

REPORT TO:	King's Lynn Area Consultative Committee		
DATE:	29 October 2019		
TITLE:	Recommendations on Special Expense Charge for King's Lynn		
TYPE OF REPORT:	Policy development		
PORTFOLIO(S):	Leader, Culture, Heritage and Health, Environment, Housing and Community		
REPORT AUTHOR:	Stuart Ashworth – Assistant Director – Environment & Planning Lorraine Gore – Deputy Chief Executive/Executive Director – Finance Services		
OPEN		WILL BE SUBJECT TO A FUTURE CABINET REPORT:	Yes

### **REPORT SUMMARY**

<b>PURPOSE OF REPORT/SUMMARY:</b>
To consider the proposed King's Lynn Special Expenses for the year 2019/2020.
<b>KEY ISSUES:</b>
<p>The terms of reference for the King's Lynn Area Consultative Committee (KLACC) describe one of its roles as acting as a consultative forum, on the funding raised by, and utilisation of the King's Lynn Special Expenses, and to offer input on priorities for this expenditure and if appropriate the level of funds to be raised. This will need to be a recommendation to Cabinet.</p> <p>Any recommendations will need to be made in full consideration of the implications on the Special Expenses charge.</p>
<b>OPTIONS CONSIDERED:</b>
<ol style="list-style-type: none"> <li>1. Make no recommendations for changes to Special Expenses for the 2019/2020 financial year.</li> <li>2. Make recommendations to Cabinet on the priorities for, and utilisation of, the Special Expense charge for King's Lynn, for the period 2019/2020.</li> </ol>
<b>RECOMMENDATIONS:</b>
<ol style="list-style-type: none"> <li>1. That the Committee endorse the special expenses charge for 2019/2020 as set out in section 2.2 of the report</li> </ol>
<b>REASONS FOR RECOMMENDATIONS:</b>
Making recommendations on the utilisation of Special Expenses for King's Lynn was within the original terms of reference of the Committee.

## **1. Introduction**

- 1.1 One of the Terms of Reference of KLACC, is “to act as a consultative forum on the funding raised by, and utilisation of the King’s Lynn Special Expenses, and to offer input on priorities for this expenditure and if appropriate the level of funds to be raised.”
- 1.2 The Local Government Finance Act 1992 defines a Local Authority’s Special Expenses. It states that Special Expenses are any expenses incurred by the authority in performing in a part of its area, a function performed elsewhere by a Parish Council.
- 1.3 Special Expenses are currently charged for:
  - Footway Lighting
  - Play Areas
  - Community Centres
  - Closed Churchyards
  - Allotments
  - Pavilions
  - Dog Bins
  - Open Spaces
  - Bus Shelters
  - Public Conveniences (80% of costs of Walks Broadwalk and Management Building facilities)
  - Parish Partnership Traffic Calming
- 1.4 The total cost of Special Expenses is met by the Council tax payers of King’s Lynn. The annual charge to the residents is made through an addition to the Council tax bill. The table below details the special expenses charge 2018/2019 for King’s Lynn.

	<b>Charge 2018/2019</b>
	<b>£</b>
Footway Lighting	27,450
Play Areas	35,000
Community Centres	38,020
Closed Churchyards	10,020
Allotments	7,080
Pavilions	28,130
Dog bins	12,140
Open Spaces	301,890
Bus Shelters	0
Public Conveniences	14,190
Parish Partnership Traffic Calming	700
<b>Total</b>	<b><u>474,620</u></b>
Less Council Tax Support Grant	(16,250)
<b>Net Total Charged as Special Expenses</b>	<b>458,370</b>
Taxbase 2018/2019	10,048.8
<b>Band D Charge 2018/2019</b>	<b>45.61</b>

1.6 At the KLACC meeting on 20 September 2018 the Committee considered the feedback from the informal working group on special expenses. It was agreed:

- (1) That, the Committee request that any Environment & Community Informal Working Group looking into grounds maintenance (including grass cutting) should include at least one member of KLACC.
- (2) That at its September meetings going forward, the Committee receives a monitoring report on expenditure within special expenses.
- (3) That a budget of £1,000 be set aside for ways of promoting community centres, to be spent this financial year, given the current underspend in the community centres budget. In the event of a continued underspend, at the end of the financial year, the remainder of the monies be available to the Committee for a future marketing campaign.
- (4) That in the event that (3) above is agreed, the Informal Working Group meet with officers to agree ways of spending the marketing budget.

1.7 To ensure that KLACC is able to provide input into the setting of Special Expenses in King's Lynn for the 2019/20 financial year, it will need to make its recommendations at this October meeting.

## 2. Special Expenses 2019/2020

2.1 The council tax base for King's Lynn for 2019/2020 is 10,190.4 and this is an increase of 141.6 from 2018/2019.

2.2 The table below details the special expenses charge 2019/2020 for King's Lynn.

	<b>Charge 2019/2020</b>
	<b>£</b>
Footway Lighting	36,430
Play Areas	35,830
Community Centres	39,300
Closed Churchyards	10,160
Allotments	6,690
Pavilions	32,280
Dog bins	12,390
Open Spaces	296,650
Bus Shelters	0
Public Conveniences	13,680
Parish Partnership Traffic Calming	810
<b>Total</b>	<b><u>484,220</u></b>
Less Council Tax Support Grant	(7,390)
<b>Net Total Charged as Special Expenses</b>	<b>476,830</b>
Taxbase 2019/2020	10,190.4
<b>Band D Charge 2019/2020</b>	<b>46.79</b>
Band D Charge 2018/2019	45.61
<b>Increase</b>	<b>1.18</b>
<b>Percentage Increase</b>	<b>2.59%</b>

2.3 The main movements between the special expenses charge for 2018/2019 and 2019/2020 are –

- Footway lighting increased by £8,980 as a result of higher electricity costs. It was highlighted in the special expenses report last year that indications are that energy costs will continue to rise above the general rate of inflation. It is anticipated that the benefits of the change to LED lighting as part of the Re:Fit programme will be important in keeping energy costs down in future. A report to Cabinet on 13 November 2018 will consider the next stage in the Re:Fit programme.

- Pavilion costs have increased by £4,150. This is mainly due to increased charges for business rates at the Dutton Pavilion and playing fields of £2,560. A Check/Challenge/Appeal has been submitted to the Valuation Office in respect of the business rates valuation for the Dutton Pavilion. We do not have any indication on when the Valuation office will review the submission or respond. In the event that the business rates charge is revised significantly before the budget report is finalised for consideration by Cabinet in February 2019 the special expenses charge for 2019/2020 will be adjusted accordingly.
- Open spaces costs have been reduced by £5,240 to reflect the current schedule of actual work being undertaken.

2.4 The total council tax support grant available will reduce in 2019/2020 by 52% in line with the reduction in the Council's overall revenue support grant. The amount of council tax support grant allocated to King's Lynn special expenses depends on the number of council tax payers receiving the discount and in 2019/2020 the grant is £7,390, a reduction of £8,860. It is anticipated that the Council will not receive revenue support grant from 2020/2021 and the council tax support grant will also end.

### **3. Financial Implications**

3.1 There will be financial implications associated with the spending of Special Expenses. The implications will depend on the recommendations which the Committee make to Cabinet.

### **4. Conclusion**

4.1 As part of their terms of reference the King's Lynn Area Consultative Committee (KLACC) can make recommendations on priorities for the expenditure and if appropriate the level of funds to be raised through Special Expenses within King's Lynn.

4.2 The Committee is asked to endorse the special expenses charge for 2019/2020 as set out in the report.