

COUNCIL	Agenda Item 5
Date of Meeting: 1st March, 2016	
Reporting Officer: Executive Director	
<p>REPORT OF THE EXECUTIVE COMMITTEE</p> <p>The following recommendations are submitted for consideration by the Council.</p> <p><u>Executive Committee – 20th January, 2016</u></p> <p>The recommendations set out below are those determined by the Executive Committee on 20th January, 2016.</p> <p>1.0 The Housing Revenue Account 2016-17</p> <p>1.1 Recommendations:-</p> <p style="padding-left: 40px;">To recommend the Council:-</p> <ol style="list-style-type: none"> 1. To note information at point (1) of the report; 2. To note the information on balances and Voluntary Repayment Provision at (2) of the report; 3. To note the information in point (3) of the report and agree 2016/17 budgets as shown in Appendix A of the report; 4. To agree the Dwelling Rent decrease of 1% at point (4) of the report and note the information shown in Appendix B of the report; 5. To agree the Garage increase of 2% at point (5) of the report; 6. To agree the no rent change to Adelphi Court at point (6) of the report; and 7. To note the information at point (7) of the report. <p>2.0 Budget Proposals 2016-17</p> <p>2.1 Recommendations:-</p> <ol style="list-style-type: none"> 1. To instruct the Executive Director to write to the LGA to suggest that the worst hit Councils meet the LGA to discuss the Revenue Support Grant; 	

Decision (Recommended to Council):

To recommend the Council:-

- 2. To set the 2016-2017 General Fund revenue budget as £10,212,510 including £95,950 for parish precepts;**
- 3. To agree that the Borough Council Tax was not increased for 2016-2017;**
- 4. To approve the Council Tax base for 2016-2017 at 18,555.44;**
- 5. To approve the allowance for budget variations of £30,000 funded from reserves;**
- 6. To approve an increase in the staff car parking subsidy by £120 per permit per annum, for direct employees;**
- 7. To approve the income increases referred to in paragraph 7.4;**
- 8. To approve the recruitment of two further apprentices for a fixed period of three years from September 2016;**
- 9. To approve the use of £334,570 of the Medium Term Financial Plan support reserve to balance the 2016-2017 budget;**
- 10. To approve the movements in reserves set out in paragraphs 8.2 to 8.9; £1,122,650 being used and £151,600 being added; and**
- 11. To approve the Capital Programme for 2015-2016 to 2019-2020 as referred to in paragraph 9.**

Background Papers

Nil.

COUNCIL	Agenda Item 6
Date of Meeting: 1st March, 2016	
Reporting Officer: Director of Resources	
<p>Title: General Fund Revenue Budget 2016-2017 and the Outcome of the Public Consultation Exercise</p> <p>Summary and Conclusions:</p> <p>This report confirms the General Fund revenue budget after the Government financial settlement confirmation and submission of Business Rate Retention Scheme final estimates. The outcome of the public consultation process relating to the budget proposals is also reported.</p> <p>Recommendations:</p> <p>Members are recommended -</p> <ol style="list-style-type: none"> 1. To approve the decisions of the Executive Committee on 20th January, 2016, in relation to the budget for 2016-2017, and agree that the General Fund revenue budget for 2016-2017 be set as £9,985,560. 2. To note that the public consultation period has ended. 3. To note Minute No. 36 of the Overview and Scrutiny Committee on 28th January, 2016. 	

Report

This report sets out the final proposed General Fund revenue budget for 2016-2017. The confirmed financial settlement did not alter the provisional settlement figures.

The budget remains balanced, but has been amended since it was presented to the Executive Committee on 20th January, 2016, to reflect the Business Rate Retention Scheme final estimates. The proposed budget is now £9,985,560, including £95,950 for parish precepts. The reduction from £10,212,510 of £226,950 relates to the Business Rates Retention Scheme and is to be met from reserves.

The Business Rate Retention Scheme items are finalised as estimates from a certified submission to the Government. The submission is made at the end of January and is based on information available at that point in time, which is more current than that used for the budget estimates provided at the Executive

Committee. It is necessary to reflect the same Business Rate figures in the proposed budget as Government returns and submissions will look to validate against these original certified estimates.

The submission includes the projected deficit for 2015-2016 which is included in the 2016-2017 budget. This is expected to be met from amounts reserved in 2014-2015 and 2015-2016; regulations dictate the timing of recognising these results in the accounts.

The items amended in the proposed budget are:

	Item	Initial Budget Estimate £	Amendments £	Final Proposed Budget £
a	Items excluded from Council Tax	(1,972,350)	366,480	(1,605,870)
b	Movement in reserves	(1,335,620)	(593,430)	(1,929,050)
c	Retained Business Rates	(9,600,650)	11,630	(9,589,020)
d	Retained Business Rates Levy	346,880	(11,280)	335,600
e	Business Rates Pool	(159,570)	5,190	(154,380)
f	Business Rates – prior year deficit	856,480	222,280	1,078,760
g	Other Government grants	(580,860)	(870)	(581,730)
	Total of amended items	12,445,690	0	12,445,690

Items a-b reduces the Net Revenue Budget by £226,950 from £10,212,510 to the final proposal of £9,985,560.

Items c-g reduces the Total Revenue Financing by £226,950 from £10,212,510 to the final proposal of £9,985,560.

Public consultation

As agreed at the Executive Committee on 20th January, 2016, a public consultation has been carried out. There are no responses to report.

The budget proposals were reported to the Overview and Scrutiny Committee on 28th January, 2016 and the Minute of the meeting is attached at **Appendix 1**.

Background Papers

Nil.

OVERVIEW AND SCRUTINY COMMITTEE

Meeting, Thursday, 28th January, 2016
at 2.00 p.m.

PRESENT:- Councillors Heath (Chairman), Cassidy (Vice-Chairman), Gill, Husband, McLeavy, Opie, Preston, C. Thomson, M. A. Thomson and Wall.

Officers Present:- John Penfold (Corporate Support Manager), Brooke Parsons (Corporate Support Officer), Peter Carr (Environmental Protection Officer), Sue Roberts (Director of Resources) and Paula Westwood (Democratic Services Officer - Member Support).

REFERRED ITEMS

THE FOLLOWING MATTERS ARE REFERRED TO COUNCIL FOR DECISION

36 – Budget Proposals 2016-2017

The Director of Resources reported that the Executive Committee had considered the budget proposals for 2016-2017 on 20th January, 2016 and their recommendations would be before Council on 1st March, 2016.

Members of this Committee had the opportunity to scrutinise the budget proposals and raise any concerns or comments to full Council at the meeting on 1st March, 2016.

The Executive Committee report with the related appendices had been appended to the Director's report.

The Director of Resources responded to Members' questions in relation to the Budget Proposals for 2016-2017.

RECOMMENDED:- To agree that Members were satisfied with the budget proposals for 2016-2017 as approved by the Executive Committee at its meeting on 20th January, 2016 and agreed to forward these proposals to full Council for approval at its meeting on 1st March, 2016.

COUNCIL	Agenda Item 7
Date of Meeting: 1st March, 2015	
Reporting Officer: Director of Resources	
<p>Title: Setting the Council Tax for the year commencing 1st April 2016</p> <p>Summary and Conclusions:</p> <p>The purpose of this report is to calculate and set the Council Tax for the year 2016-2017.</p> <p>Recommendations:</p> <p>Members are recommended –</p> <ol style="list-style-type: none"> 1. To note that the Police and Crime Commissioner for Cumbria’s precept is subject to approval. Should the figures be changed, an update will be provided at the meeting. 2. To approve the formal Council Tax resolutions as detailed in Section VII of the report. 	

Report

Calculating and setting the Council Tax for 2016-2017

Introduction

The calculation and setting of the Council Tax for the Borough area is closely prescribed by legislation. This report sets out the individual components of the calculation and concludes with the formal resolution in accordance with the statutory requirements.

Budget

At this meeting the Council is considering the approval of the 2016-2017 General Fund revenue budget of £9,985,560; this includes £95,950 of Parish Council precepts.

The Council’s budget is the amount required to meet the years estimated expenditure net of any income raised in fees and charges or service specific grant funding.

The budget includes the following precepts issued by the Parish Councils for 2016-2017:

Precept	£
Dalton with Newton Town Council	67,140
Askam and Ireleth Parish Council	25,340
Lindal and Marton Parish Council	3,470
Total parish precepts	95,950

The Council Tax Requirement for the Borough is £4,025,420 made up as follows:

Item	£
General Fund revenue budget	9,889,610
Less general grants	(5,748,590)
Less the Collection Fund surplus	(115,600)
Council Tax Requirement excluding parish precepts	4,025,420
Plus the parish precepts	95,950
The Council Tax Requirement	4,121,370

The legislation requires the Council's revenue budget to be grossed up to show the estimated total expenditure and income for 2016-2017:

Item	£
Total gross expenditure	66,848,390
Total gross income	(62,727,020)
The Council Tax Requirement	4,121,370

Council Tax Base

The following Council Tax Bases for the Borough and the parished areas have been set for 2016-2017 as notified to the Executive Committee on 20th January, 2016:

Whole Area	18,555.44
Dalton with Newton	2,265.95
Askam and Ireleth	1,047.85
Lindal and Marton	257.37

Calculation of the Basic Council Tax for the Borough Council

The Council's Basic Amount of Council Tax for Band D dwellings is calculated as follows:

The Council Tax Requirement excluding parishes	£4,025,420
Divided by the Council Tax Base for the Whole Area	18,555.44
Gives the Basic Amount of Council Tax	£216.94

This Band D rate of Council Tax is, in effect, an average across the parished and unparished areas of the Borough. The statutory calculation then arrives at the Basic Amounts of Council Tax (for Band D dwellings) for the individual areas as follows:

Area	Basic Amount
Barrow (unparished)	£216.94
Dalton with Newton Parish	£246.57
Askam and Ireleth Parish	£241.12
Lindal and Marton Parish	£230.42

Table 1 in Section VII.4 shows the tax amounts for each band and parish in the Council's area.

Cumbria County Council and the Police and Crime Commissioner for Cumbria precepts and amounts of Council Tax

Cumbria County Council set its budget for 2016-2017 resulting in a precept of £22,857,890. The Police and Crime Commissioner for Cumbria set its budget with a precept of £4,019,665. See Table 2 in Section VIII.5 for the banded amounts of Council Tax.

Setting the Council Tax

The calculated Borough, Police and Crime Commissioner for Cumbria and Cumbria County Council elements are added to calculate the composite Council Tax. The Council Tax for each category of dwellings is shown in table 3 in Section VII.6. After setting the Council Tax, the Council is required to advertise the amounts within 21 days in at least one local newspaper.

Schedule of precept instalments

The precepts issued by Cumbria County Council and the Police and Crime Commissioner for Cumbria are payable in equal monthly instalments on dates to be agreed with the two authorities. The Borough Council's demand will be paid to the General Fund by instalments on the same dates. The three parish precepts will be paid over in full on the April precept payment date.

Instalment dates

Council Tax and NNDR bills are payable in ten instalments. The payment dates, which will maximise cash flow, are as follows; these may have to be adjusted in the event of any delay in issuing bills:

Instalment	Date	Instalment	Date
1	1 st April 2016	6	1 st September 2016
2	1 st May 2016	7	1 st October 2016
3	1 st June 2016	8	1 st November 2016
4	1 st July 2016	9	1 st December 2016
5	1 st August 2016	10	1 st January 2017

Resolutions

Members are recommended to adopt the following resolutions:

1. It be noted that on 20th January, 2016, the Council calculated the Council Tax Base for the year 2016-2017 in accordance with Regulations made under Section 33(5) of the Local Government Finance Act 1992, as amended (the Act):
 - a. for the whole Borough area as 18,555.44 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulation 1992, as its Council Tax Base for the year;
 - b. for dwellings in those parts of the Borough area to which a Parish Precept relates:

Dalton with Newton	2,265.95
Askam and Ireleth	1,047.85
Lindal and Marton	257.37

being the amounts calculated by the Council, in accordance with Regulation, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

2. That the Council Tax Requirement for the Council's own purposes for 2016-2017 (excluding Parish Precepts) is £4,025,420.
3. That the following amounts be calculated for the year 2016-2017 in accordance with Sections 31 to 36 of the Local Government and Finance Act 1992:
 - a. £66,848,390 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 Councils.
 - b. £62,727,020 being the aggregate of the amounts, which the Council estimates for the items, set out in Section 31A (3) of the Act;
 - c. £4,121,370 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. £216.94 being the amount at 3(c) above, all divided by the item at 1(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 Council precepts).

- e. £95,950 being the aggregate amount of all special items (Parish Council precepts) referred to in Section 34(1) of the Act.
- f. £216.94 being the Basic Amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates as set out in Section 52ZX of the Act.

4. **Table 1** – Council Tax for parts of the Council’s Area:

Band	Ratio	Barrow £.p	Dalton with Newton £.p	Askam and Ireleth £.p	Lindal and Marton £.p
A	6/9	144.63	164.38	160.75	153.61
B	7/9	168.73	191.78	187.54	179.22
C	8/9	192.84	219.17	214.33	204.82
D	9/9	216.94	246.57	241.12	230.42
E	11/9	265.15	301.36	294.70	281.62
F	13/9	313.36	356.16	348.28	332.83
G	15/9	361.57	410.95	401.87	384.03
H	18/9	433.88	493.14	482.24	460.84

5. That it be noted that for the year 2016-2017, Cumbria County Council and the Police and Crime Commissioner for Cumbria have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings shown in **Table 2** below:

Band	Cumbria County Council £.p	Police and Crime Commissioner for Cumbria £.p
A	821.25	144.42
B	958.12	168.49
C	1,095.00	192.56
D	1,231.87	216.63
E	1,505.62	264.77
F	1,779.37	312.91
G	2,053.12	361.05
H	2,463.74	433.26

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 **Table 3** below as the amounts of Council Tax for the year 2016-2017 for each of the categories of dwellings:

Band	Barrow £.p	Dalton with Newton £.p	Askam and Ireleth £.p	Lindal and Marton £.p
A	1,110.30	1,130.05	1,126.42	1,119.28
B	1,295.34	1,318.39	1,314.15	1,305.83
C	1,480.40	1,506.73	1,501.89	1,492.38
D	1,665.44	1,695.07	1,689.62	1,678.92
E	2,035.54	2,071.75	2,065.09	2,052.01
F	2,405.64	2,448.44	2,440.56	2,425.11
G	2,775.74	2,825.12	2,816.04	2,798.20
H	3,330.88	3,390.14	3,379.24	3,357.84

7. Determine that, in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992, the Council's Basic Amount of Council Tax for 2016-2017 of £216.94 compared to £216.94 for the previous year (no increase) is not excessive.

Background Papers

Nil.