22.

Baseline business rates will increase by 2%. Government propose a full business rates revaluation in 2021; a fundamental review of business rates is also likely.

Factors taken into account in preparing the draft budget include:

A recent surprise increase in the Public Works Loans Board interest rate;

There is £5.8M in Suffolk Pooled Business Rates Fund;

£280k remains unallocated from the Mid Suffolk Business Rates pilot;

MSDC is holding CIL of £8.5M;

Mid Suffolk Growth and Efficiency Fund has £3m unallocated;

The effect of the Provisional Settlement from Government is £213k better than previously assumed.

£500,000 is being allocated for measures to mitigate climate change.

The net revenue budget is proposed to be £10M and the Capital Programme £12M, the latter includes a proposed further investment of £8.7M in commercial properties.

It is proposed that there will be a Council Tax increase of 1.66%, this equates for a Band D property to £2.76 pa, 5p per week.

Housing Revenue Account

After four years of government-enforced reductions, the council is also proposing putting up council house rents by 2.7% - 1% above Consumer Prices Index. This will result in an average increase of £2.19 per week increase for tenants.

Sheltered housing tenants also face an increase of £2 a week on their bills plus a 62p a week increase to their utility bills.

Stowupland High School CIL Bid

MSDC January Cabinet will consider an application for CIL Funding for the new Sixth Form Centre at Stowupland High School. The bid is for £2.45M (total project cost £2.98) and is subject to the completion of a Community User Agreement.

Council Tax Payments

MSDC Cabinet on 6 January are to discuss an initiative to introduce new fines for Council Tax fraud.

Cabinet will also consider adoption of a new protocol produced by Citizens Advice and Local Government Association for the collection of council tax arrears. This seeks to assist those falling behind with their payments in a less confrontational way.

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