

**Decisions taken by the Council on Wednesday, 1 March 2023**

| Agenda Item No | Topic          | Decision   |
|----------------|----------------|--|
| A8             | Budget 2023-24 | <p>The motion was MOVED by Councillor De Ryk and SECONDED by Councillor Rathbone.</p> <p>Under the provisions of the Local Authorities (Standing Orders) (England) (Amendment) Regulations 2014, a recorded vote was conducted on this item with the following result:</p> <p><u>For</u> (49)<br/>Councillors Curran, Warner, Hayes, Jackson, Burgess, Onikosi, Howard, Schmidt, John Paschoud, Aliya Sheikh, Malik-Smith, Muldoon, Brown, Webley-Brown, Johnston-Franklin, Cooper, Cunningham, Shrivastava, Moore, Millbank, Stamirowski, Erheriene, Anifowose, Sakina Sheikh, Harding, Olaru, Parry, Clarke, Bernards, Rathbone, Penfold, Ingleby, Wise, Best, Sorba, Lavery, Jacq Paschoud, Davis, Walsh, Bourne, Bell, De Ryk, Powell, Barnham, Krupski, Tam, Dacres, Egan, Anwar</p> <p><u>Against</u> (0)<br/>Nil</p> <p><u>Abstention</u> (0)<br/>Nil</p> <p>RESOLVED that, having considered the views of those consulted on the budget, and subject to proper process as required, Council agrees to:</p> <p><i>General Fund Revenue Budget</i></p> <p>1. note the projected overall variance after the use of corporate provisions and reserves of £9.6m (or 3.9%) against the agreed 2022/23 revenue budget of £248.610m as set out in section 6 of this report and that any year-end overspend will be met from corporate provisions and reserves;</p> |

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|                |       | <p>2. endorse the budget cut reduction measures of £12.587m as per the Mayor and Cabinet meeting of the 7 December 2022, as set out in section 6 of the report and summarised in Appendix Y1 and Y2;</p> <p>3. agree the allocation of £43.848m of resources from the corporate risks and pressures, social care precept, new homes bonus, social care grant, ASC market sustainability and improvement fund and services grant in 2023/24 to be invested in funding quantified budget pressures and opportunities, both recurring and once-off as set out in section 6;</p> <p>4. agree a General Fund Budget Requirement of £263.679m for 2023/24 be approved;</p> <p>5. agree to a 4.99% increase in Lewisham’s Council Tax element. This will result in a Band D equivalent Council Tax level of £1,492.13 for Lewisham’s services and £1,926.27 overall. This represents an overall increase in Council Tax for 2023/24 of 6.02% and is subject to the GLA precept for 2023/24 being increased by £38.55 (i.e. 9.74%) from £395.59 to £434.14, in line with the GLA’s budget proposals;</p> <p>6. note the Council Tax Ready Reckoner which for illustrative purposes sets out the Band D equivalent Council Tax at various levels of increase. This is explained in section 6 of the report and is set out in more detail in Appendix Y4;</p> <p>7. consider the Section 25 Statement from the Chief Finance Officer. This is attached at Appendix Y5;</p> <p>8. agree the statutory calculations for 2023/24 as set out at Appendix Y6;</p> <p>9. note the prospects for the revenue budget for 2023/24 and future years as set out in section 6;</p> <p><i>Other Grants (within the General Fund)</i></p> <p>10. note the adjustments to and impact of various specific grants for 2023/24 on the General Fund as set out in section 7 of this report;</p> |

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|                |       | <p><i>Dedicated Schools Grant and Pupil Premium Schools Block</i></p> <p>11. note the provisional gross Dedicated Schools Grant (DSG) allocation of £337.776m before the Department's adjustments to fund Academy schools and inclusion of the £7.6m mainstream additional grant;</p> <p>12. note the provisional DSG allocation for £231.029m (this includes £6.18m streamlining of the supplementary grant from 2022/23) be the Schools' Budget (Schools Block) for 2023/24 covering both maintained schools and academies;</p> <p>13. agree, (as recommended by Schools Forum) the once-off transfer of circa £0.4m (0.18%) of Dedicated Schools Grant to the High Needs Block; Central Schools Services Block (CSSB);</p> <p>14. note the construct and allocation of £3.309m for the CSSB block allocation for 2023/24, a reduction of circa £0.4m from the £3.693m 2022/23 allocation;</p> <p><i>High Needs Block (HNB)</i></p> <p>15. note the provisional HNB £77.154m to support the Council's statutory duty with regards Special Education Needs (SEN). This includes £3.2m additional funding from the autumn statement. This is a net increase of £7.030m relative to 2022/23. The HNB will be finalised in March for deductions arising for institutions funded by the Education and Skills Funding Agency (ESFA); Early Years Block (EYB)</p> <p>16. note the Dedicated Schools Grant allocation to the EYB of £26.283m; and that the Department for Education has increased hourly funding for "3 and 4 year old" from £6.04 to £6.33 (this includes 11p for Teacher's Pay and Pension Grant which is now streamlined into the hourly rate). This is therefore an increase of circa 4.8% from 2022/23. With respect to 2 year funding, the hourly rate has increased from £6.87 to £7.52, an 9% increase (i.e. 65p per hour) for 2023/24;</p> |

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|                |       | <p><i>Pupil Premium</i></p> <p>17. note that the pupil premium will continue in the 2023/24 financial year. At the time of writing, the overall allocation, which is linked to Free School Meals Ever 6 data (i.e. covers 6 census worth of data), has not been confirmed, the per-pupil funding is expected to increase by 5%. We would expect to receive the final allocation until summer 2023;</p> <p><i>Housing Revenue Account</i></p> <p>18. note the consultation report on proposed service charge increases to tenants' and leaseholders in the Brockley area, presented to tenants and leaseholders on 5th December 2022, as attached at Appendix X3;</p> <p>19. note the consultation report on proposed service charge increases to tenants' and leaseholders and the Lewisham Homes budget strategy presented to tenants and leaseholders on 12th December 2022 as attached at Appendix X4;</p> <p>20. agree to set an increase in dwelling rents of 7.0% (an average of £7.22 per week) – as per the Governments direction for capping increases to be applied to rents for 2023/24 outlined in section 9 of this report;</p> <p>21. agree to set an increase in the hostel's accommodation charge by 7.0% (or £2.63 per week), in accordance with Governments direction for capping increases to be applied to rents for 2023/24;</p> <p>22. approve the following average weekly increases/decreases for dwellings for:</p> <ul style="list-style-type: none"> <li>a. service charges to non-Lewisham Homes managed dwellings (Brockley) to ensure full cost recovery and 13.6% inflationary uplift for 2023/24; <ul style="list-style-type: none"> <li>• caretaking 13.6% (£0.46)</li> <li>• grounds 13.6% (£0.26)</li> </ul> </li> </ul> |

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|                |       | <ul style="list-style-type: none"> <li>• communal lighting 13.6% (£0.02)</li> <li>• bulk waste collection 13.6% (£0.18)</li> <li>• window cleaning 13.6% (£0.00)</li> <li>• tenants' levy 0.00% (£0.00)</li> </ul> <p>b. service charges to Lewisham Homes managed dwellings:</p> <ul style="list-style-type: none"> <li>• caretaking 10.00% (£0.68)</li> <li>• grounds 0.00% (£0.00)</li> <li>• window cleaning -27.00% -(£0.03)</li> <li>• communal lighting 7.00% (£0.19)</li> <li>• block pest control -17.00% -(£0.35)</li> <li>• waste collection 7.00% (£0.14)</li> <li>• heating &amp; hot water 5.00% (£0.54)</li> <li>• tenants' levy 0.00% (£0.00)</li> <li>• bulk waste disposal 7.00% (£0.07)</li> <li>• sheltered housing 0.00% (£0.00)</li> </ul> <p>23. approve the following average weekly percentage changes for hostels and shared temporary units for;</p> <ul style="list-style-type: none"> <li>• service charges (hostels) – caretaking etc.; 6.31% or £4.60pw</li> <li>• energy cost increases for heat, light &amp; power; 20.0% or £1.19pw</li> <li>• water charges increase; 5.0% or £0.01pw</li> </ul> <p>24. approve an increase in garage rents by 10.0% (£1.66 per week) for Brockley and Lewisham Homes residents as outlined in Appendix X5;</p> <p>25. note that the budgeted expenditure for the Housing Revenue Account (HRA) for 2023/24 is £257.1m, split £103.6m revenue and £153.5m capital, which includes the decent homes and new build programmes;</p> |

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|                |       | <p>26. agree the HRA budget strategy cut proposals in order to achieve a balanced budget in 2023/24, as attached at Appendix X1;</p> <p><i>Treasury Management Strategy</i></p> <p>27. approve the Treasury Management Strategy 2023/24 including the prudential indicators and treasury indicators, as set out in section 10 of this report;</p> <p>28. approve the Annual Investment Strategy and Creditworthiness Policy, set out in further detail at Appendix Z2;</p> <p>29. approve the Investment Strategy as set out in section 10 of this report, along with the operational boundary of £607.6m and the authorised limit of £668.4m for the year as set out in section 10 of this report;</p> <p>30. approve the Minimum Revenue Provision (MRP) policy as set out in section 10 of this report;</p> <p>31. agree to delegate to the Executive Director of Corporate Resources authority during 2023/24 to make amendments to borrowing and investment limits as set out in section 10 of the report provided, they are consistent with the strategy and there is no change to the Council's authorised limit for borrowing;</p> <p>32. approve the overall credit and counterparty risk management criteria, as set out at Appendix Z2, the proposed countries for investment at Appendix Z3, and that it formally delegates responsibility for managing transactions with those institutions which meet the criteria to the Executive Director for Corporate Resources;</p> <p><i>Capital Programme</i></p> <p>33. approve the 2023/24 to 2026/27 Capital Programme of £480.6m as set out in section 11 of this report and Appendix W1;</p> <p>34. agree to delegate to the Executive Director for Corporate Resources authority to</p> |

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|                       |              | amend the scheme mix within the Capital programme to respond to the risks as set out and to identify the match funding necessary for the recently awarded Levelling-up bid of £19m as long as this is done within the total programme parameters set out and asks that an updated capital programme is brought back to Mayor & Cabinet in 2023/24 at the earliest opportunity. |