



Council	Thursday, 18 February 2016	Matter for Decision
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Title: **Proposed Amendments to Recommendations in Item 12 of the
Agenda (Council Tax Setting 2016/17)**

Author: **Martin Hone – Interim Chief Financial Officer (Section 151 Officer)**

1. Introduction

- 1.1.** The General Fund budget for 2016/17 considered elsewhere on tonight's agenda is predicated on an increase in Council Tax of 1.99%, equivalent to £4.03 for a Band D property. As Members may know, an increase above 2% in any year triggers a local referendum.

However, when the final local government finance settlement for 2016-17 was announced by the Secretary of State on 8 February the rules regarding Council Tax increases had been changed from the provisional settlement. For 2016/17 every district council will be able to increase their Band D Council Tax by up to £5 or 2%, whichever is greater. In the provisional settlement only those district councils with Band D in the lower quartile were eligible for the £5 threshold. The proposed increase on Council Tax of 1.99% is equivalent to an increase at Band D of £4.03, so if the Council opted for the £5 increase a further 97p would be due at Band D, with a pro rata impact on other Council Tax bands. This would raise an additional £16,406 in 2016/17.

If Council were minded to agree an increase of £5 for 2016/17 instead of the 1.99% increase recommended in the Council Tax setting report, this would require the amendment of the recommendations set out in the report. Effectively, Section 2 of the report would be replaced by the following:

2. Recommendations

- 2.1.** That it be noted that under powers delegated to the Chief Financial Officer, the Council has calculated the amount of 16,944.20 as its Council Tax base for the financial year 2016/17 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
- 2.2.** That the Council Tax Requirement for the Council's own purposes for 2016/17 is £3,517,616.
- 2.3.** The following amounts be calculated by the Council for the year 2016/17 in accordance with sections 30 to 306 (as amended) of the Local Government Finance Act 1992:

- 2.3.a.** £19,017,644 being the aggregate of the amounts which the Council estimates for the items set out in section 31 A (2) of the Act.
- 2.3.b.** £15,500,028 being the aggregate of the amounts which the Council estimates for the items set out in section 31 A (3) of the Act.
- 2.3.c.** £3,517,616 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 31 A (4) of the Act, as its Council Tax Requirement for the year.
- 2.3.d.** £207.60 being the amount at 3 c) divided by the amount a 1 above, calculated by the Council, in accordance with section 31 B of the Act, as the basic amount of its Council Tax for the year.

2.3.e. Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
138.40	161.47	184.53	207.60	253.73	299.87	346.00	415.20

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 amount to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

- 2.4.** That it is noted that for the year 2016/17, 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 shown below.

Precepting Authorities - Valuation Bands

Leicestershire County Council :-							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
751.60	876.87	1,002.14	1,127.40	1,377.94	1,628.47	1,879.00	2,254.80
Police and Crime Commissioner for Leicestershire :-							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
122.39	142.78	163.18	183.58	224.38	265.17	305.97	367.16
Leicestershire Fire Authority :-							
A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
41.08	47.93	54.77	61.62	75.31	89.01	102.70	123.24

	into these budget proposals.
Equalities	In planning the budget, EIA's have been taken into account for all changes to current funding-levels.