Executive Board, 7th February 2018

Updated Information regarding Agenda Item 19A: '2018/19 Revenue Budget and Council Tax'

This page is intentionally left blank

EXECUTIVE BOARD – 7TH FEBRUARY 2018

ADDENDUM TO AGENDA ITEM 19a – 2018/2019 Revenue Budget and Council Tax report

Since the publication of the 2018/2019 Revenue Budget and Council Tax report there has been a number of variations to the level of resources available to the Authority. These are detailed below.

1. West Yorkshire Combined Authority (WYCA) have confirmed that the levy to Leeds City Council is £33,756k which is **£290k** less than that assumed in the submitted revenue budget for 2018/19. (The submitted budget assumed that the levy for 2018/19 would be consistent with the amount payable in 2018/19).

2. Annual increases in the business rates multiplier are indexed to inflation. Where Government has capped the annual increase in the multiplier this reduces the amount of business rates income local authorities will receive. However authorities are compensated in full for this loss through Section 31 grant. As a result of Government revising the adjustment factor that is used in the determination of Section 31 grant the Council will receive an additional **£466k** in 2018/19.

3. On the 6th February 2018 the Secretary of State for Housing, Communities and Local Government announced an additional, one-off, £150m adult social care support grant in 2018/19. Of this additional amount, which will be distributed according to relative needs, Leeds will receive £2,069k.

Overall the level of additional resource available to the City Council in respect of the 2018/19 revenue budget is **£2,825k.** Due to the short notice at which this information has become available, it is proposed for the purposes of recognising this additional resource in the 2018/19 budget, that £756k it should be placed in the Council's General Reserve and £2,069k should be placed in an earmarked reserve for Adult Social Care.

It is therefore proposed to change the submitted revenue budget for 2018/19 as follows:

a) Contribute a further **£756k** into the Council's General Reserve. This will increase the overall budgeted contribution to £1,756k in 2018/19.

b) That **£2,069k** be placed in an earmarked reserve within Adults and Health. Proposals will be developed to use the additional resource to deal with a combination of transforming care pressures, ongoing one off pressures within the local care market and invest to save initiatives that support future sustainability.

Recommendation:

1) **That Executive Board agree the proposed changes to the submitted 2018/2019 Revenue Budget as set out in this addendum.**
2) **That this proposed change be incorporated into the 2018/2019 Revenue Budget report that is timetabled to be received at Full Council on February 21st 2018.**