## **MOTION 2**

## MOTION SUBMITTED BY COUNCILLOR BODEN REGARDING COUNCIL TAX

At its Full Council meeting on 21<sup>st</sup> February 2019, Fenland District Council approved its budget for 2019/20 showing a 0% Council Tax increase for 2019/20, but with increases shown of 1.98% p.a. through to 2023/24 as reflected in the current Medium Term Financial Strategy (MTFS).

In five out of the last eight years FDC has approved budgets with no Council Tax increase. This is a record of which the Council can be proud, given the financial constraints which FDC, as well as all other Councils, has had to work within

It is the ambition of this administration to maintain 0% increases in Council Tax throughout the MTFS period for the benefit of residents. However, it is recognised that the Council continues to face significant financial challenges and uncertainties that may not allow this ambition to be met.

Members of the Council need to act responsibly each year when setting the precept to balance the ambition of achieving a 0% Council Tax rise with the legal need to balance the budget. Nevertheless, raising Council Tax in any of the next four years will be our last resort, as we believe that we have a duty to minimise the financial effects of Council Tax on all of Fenland's households.

## This Council resolves to:

- 1. Re-position the MTFS to show 0% Council Tax increases through to 2023/24
- 2. Note the revised future projected deficits from 2020/21 onwards as per the attached.

## APPENDIX B (0% Council Tax increase in 2019/20)

Seyword   Seyw	Medium Term Financial Strategy	Estimate 2019/20 £000	Forecast 2020/21 £000	Forecast 2021/22 £000	Forecast 2022/23 £000	Forecast 2023/24 £000
Gross Service Expenditure	Expenditure	2000	2000	2000	2000	2000
Fees and Charges   6,002   6,003   6,176   6,265   6,349   Recycling Credits   565   588   390   392   394	Service Expenditure					
Sample   1,788   1,083   1,021   998   998   898   8903   701   701   801   801   801   701   801	•	,		,		23,227
Total Net Service Expenditure	•					
Total Net Service Expenditure						
Corporate Expenditure/Savings         Corporate Expenditure/Savings         0	, ,					14,949
Corporate Expenditure/Savings         Corporate Expenditure/Savings         0	Corporate Items					
Financing Charges - Literate Distorwing   533   566   556	Corporate Expenditure/Savings					
Financing Charges - Current Capital Programme - MRP   250   387   407   407   407   407   407   Financing Costs - Leisure Contract Capital Schemes   41   268   268   268   268   Savings from Prepayment of Pension Lump Sum   3   5   5   5   5   5   35   35   32   32						0
Financing Costs - Leisure Contract Capital Schemes   41   268						
A14 Lipgrade - contribution CSR Savings identified but not yet implemented 103 238 238 238 238 CORTINGENCIES Extension of Recycling Contract (subject to negotiation) Re-modelling of Pay Grades (subject to negotiation) Re-modelling of Pay Grades (subject to negotiation) Re-modelling of Pay Grades (subject to negotiation) RIB/VAT Sharing income RIB/VAT Sharing income New Homes Borus RIB/VAT Sharing income New Homes Borus RIB/VAT Sharing income New Homes Borus New Homes Borus RIB/VAT Sharing income RIB/VAT Shar						268
CSR Savings identified but not yet implemented   1-03   2-238   2-23						-35
Extension of Recycling Contract (subject to negotiation)   30   50   75   75   75   180						
Extension of Recycling Contract (subject to negolitation)   30	• • •	-103	-230	-230	-230	-230
RTB/VAT Sharing Income   -40		30	50	75	75	75
Corporate Income tems           RTB/NAT Sharing Income         -40         -40         -20         -210         -200         -21         -1,388         -1,388         -1,388         -1,388         -1,388         -1,388         -1,388         -1,411         -1,411         -2,577         -2,490         -2,577         -2,490         -2,577         -2,490         -2,577         -2,588         -2,027         -2,490         -2,577         -2,588         -2,627         -2,490	Re-modelling of Pay Grades (subject to negotiation)	30	100	120	150	180
RTBIVAT Sharing Income   -40   -40   -40   -40   -70   -70   -70   -70   Investment Income   -180   -200   -270   -270   -200   -200   -200   New Homes Bonus   -1.294   -1.050   -1.080   -950   -1.000   Brexit Preparation Grant   -17   0   0   0   0   0   0   0   0   0	One and brown them.	813	1,129	1,185	1,215	1,245
Investment Income   1-180   -2-200   -2-10   -2-00   -2-00   New Homes Bonus   -1-294   -1-050   -1-080   -1-000   0   0   0   0   0   0   0   0   0	•	_ <b>4</b> 0	<b>-</b> 4∩	<b>-</b> 4∩	-10	-10
Brewit Preparation Grant   -1.7	•					-200
Allocation of Business Rates Levy Account Surplus Contribution to(+)/from(-) Earmarked Reserves Business Rates - net additional income above baseline Contribution from General Fund Balance		,	,	,		-1,000
Contribution to(+)/from(-) Earmarked Reserves   -688   50   50   50   50   50   50   50						
Business Rates - net additional income above baseline   -1,289   -1,318   -1,347   -1,340   -1,300   -1,000						50
-3,715   -2,558   -2,627   -2,490   -2,571						-1,411
Council Tax (Increases of 0% in 19/20   -1,429   -1,421   -1,275   -1,326	Contribution from General Fund Balance	-151	0	0	0	0
Cross Service/Corporate Expenditure   23,279   22,945   23,424   23,876   24,472   27,000   20,000		-3,715	-2,558	-2,627	-2,490	-2,571
Service/Corporate Income   -12,368   -10,587   -10,727   -10,669   -10,849     Net Budget Requirement   10,911   12,358   12,697   13,207   13,623     Funding - NNDR/CT - CT Option - 1,98%     Business Rates Baseline Funding   -3,643   -3,715   -3,790   -3,865   -3,943     Business Rates Salection Fund Deficit   443   0   0   0   0   0     Council Tax Collection Fund Surplus   -59   -50   -50   -50   -50     Council Tax (precesses of 0% in 19/20   -7,652   -7,885   -8,122   -8,365   -8,615     Additional cost of CT at 0% p.a from 2020/21   0   +708   +735   +927   +1,015     Shortfall(+) at 1.98% CT p.a from 2020/21   0   +863   +1,048   +1,405   +1,665     Summary   Total Gross Expenditure   23,279   22,945   23,424   23,876   24,472     Fees and Charges   -6,020   -6,093   -6,176   -6,265   -6,349     Grants and Contributions   -1,768   -1,053   -1,021   -991   -986     Recycling Credits   -865   -865   -803   -903   -923   -943     New Homes Bonus   -1,294   -1,050   -1,080   -950   -1,000     Cherr Investment Income, VAT/RTB, Reserves   -981   -190   -200   -160   -160     Contribution from General Fund Balance   -151   0   0   0   0     Retained Business Rates   -4,489   -5,033   -5,137   -5,245   -5,344     Council Tax - 1,98% p.a from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 1,98% from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 0% from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 0% from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 0% from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 0% from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 0% from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 0% from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 0% from 2020/21   -7,711   -7,780   -7,859   -7,937   -8,015     Total Funding - CT at 0% f	Total Corporate Items	-2,902	-1,429	-1,442	-1,275	-1,326
Business Rates Baseline Funding		-	,	-	-	24,472 -10,849
Business Rates Baseline Funding	Net Budget Requirement	10,911	12,358	12,697	13,207	13,623
Business Rates Baseline Funding	Funding NNDP/CT CT Option 4 999/					
Business Rates Collection Fund Deficit Council Tax Collection Fund Surplus -59 -50 -7,652 -7,855 -8,122 -8,365 -8,615  and 1.98% p.a 20/21 onwards)  Total Funding - RSG/NNDR/CT -10,911 -11,650 -11,962 -12,280 -12,608  Shortfall(+) at 1.98% CT p.a from 2020/21 0 +708 +735 +927 +1,015  Additional cost of CT at 0% p.a from 2020/21 0 +863 +1,048 +1,405 +1,665  Summary  Total Gross Expenditure		-3.643	-3.715	-3.790	-3.865	-3.943
Council Tax (increases of 0% in 19/20 and 1.98% p. a 20/21 onwards)   Total Funding - RSG/NNDR/CT   -10,911 -11,650 -11,962 -12,280 -12,608	Business Rates Collection Fund Deficit	443	0	0	0	0
Total Funding - RSG/NNDR/CT						
Shortfall(+) at 1.98% CT p.a from 2020/21  Additional cost of CT at 0% p.a from 2020/21  Description of the second	and 1.98% p.a 20/21 onwards)	.,002		0,	0,000	3,3.3
Additional cost of CT at 0% p.a from 2020/21 0 155 313 478 650  Shortfall(+) at 0% CT p.a from 2020/21 0 +863 +1,048 +1,405 +1,665  Summary  Total Gross Expenditure 23,279 22,945 23,424 23,876 24,472  Funded by: Fees and Charges -6,020 -6,093 -6,176 -6,265 -6,349  Grants and Contributions -1,768 -1,053 -1,021 -991 -986  Recycling Credits -865 -883 -903 -923 -943  New Homes Bonus -1,294 -1,050 -1,080 -950 -1,000  Other - Investment Income, VAT/RTB, Reserves -981 -190 -200 -160 -160  Contribution from General Fund Balance -151 0 0 0 0 0  Retained Business Rates -4,489 -5,033 -5,137 -5,245 -5,354  Council Tax - 1,98% p.a. from 2020/21 -7,711 -7,935 -8,172 -8,415 -8,665  Total Funding - CT at 1,98% from 2020/21 -7,711 -7,780 -7,859 -2,949 -23,457  Council Tax - 0% p.a. from 2020/21 -7,711 -7,780 -7,859 -7,937 -8,015  Total Funding - CT at 0% from 2020/21 -7,711 -7,780 -7,859 -7,937 -8,015	Total Funding - RSG/NNDR/CT	-10,911	-11,650	-11,962	-12,280	-12,608
Shortfall(+) at 0% CT p.a from 2020/21         0         +863         +1,048         +1,405         +1,665           Summary         Total Gross Expenditure           Funded by:         Funded by:           Fees and Charges         -6,020         -6,093         -6,176         -6,265         -6,349           Grants and Contributions         -1,768         -1,053         -1,021         -991         -986           Recycling Credits         -865         -883         -903         -923         -943           New Homes Bonus         -1,294         -1,050         -1,080         -950         -1,000           Other - Investment Income, VAT/RTB, Reserves         -981         -190         -200         -160         -160           Contribution from General Fund Balance         -1,51         0	Shortfall(+) at 1.98% CT p.a from 2020/21	0	+708	+735	+927	+1,015
Summary   Total Gross Expenditure   23,279   22,945   23,424   23,876   24,472	Additional cost of CT at 0% p.a from 2020/21	0	155	313	478	650
Total Gross Expenditure         23,279         22,945         23,424         23,876         24,472           Funded by:         Fees and Charges         -6,020         -6,093         -6,176         -6,265         -6,349           Grants and Contributions         -1,768         -1,053         -1,021         -991         -986           Recycling Credits         -865         -883         -903         -923         -943           New Homes Bonus         -1,294         -1,050         -1,080         -950         -1,000           Other - Investment Income, VAT/RTB, Reserves         -981         -190         -200         -160         -160           Contribution from General Fund Balance         -151         0         0         0         0         0           Retained Business Rates         -4,489         -5,033         -5,137         -5,245         -5,354           Council Tax - 1,98% p.a. from 2020/21         -7,711         -7,935         -8,172         -8,415         -8,665           Total Funding - CT at 1,98% from 2020/21         0         +708         +735         +927         +1,015           Council Tax - 0% p.a. from 2020/21         -7,711         -7,780         -7,859         -7,937         -8,015 <t< th=""><td>Shortfall(+) at 0% CT p.a from 2020/21</td><td>0</td><td>+863</td><td>+1,048</td><td>+1,405</td><td>+1,665</td></t<>	Shortfall(+) at 0% CT p.a from 2020/21	0	+863	+1,048	+1,405	+1,665
Funded by: Fees and Charges Grants and Contributions Fees and Charges Grants and Contributions Fees and Charges Grants and Contributions Fees and Charges Fees and Charges Grants and Contributions Fees and Charges Fees and Charg	Summary					
Fees and Charges         -6,020         -6,093         -6,176         -6,265         -6,349           Grants and Contributions         -1,768         -1,053         -1,021         -991         -986           Recycling Credits         -865         -883         -903         -923         -943           New Homes Bonus         -1,294         -1,050         -1,080         -950         -1,000           Other - Investment Income, VAT/RTB, Reserves         -981         -190         -200         -160         -160           Contribution from General Fund Balance         -151         0         -5,245         -5,354         Council Tax - 1.98% p.a. from 2020/21         -7,711         -7,935         -8,172         -8,415         -8,665           Total Funding - CT at 1.98% from 2020/21         -23,279         -22,237         -22,689         -22,949         -23,457           Shortfall(+) at 1.98% CT p.a from 2020/21         -7,711         -7,780         -7,859         -7,937         -8,015           Council Tax - 0% p.a. from 20	Total Gross Expenditure	23,279	22,945	23,424	23,876	24,472
Fees and Charges         -6,020         -6,093         -6,176         -6,265         -6,349           Grants and Contributions         -1,768         -1,053         -1,021         -991         -986           Recycling Credits         -865         -883         -903         -923         -943           New Homes Bonus         -1,294         -1,050         -1,080         -950         -1,000           Other - Investment Income, VAT/RTB, Reserves         -981         -190         -200         -160         -160           Contribution from General Fund Balance         -151         0         -5,245         -5,354         Council Tax - 1.98% p.a. from 2020/21         -7,711         -7,935         -8,172         -8,415         -8,665           Total Funding - CT at 1.98% from 2020/21         -23,279         -22,237         -22,689         -22,949         -23,457           Shortfall(+) at 1.98% CT p.a from 2020/21         -7,711         -7,780         -7,859         -7,937         -8,015           Council Tax - 0% p.a. from 20	Funded by:		*			
Recycling Credits         -865         -883         -903         -923         -943           New Homes Bonus         -1,294         -1,050         -1,080         -950         -1,000           Other - Investment Income, VAT/RTB, Reserves         -981         -190         -200         -160         -160           Contribution from General Fund Balance         -151         0         0         0         0         0           Retained Business Rates         -4,489         -5,033         -5,137         -5,245         -5,354           Council Tax - 1.98% p.a. from 2020/21         -7,711         -7,935         -8,172         -8,415         -8,665           Total Funding - CT at 1.98% from 2020/21         -23,279         -22,237         -22,689         -22,949         -23,457           Shortfall(+) at 1.98% CT p.a from 2020/21         0         +708         +735         +927         +1,015           Council Tax - 0% p.a. from 2020/21         -7,711         -7,780         -7,859         -7,937         -8,015           Total Funding - CT at 0% from 2020/21         -23,279         -22,082         -22,376         -22,471         -22,807	Fees and Charges					-6,349
New Homes Bonus         -1,294         -1,050         -1,080         -950         -1,000           Other - Investment Income, VAT/RTB, Reserves         -981         -190         -200         -160         -160           Contribution from General Fund Balance         -151         0         0         0         0         0           Retained Business Rates         -4,489         -5,033         -5,137         -5,245         -5,354           Council Tax - 1.98% p.a. from 2020/21         -7,711         -7,935         -8,172         -8,415         -8,665           Total Funding - CT at 1.98% from 2020/21         -23,279         -22,237         -22,689         -22,949         -23,457           Shortfall(+) at 1.98% CT p.a from 2020/21         0         +708         +735         +927         +1,015           Council Tax - 0% p.a. from 2020/21         -7,711         -7,780         -7,859         -7,937         -8,015           Total Funding - CT at 0% from 2020/21         -23,279         -22,082         -22,376         -22,471         -22,807						-986
Other - Investment Income, VAT/RTB, Reserves       -981       -190       -200       -160       -160         Contribution from General Fund Balance       -151       0       0       0       0         Retained Business Rates       -4,489       -5,033       -5,137       -5,245       -5,354         Council Tax - 1.98% p.a. from 2020/21       -7,711       -7,935       -8,172       -8,415       -8,665         Total Funding - CT at 1.98% from 2020/21       -23,279       -22,237       -22,689       -22,949       -23,457         Shortfall(+) at 1.98% CT p.a from 2020/21       0       +708       +735       +927       +1,015         Council Tax - 0% p.a. from 2020/21       -7,711       -7,780       -7,859       -7,937       -8,015         Total Funding - CT at 0% from 2020/21       -23,279       -22,082       -22,376       -22,471       -22,807	, ,					
Retained Business Rates       -4,489       -5,033       -5,137       -5,245       -5,354         Council Tax - 1.98% p.a. from 2020/21       -7,711       -7,935       -8,172       -8,415       -8,665         Total Funding - CT at 1.98% from 2020/21       -23,279       -22,237       -22,689       -22,949       -23,457         Shortfall(+) at 1.98% CT p.a from 2020/21       0       +708       +735       +927       +1,015         Council Tax - 0% p.a. from 2020/21       -7,711       -7,780       -7,859       -7,937       -8,015         Total Funding - CT at 0% from 2020/21       -23,279       -22,082       -22,376       -22,471       -22,807	Other - Investment Income, VAT/RTB, Reserves	-981				-160
Council Tax - 1.98% p.a. from 2020/21         -7,711         -7,935         -8,172         -8,415         -8,665           Total Funding - CT at 1.98% from 2020/21         -23,279         -22,237         -22,689         -22,949         -23,457           Shortfall(+) at 1.98% CT p.a from 2020/21         0         +708         +735         +927         +1,015           Council Tax - 0% p.a. from 2020/21         -7,711         -7,780         -7,859         -7,937         -8,015           Total Funding - CT at 0% from 2020/21         -23,279         -22,082         -22,376         -22,471         -22,807						-
Total Funding - CT at 1.98% from 2020/21  Shortfall(+) at 1.98% CT p.a from 2020/21  Council Tax - 0% p.a. from 2020/21  Total Funding - CT at 0% from 2020/21  -23,279  -22,237  -22,689  -22,949  -23,457  -23,679  -22,689  -22,949  -23,457  -23,679  -22,689  -22,949  -23,457  -23,679  -23,679  -23,279  -22,082  -22,376  -22,471  -22,807						
Council Tax - 0% p.a. from 2020/21						-23,457
Council Tax - 0% p.a. from 2020/21		0	•	•	•	·
Total Funding - CT at 0% from 2020/21		-7.711	-7,780	-7.859	-7.937	•
						·
Shortfall(+) at 0% CT p.a from 2020/21				•		•