



**Council**

**19 February 2015**

**Matter for Decision**

Title:

## **Council Tax Setting 2015/16**

Author:

**John Dickson – Chief Financial and Section 151 Officer**

### **1 Introduction**

The purpose of this report is for the council to set the amount of council tax for its area in accordance with section 30 (2) of the Local Government Finance Act 1992, as amended by the Localism Act 2011.

Approval is sought for Oadby and Wigston Borough Council's net budget requirement of £6,468,574 and an associated Band D Council Tax in 2015/16 of £202.60.

### **2 Recommendations**

- (1) That it be noted that under powers delegated to the Chief Financial Officer, the Council has calculated the amount of 16,698.90 as its Council Tax Base for the financial year 2015/16 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- (2) That the Council Tax Requirement for the Council's own purposes for 2015/16 is £3,383,197.
- (3) The following amounts be calculated by the Council for the year 2015/16 in accordance with sections 30 to 36 (as amended) of the Local Government Finance Act 1992
  - a) £19,518,098 being the aggregate of the amounts which the Council estimates for the items set out in section 31 A (2) of the Act.
  - b) £16,134,901 being the aggregate of the amounts which the Council estimates for the items set out in section 31 A (3) of the Act
  - c) £3,383,197 being the amount by which the aggregate at 3 (a) above exceeds the aggregate at 3 (b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax Requirement for the year.
  - d) £202.60 being the amount at 3(c) divided by the amount at (1) above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.
  - e) Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
135.07	157.58	180.09	<b>202.60</b>	247.62	292.64	337.67	405.20

being the amounts given by multiplying the amount at 3(d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- (4) That it is noted that for the year 2015/16, Leicestershire County Council, the Police and Crime Commissioner for Leicestershire and the Leicester, Leicestershire and Rutland Combined Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of the dwellings shown below.

#### **Precepting Authorities - Valuation Bands**

Leicestershire County Council :-							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
722.77	843.23	963.69	<b>1,084.15</b>	1,325.08	1,566.00	1,806.92	2,168.30
Police and Crime Commissioner for Leicestershire :-							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
120.00	140.00	160.00	<b>180.00</b>	219.99	259.99	299.99	360.00
Leicestershire Fire Authority :-							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
40.29	47.00	53.72	<b>60.43</b>	73.86	87.29	100.72	120.86

- (5) That having calculated the aggregate in each case of the amounts at 2(e) and 3 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2015/16 for each of the categories of dwellings shown below:

#### **Valuation Bands**

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,018.13	1,187.81	1,357.50	<b>1,527.18</b>	1,866.55	2,205.92	2,545.30	3,054.36

### **3 Information**

Section 30 of the Local Government Finance Act 1992 requires the Council to set amounts of Council Tax at taxpayer level for each category of dwelling before 11 March in the preceding financial year. The major preceptors (Leicestershire County Council, the Police and Crime Commissioner for Leicestershire and the Leicester, Leicestershire and Rutland Combined Fire Authority) have set their Council Tax increases for 2015/16 at 1.99%.

However, Schedule 5 of the Localism Act amends the Local Government Finance Act 1992 to make provision for Council Tax referendums to be held in authorities that increase their Council Tax by an amount exceeding principles determined by the Secretary of State and agreed by Parliament. In a written ministerial statement on 18 December 2014 it was confirmed that the level of council tax increase above which authorities would have to hold a referendum would be 2% in 2015/16. This applies to district and unitary billing authorities, counties, fire authorities and police and crime commissioners.

The average Council Tax (Band D) for 2014/15 was £1,501.33 comprising Leicestershire County Council (LCC) precept of £1,063.00, Police and Crime Commissioner for Leicestershire (LPCC) precept of £176.48, Leicestershire Fire Authority (LFA) precept of £59.25 and the Borough Council levy of £202.60.

The table below shows the respective proportions year on year:-

	08/09		09/10		10/11		11/12	
	£	%	£	%	£	%	£	%
L.C.C	1,007.85	71.4	1,037.07	71.4	1,063.00	71.4	1,063.00	71.4
L.P.P.C	160.40	11.4	165.21	11.4	169.63	11.4	169.63	11.4
L.F.A	49.83	3.5	51.82	3.5	53.38	3.6	53.38	3.6
OWBC	192.84	13.7	198.63	13.7	202.60	13.6	202.60	13.6
Total	<u>1,410.92</u>		<u>1,452.73</u>		<u>1,488.61</u>		<u>1,488.61</u>	
	12/13		13/14		14/15		15/16	
L.C.C	1,063.00	71.2	1,063.00	71.0	1,063.00	70.8	1,084.15	71.0
L.P.P.C.	173.87	11.6	173.87	11.6	176.48	11.8	180.00	11.8
L.F.A	53.38	3.6	58.38	3.9	59.25	3.9	60.43	3.9
OWBC	202.60	13.6	202.60	13.5	202.60	13.5	202.60	13.3
Total	<u>1,492.85</u>		<u>1,497.85</u>		<u>1,501.33</u>		<u>1,527.18</u>	

Under Section 65 of the Local Government Finance Act 1992, the Council is required to consult National Non Domestic Ratepayers, within the area of the borough, on proposed revenue and capital expenditure for the financial year 2015/16.

As the Council is unable to influence the amount that the commercial sector is required to pay in business rates, it is difficult to make this consultation meaningful. By forwarding details of the proposed budget to the Leicester Chamber of Commerce and the Federation of Small Businesses for circulation amongst their members, who constitute a cross section of all sizes and types of businesses, this obligation has been met for 2015/16. Any feedback arising will be reported to the Council meeting.

Although the information contained in this report was accurate at the time of writing not all the major precept bodies had formally approved their Council Tax. Should there be any changes to the figures in this report Members will be informed at the meeting.

Email: [paul.loveday@oadby-wigston.gov.uk](mailto:paul.loveday@oadby-wigston.gov.uk)

Tel: **0116 257 2750**

<b>Implications</b>	
Financial	These are included within the main body of the report.

Risk	CR1 Scarce Financial Resources: Risk has been assessed and appropriate measures have been built into these budget proposals.
Equalities	Existing EIA should be reviewed to ensure adequate consideration of equality duties.
Legal	An annual legislative requirement as to council tax setting