

<b>REPORT TO</b>	<b>DATE OF MEETING</b>
<b>COUNCIL</b>	<b>1 MARCH 2017</b>

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<b>SUBJECT</b>	<b>PORTFOLIO</b>	<b>AUTHOR</b>	<b>ITEM</b>
<b>COUNCIL TAX SETTING 2017/18</b>	<b>FINANCE</b>	<b>PETER HAYWOOD</b>	<b>7</b>

## **SUMMARY AND LINK TO CORPORATE PRIORITIES**

This report is presented to allow determination of the Council Tax requirement and Council Tax for South Ribble Borough Council for 2017/18. The Council Tax provides the financial resources to help pay for all of the Council's services. It is fundamental in supporting the delivery of all our corporate priorities.

### **PURPOSE**

The purpose of this report is to enable the Council to calculate and set the Council Tax for 2017/18.

### **RECOMMENDATIONS**

That the Council approve the formal Council Tax resolution appended to this report and in doing so, approve the revised budget for 2016/17 along with the Council's budget for 2017/18.

### **DETAILS AND REASONING**

At its meeting on 20<sup>th</sup> February 2017, the Cabinet considered the updated financial strategy and draft budget proposals for the coming year. The Cabinet made a number of recommendations concerning the budget for 2017/18, which included a proposal to freeze Council Tax and for the Council to determine the reduction in Council Tax Support applicable to working age claimants with effect from the 1<sup>st</sup> April 2017. Taking into consideration the proposal to freeze the Band D Council Tax at £208.38 (excluding parish and town council precepts), the draft resolution, incorporating the recommendations from the Cabinet, is now appended to this report for consideration and approval.

As the "Billing Authority" for the South Ribble area, the Council also collects the Council Tax on behalf of the County Council, Police and Crime Commissioner, Combined Fire Authority and Parish/Town Councils. The appropriate share of the money collected is paid over to these organisations to help pay for the services they are responsible for delivering. The Council Tax already agreed separately by each of these organisations, and for which they are individually accountable, is set out below and in the draft resolution.

### **Town & Parish Councils**

The Town & Parish Council Precepts for 2017/18 are detailed together with a comparison with 2016/17 in Appendix C and total £397,669.

The changes included within The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, mean that these precepts take into account the cost of localised Council Tax Support.

There has been an overall increase in the average Band D Council Tax for Town and Parish Councils of 22.5% and this results in an average Band D Council Tax figure of £11.27 for 2017/18.

### Lancashire County Council

Lancashire County Council met on 9th February 2017 and set their precept at £43,112,272, in addition a contribution of £783,043 will be made from the surplus in the Collection Fund. This results in a Band D Council Tax of £1,221.74, which is an increase of 3.99% when compared to the current year's charge. Following an offer from the Secretary of State for Communities and Local Government, Lancashire County Council has decided to increase their 2017-18 Council Tax by an additional 2% (up to a total of 3.99%) without being required to hold a referendum, to assist the authority in meeting expenditure on adult social care.

### Police and Crime Commissioner for Lancashire

The Police and Crime Commissioner for Lancashire on 13<sup>th</sup> February 2017 agreed a precept of £5,838,333, in addition a contribution of £108,084 will be made from the surplus in the Collection Fund. This results in a Band D Council Tax of £165.45, an increase of 1.99% on the current year's charge.

### Lancashire Combined Fire Authority

Lancashire Combined Fire Authority met on 20th February 2017 and set their precept at £2,311,338, in addition a contribution of £43,622 will be made from the surplus in the Collection Fund. This results in a Band D Council Tax of £65.50, an increase of 0.00% when compared to the current year's charge.

	2016-17	2017-18	Increase/Decrease
South Ribble Borough Council	£208.38	£208.38	0.00%
Lancashire County Council	£1,174.86	£1,221.74	3.99%
Police and Crime Commissioner for Lancashire	£162.22	£165.45	1.99%
Lancashire Combined Fire and Rescue Authority	£65.50	£65.50	0.00%
<b>Sub Total</b>	<b>£1,610.96</b>	<b>£1,661.07</b>	<b>3.11%</b>
Town & Parish Council Average	£9.20	£11.27	22.50%
<b>Total</b>	<b>£1,620.16</b>	<b>£1,672.34</b>	<b>3.22%</b>

### WIDER IMPLICATIONS

In the preparation of this report, consideration has been given to the impact of its proposals in all the areas shown below. A risk assessment has also been carried out. The table shows the implications in respect of each of these.

<b>FINANCIAL</b>	The draft resolution in the appendix to the report comprises the formal approval the council's Council Tax requirement for 2017/18.
<b>LEGAL</b>	The Local Government Finance Act 1992 requires billing authorities to fix the council tax for a financial year by 11 March in the preceding financial year.
<b>RISK</b>	None.

<b>THE IMPACT ON EQUALITY</b>	The setting of Council Tax is legal requirement, and funds the services provided by all the precepting bodies as well as South Ribble Borough Council. Failure to set the Council Tax would adversely affect provision of these services to some of the most vulnerable in society.
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<b>OTHER (see below)</b>	None
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<i>Asset Management</i>	<i>Corporate Plans and Policies</i>	<i>Crime and Disorder</i>	<i>Efficiency Savings/Value for Money</i>
<i>Equality, Diversity and Community Cohesion</i>	<i>Freedom of Information/ Data Protection</i>	<i>Health and Safety</i>	<i>Health Inequalities</i>
<i>Human Rights Act 1998</i>	<i>Implementing Electronic Government</i>	<i>Staffing, Training and Development</i>	<i>Sustainability</i>

## **BACKGROUND DOCUMENTS**

Budget report as approved by Cabinet on 20<sup>th</sup> February 2017

Localisation of Council Tax Support Scheme report as approved by Cabinet on 26<sup>th</sup> October 2016 and by Council on 16<sup>th</sup> November 2016.

Council Tax Base 2017/2018 Delegated Decision on 30<sup>th</sup> January 2017

South Ribble Borough Council's Council Tax Support Scheme

Precept letters/emails from:

- Lancashire County Council;
- The Police and Crime Commissioner for Lancashire;
- Lancashire Combined Fire Authority; and
- Parish/Town Councils.

**THE COUNCIL IS RECOMMENDED TO RESOLVE AS FOLLOWS**

1. That the following be approved:-
  - (a) the revised revenue estimates for the year 2016/2017 and the revenue estimates for 2017/2018.
  - (b) the revised capital budget for the year 2016/2017 and the capital programme for 2017/2018.
  
2. It be noted that on the 30<sup>th</sup> January 2017 under a delegated decision the Council calculated the Council Tax Base based on information held as at the 30<sup>th</sup> November 2016 as required by legislation for 2017/18 as follows:-
  - (a) For the whole of Council area as 35,287.6 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
  - (b) For dwellings in those parts of its area to which Parish precepts relates as attached in Appendix C.
  
3. Calculate that the Council Tax requirement for the Council's own purposes for 2017/18 (excluding Parish precepts) is £208.38.
  
4. The following amounts be calculated for the 2017/18 in accordance with Sections 31 to 36 of the Act:
  - (a) £50,981,802 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by Parish and Town Councils. (This expenditure includes the government tariff payable in respect of business rates of £9,749,556)
  - (b) £43,230,903 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act. (This income includes business rates baseline funding of £11,940,828).
  - (c) £7,750,899 being the amount by which the aggregate at 4(a) above exceeds the aggregate at 4(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
  - (d) £219.65 being the amount at 4(c) above (Item R), all divided by Item T (2(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
  - (e) £397,669 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix B).
  - (f) £208.38 being the amount at 4(d) above less the result given by dividing the amount at 4(e) above by Item T (2(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.

5. To note that the County Council, the Lancashire Police and Crime Commissioner and the Fire Authority have issued Precepts to the Council in accordance with Section 42A of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.
6. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2017/18 for each part of its area and for each of the categories of dwellings.

**South Ribble Borough Council**

Valuation Bands							
A	B	C	D	E	F	G	H
£138.92	£162.07	£185.23	£208.38	£254.69	£300.99	£347.30	£416.76

**Lancashire County Council**

Valuation Bands							
A	B	C	D	E	F	G	H
£814.49	£950.24	£1,085.99	£1,221.74	£1,493.24	£1,764.74	£2,036.23	£2,443.48

**Police and Crime Commissioner for Lancashire**

Valuation Bands							
A	B	C	D	E	F	G	H
£110.30	£128.68	£147.07	£165.45	£202.22	£238.98	£275.75	£330.90

**Lancashire Combined Fire Authority**

Valuation Bands							
A	B	C	D	E	F	G	H
£43.67	£50.94	£58.22	£65.50	£80.06	£94.61	£109.17	£131.00

7. In accordance with Section 59A of South Ribble Borough Council's Council Tax Support Scheme that Council determine the reduction in Council Tax Support applicable to working age claimants with effect from the 1<sup>st</sup> April 2017 as being £ 3.50 per week.
8. South Ribble Borough Council's basic amount of Council Tax for 2017/18 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992.

APPENDIX B

Council Tax Schedule 2017/18	Bands							
	A	B	C	D	E	F	G	H
South Ribble Borough Council	£138.92	£162.07	£185.23	£208.38	£254.69	£300.99	£347.30	£416.76
Lancashire County Council	£814.49	£950.24	£1,085.99	£1,221.74	£1,493.24	£1,764.74	£2,036.23	£2,443.48
Lancashire Police Authority	£110.30	£128.68	£147.07	£165.45	£202.22	£238.98	£275.75	£330.90
Lancashire Combined Fire Authority	£43.67	£50.94	£58.22	£65.50	£80.06	£94.61	£109.17	£131.00
<b>Total Unparished Areas</b>	<b>£1,107.38</b>	<b>£1,291.93</b>	<b>£1,476.51</b>	<b>£1,661.07</b>	<b>£2,030.21</b>	<b>£2,399.32</b>	<b>£2,768.45</b>	<b>£3,322.14</b>
Farington	£15.33	£17.89	£20.44	£23.00	£28.11	£33.22	£38.33	£46.00
Farington and South Ribble BC	£154.25	£179.96	£205.67	£231.38	£282.80	£334.21	£385.63	£462.76
<b>Farington Total</b>	<b>£1,122.71</b>	<b>£1,309.82</b>	<b>£1,496.95</b>	<b>£1,684.07</b>	<b>£2,058.32</b>	<b>£2,432.54</b>	<b>£2,806.78</b>	<b>£3,368.14</b>
Hutton	£16.50	£19.25	£22.00	£24.75	£30.25	£35.75	£41.25	£49.50
Hutton and South Ribble BC	£155.42	£181.32	£207.23	£233.13	£284.94	£336.74	£388.55	£466.26
<b>Hutton Total</b>	<b>£1,123.88</b>	<b>£1,311.18</b>	<b>£1,498.51</b>	<b>£1,685.82</b>	<b>£2,060.46</b>	<b>£2,435.07</b>	<b>£2,809.70</b>	<b>£3,371.64</b>
Longton	£15.81	£18.45	£21.08	£23.72	£28.99	£34.26	£39.53	£47.44
Longton and South Ribble BC	£154.73	£180.52	£206.31	£232.10	£283.68	£335.25	£386.83	£464.20
<b>Longton Total</b>	<b>£1,123.19</b>	<b>£1,310.38</b>	<b>£1,497.59</b>	<b>£1,684.79</b>	<b>£2,059.20</b>	<b>£2,433.58</b>	<b>£2,807.98</b>	<b>£3,369.58</b>
Penwortham	£15.09	£17.61	£20.12	£22.64	£27.67	£32.70	£37.73	£45.28
Penwortham and South Ribble BC	£154.01	£179.68	£205.35	£231.02	£282.36	£333.69	£385.03	£462.04
<b>Penwortham Total</b>	<b>£1,122.47</b>	<b>£1,309.54</b>	<b>£1,496.63</b>	<b>£1,683.71</b>	<b>£2,057.88</b>	<b>£2,432.02</b>	<b>£2,806.18</b>	<b>£3,367.42</b>
Much Hoole	£50.43	£58.84	£67.24	£75.65	£92.46	£109.27	£126.08	£151.30
Much Hoole and South Ribble BC	£189.35	£220.91	£252.47	£284.03	£347.15	£410.26	£473.38	£568.06
<b>Much Hoole Total</b>	<b>£1,157.81</b>	<b>£1,350.77</b>	<b>£1,543.75</b>	<b>£1,736.72</b>	<b>£2,122.67</b>	<b>£2,508.59</b>	<b>£2,894.53</b>	<b>£3,473.44</b>
Little Hoole	£18.69	£21.81	£24.92	£28.04	£34.27	£40.50	£46.73	£56.08
Little Hoole and South Ribble BC	£157.61	£183.88	£210.15	£236.42	£288.96	£341.49	£394.03	£472.84
<b>Little Hoole Total</b>	<b>£1,126.07</b>	<b>£1,313.74</b>	<b>£1,501.43</b>	<b>£1,689.11</b>	<b>£2,064.48</b>	<b>£2,439.82</b>	<b>£2,815.18</b>	<b>£3,378.22</b>
Samlesbury and Cuerdale	£9.41	£10.98	£12.55	£14.12	£17.26	£20.40	£23.53	£28.24
Samlesbury and Cuerdale and South Ribble BC	£148.33	£173.05	£197.78	£222.50	£271.95	£321.39	£370.83	£445.00
<b>Samlesbury and Cuerdale Total</b>	<b>£1,116.79</b>	<b>£1,302.91</b>	<b>£1,489.06</b>	<b>£1,675.19</b>	<b>£2,047.47</b>	<b>£2,419.72</b>	<b>£2,791.98</b>	<b>£3,350.38</b>

## Parish and Parish Precepts

Parish/ Town Council	2016/17			2017/18		
	Precept	Tax Base Band D Equivalent Properties	Band D Equivalent £	Precept Precept	Tax Base Band D Equivalent Properties	Band D Equivalent £
	£		£	£		£
Farington	50,000	2,131.8	<b>£23.45</b>	50,000	2,174.3	23.00
Hutton	22,000	886.3	<b>£24.82</b>	22,000	888.8	24.75
Longton	83,200	3,079.9	<b>£27.01</b>	73,200	3,086.0	23.72
Penwortham	127,600	7,427.8	<b>£17.18</b>	170,000	7,510.2	22.64
Much Hoole	14,963	694.3	<b>£21.55</b>	52,969	700.2	75.65
Little Hoole	17,500	796.7	<b>£21.97</b>	22,500	802.3	28.04
Samlesbury & Cuerdale	5,000	486.3	<b>£10.28</b>	7,000	495.8	14.12
<b>Total</b>	<b>320,263</b>	<b>15,503.1</b>		<b>397,669</b>	<b>15,657.6</b>	