

NORTHERN ROTHER DISTRICT COUNCILLORS' REPORT MARCH 2024

DRAFT REVENUE BUDGET 2024/25

The Interim Deputy Chief Executive has issued a report in which the following key issues were highlighted:

- the overall financial position had improved since the report to the Overview & Scrutiny Committee by £442k, taking the forecast drawdown from reserves down from £626k to £185k, the reasons for this were detailed in the report.
- the draft Local Government Finance Settlement (LGFS) applied to 2024/25 did not guarantee any future funding streams beyond the following year and was again a further single year settlement.
- the Council's Core Spending Power (CSP) had been set at £12.9m, an increase of £0.6m from 2023/24, equating to 5.1%.
- the small Business Rates Multiplier for 2024/25 would remain frozen again at 49.9p, but councils would be compensated for any reduction in income because of this decision.
- the Department for Levelling Up, Housing & Communities had increased the overall Revenue Support Grant (RSG) in line with Consumer Price Index inflation, however the Council effectively had a negative RSG, but would not be required to pay over negative RSG;
- for 2024/25, to ensure the Council remained within the referendum limit, it was assumed that a Council Tax increase of 3% to £204.56 would be agreed for a Band D property, subject to any final decision regarding special expenses.
- the detailed precept budgets from Rye and Bexhill-on-Sea Town Councils had not been received at the time of drafting the report so it had not been possible to undertake an assessment of special expenses.
- the Council would receive several government grants, including New Homes Bonus (£136k), Rural Services Delivery Grant (£72k), CSP Minimum Funding Guarantee (£778k), Services Grant (£15k) and New Burdens Grant (awaiting further details) although these were pending the final settlement announcement.
- the Benefits Administration, Local Council Tax Support and Homelessness Prevention grants did not form part of the CSP calculation and were still subject to confirmation.
- the Medium-Term Financial Strategy forecast, reported to Cabinet on 6 November 2023 which outlined several cost pressures that might affect the Council's budget, had been reviewed.

REVENUE BUDGET & CAPITAL PROGRAMME MONITORING AS AT QUARTER 3 2023/24

A report by the Interim Deputy Chief Executive contained the following:

The forecast outturn for the 2023/24 financial year was based on the position as of 31 December 2023 and indicated a forecast deficit position of £2.709m on 31 March 2024, against a budgeted deficit of £2.221m, which was a variance of £488k.

Several small savings were being forecast by the end of the financial year. The Medium-Term Financial Strategy (MTFS) removed the current Financial Stability Programme and replaced it with a new 'Fit for the Future' financial resilience programme, which was designed to close the budget gap over the medium-term period through making efficiencies, savings and increasing income to help support frontline services. The forecast deficit had increased by £200k since the previous quarterly report, as these savings were being made in the services directly and not in this part of the statement.

Since the 2023/24 budget was approved, several small, unbudgeted, grants from the Department for Levelling Up, Housing and Communities had been received, mainly in respect of New Burdens grants and additional Section 31 Grants.

The Interim Deputy Chief Executive was continuing to work with Heads of Service and elected Members to undertake a fundamental review of capital schemes within the Capital Programme, which currently amounted to more than £157m. The revised 2023/24 budget was £28.5m (Appendix B to the report) and the forecast outturn for the year at Quarter 2 was £20.1m, a variance of (£8.3m) or 29% of the programme. Most of the forecast underspend was attributable to schemes which had progressed more slowly than expected or had been paused pending review, with only a small amount of savings forecast on schemes which had been completed. An external consultant had been employed to undertake the review, which would be completed within the next six to twelve months.

The forecast impact on reserves was a drawdown of £2.449m for revenue, which was £404k higher than the planned use of £2.045m, and £0.260m for capital which was £84k higher.

MEMBERS' ALLOWANCE SCHEME 2024-27

The Independent Remuneration Panel made a total of eight recommendations, with the key recommendations as follows:

- the Basic Allowance be increased by 3% for 2024/25 only;
- the IRP meet annually during this administration in light of the current local and national economic position.
- the Special Responsibility Allowances (SRA) be increased by the same amount each year agreed for the Basic Allowance.
- the SRA for the Chair of the Human Resources Committee be a 0.33 ratio of the Basic Allowance (same as Audit and Standards and Licensing and General Purposes Committee Chairs);
- the allowances for the "co-optees" be increased each year in line with that agreed for Members; and

- the subsistence allowances, breakfast, lunch, tea and dinner remain the same for the period 2023-27.

Given the Council's current financial position, Cabinet was not supportive of an increase on the Members' Allowances (IRP Recommendation 1) and agreed that all other allowances should remain the same; it was noted that should Members not support an increase there would be a modest budget saving in the region of £16k.

The Combe Valley Countryside Park has been in existence with its current name for nearly 10 years, following about 20 years of gestation by the three main Councils covering the Park: East Sussex CC, Hastings BC and Rother DC together with Crowhurst BC. The creation of the Park was a substantial achievement by the Councils but it is clear that little is known about it by the public and that has led to nteam@friendsofcombevalley.co.uk. You can also find full details from their website <https://friendsofcombevalley.co.uk>.

Rother Draft Local Plan.

This plan sets the strategic policies for the distribution and development of residential uses, employment and supporting infrastructure across the district. Landowners, site promoters and individuals have been invited to put forward sites to be considered through the Housing and Economic Availability Assessment (HELAA). Over 200 sites have been put forward and the invitation remains open. The Council has identified and assessed nearly 800 additional sites, which include sites already allocated or with planning permission. A call for gypsy, traveller and travelling showpeople sites was launched in April 2023 and sites are still being accepted for consideration. The plan will be open for public consultation in early April.

We have been notified by Unison of the intention to call for strike action on 7th and 8th March.

Best regards,

Cllr. Tony Ganly & Cllr. Tony Biggs.