

# YOUR COUNCIL TAX 2020

## FINANCIAL INFORMATION

### INTRODUCTION

The budget for 2020/21 is set in the context of the most severe funding cuts we have ever experienced.

This is a result of reductions in Government grant. The chart below shows how our grant has fallen between 2010 and 2020, on a like for like basis:-



This, however, does not show the full picture. Like authorities everywhere, we have more elderly people in need of care; more adults with complex disabilities; and more children who could be at risk of harm. The Council is therefore unavoidably spending more on social care. This means that the amount available for all other services is bearing the brunt of cuts. The charts below show this, on a like for like basis:-



At present, we do not know how much funding we will get in 2021. This depends on whether the government continues to make cuts to local authority budgets, whether any solution is found to the crisis in social care funding, and the outcome of a government funding review. The Council believes it will need to make further cuts to services after 2020.

The Council's gross expenditure, and how this leads to the amount of Council Tax we require, is explained in the table below. Gross expenditure has declined, as the Council has made spending cuts; but also because of schools becoming academies and changes in the amount of housing benefit we expect to pay (which is affected by claimants moving to universal credit, which is not administered by the Council).

## 2020/21 GROSS EXPENDITURE AND COUNCIL TAX REQUIREMENT

Budget and Council Tax	2019-20 £000's	2020-21 £000's
<b>Gross Expenditure</b>	<b>859,067</b>	<b>822,865</b>
Less Income, including government grants	(593,283)	(540,044)
<b>Service Expenditure, excluding reserves &amp; contingencies</b>	<b>265,784</b>	<b>282,821</b>
Contingency / Other Funds	1,000	2,000
<b>Contribution to / (From) Corporate Reserves</b>	<b>(1,851)</b>	<b>(2,377)</b>
Housing Revenue Account Surplus / (Deficit)	(1,020)	0
<b>Net Expenditure</b>	<b>263,913</b>	<b>282,444</b>
Funded from:		
Retained Business Rates and Government Grants	(151,373)	(157,102)
Collection Fund (surplus) / deficit	2,156	(2,497)
<b>Council Tax requirement</b>	<b>114,696</b>	<b>122,845</b>

	Change	(£)	(£)
Council Tax at Band D (Leicester City Council)	+ 4%	1,552.17	1,614.23
Council Tax at Band D (Police and Crime Commissioner)	+ 4.5%	223.23	233.23
Council Tax at Band D (Fire Authority)	+ 2%	66.64	67.96
<b>Total Council Tax at Band D</b>	<b>4%</b>	<b>1,842.04</b>	<b>1,915.42</b>

For further information about the Council Tax breakdown, please see:

### Police & Crime Commissioner for Leicestershire:

<https://www.leics.pcc.police.uk/Planning-and-Money/Finance/Council-Tax.aspx>

### Leicestershire Fire and Rescue Service:

<https://leics-fire.gov.uk/your-fire-service/what-we-spend/financial-plans/>



## OTHER INFORMATION

### ENVIRONMENT AGENCY – TRENT REGIONAL FLOOD & COASTAL COMMITTEE

The Environment Agency, which levies the City Council for flood defence purposes, has supplied the following information:

	2019/20	2020/21
	£000's	£000's
Gross Expenditure	63,722	66,717
Levy Requirement	2,095	2,137

A change in the gross budgeted expenditure between years reflects the programme of works for both capital and revenue needed by the Regional Flood and Coastal Committee to which you contribute. The total Local Levy raised by this committee has increased by 2%.

The city council's contribution to the levy is £88,002.

### STATEMENT CONCERNING ADULT SOCIAL CARE FUNDING

We are required by regulations to include the following statement:

*The Secretary of State made an offer to adult social care authorities. ("Adult social care authorities" are local authorities which have functions under Part 1 of the Care Act 2014, namely county councils in England, district councils for an area in England for which there is no county council, London borough councils, the Common Council of the City of London and the Council of the Isles of Scilly.)*

*The offer was the option of an adult social care authority being able to charge an additional "precept" on its council tax without holding a referendum, to assist the authority in meeting its expenditure on adult social care from the financial year 2016-17. It was originally made in respect of the financial years up to and including 2019-20. If the Secretary of State chooses to renew this offer in respect of a particular financial year, this is subject to the approval of the House of Commons."*