

TELFORD & WREKIN COUNCIL**COUNCIL – 3 MARCH 2016****COUNCIL TAX - FORMAL RESOLUTIONS FOR 2016/17****REPORT OF THE CHIEF FINANCIAL OFFICER (ASSISTANT DIRECTOR OF FINANCE AND HUMAN RESOURCES)****LEAD MEMBER – COUNCILLOR LEE CARTER****1. PART A – SUMMARY REPORT**

Council Tax levels must be approved by Full Council. This report sets out the formal resolutions to determine the levels of Council Tax for Telford & Wrekin Council for 2016/17. The levels of tax take account of the requirements of Telford & Wrekin Council, the West Mercia Police & Crime Commissioner, Shropshire and Wrekin Fire Authority, and the various Parish and Town Councils.

The Council's General and Special Fund budgets for 2016/17 were approved earlier at this meeting and the Council Tax Base was approved at the meeting of Full Council on 21 January 2016.

Council Tax levels are based on spending requirements and the council tax base (number of chargeable Band D equivalent dwellings). Once this report is agreed the Band D Council Tax will be:

Authority		Band D Council Tax £	Increase %
Telford & Wrekin	General Fund	1,146.56	1.20
	Special Fund	14.71	1.24
Telford & Wrekin	Total (excluding Adult Social Care Precept)	1,161.27	1.20
Telford & Wrekin	Adult Social Care Precept	22.94	N/A
Telford & Wrekin	Total (including Adult Social Care Precept)	1,184.21	3.20
West Mercia Police & Crime Commissioner		189.60	1.99
Shropshire and Wrekin Fire Authority		94.05	1.98
Parish & Town Councils		74.27	12.14
Total Council Tax		1,542.13	3.37

The percentage increases all relate to change from current year levels

The increases in overall council tax will vary dependent on parish area. This Council has set a 1.2% increase for the main part of its Council Tax. From 2016/17, a new “Adult Social Care Precept” has been introduced by the Government, which is equivalent to a 2% Council Tax increase and the income from which must be ring-fenced to be spent on Adult Social Care Services.

In the Government’s calculation of core spending power from 2016/17 through to 2019/20, the Government have assumed that social services authorities such as Telford & Wrekin increase their council tax by the new 2% social care precept and by an annual average of 1.75% throughout the period to 2019/20. Telford & Wrekin’s increase of 3.2% is therefore below the Government’s assumption of a 3.75% increase each year for the next 4 years.

Overall the total average bill has increased by 3.37% to include increases by Police, Fire and Parish and Town Councils.

The average increase in overall bills represents a range from 2.58% to 6.10% depending on variations in parish council spending and precepts.

While the total average Band D bill will be £1,542.13, the majority of properties in the area fall in Bands A and B – for a Band B property the overall average bill is £1,199.43.

The necessary formal resolutions are set out in section 5 of the report.

2.0 RECOMMENDATIONS

Members are asked to approve the formal resolutions to determine the levels of Council Tax for 2016/17 as detailed in the report.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific priorities?	
	Yes	The level of Council Tax is a product of the Service & Financial Planning Strategy which is integral to ensuring that available resources are used as effectively as possible to deliver corporate priorities.
TARGET COMPLETION /DELIVERY DATE	The Council Tax must be set by 11 March each year prior to the start of the financial year to which it relates.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed in the Service & Financial Planning Report.
LEGAL ISSUES	No	The Council must make calculations concerning its spending and Council Tax for the area to enable the Council's

		statutory obligations to be fulfilled. Members should note that the Local Government Finance Act 1992 imposes a statutory duty upon the Council to calculate its council tax requirement and to set its Council Tax for 2016/17 before the 11th March, 2016. Details of those Regulations and how they have been observed are set out in this report.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	These are considered as part of the Service & Financial Planning report.
IMPACT ON SPECIFIC WARDS	No	Borough Wide

PART B – ADDITIONAL INFORMATION

4.0. INFORMATION

The Council Tax Base was approved at Full Council on 21 January 2016. The Council's budget for 2016/17 was agreed earlier at this meeting.

The budget is made up of a General Fund element and a much smaller Special Fund element. The Special Fund is required to ring fence costs that apply to areas that were previously unparished and where the Council still provides some additional services normally provided by Town and Parish Councils mainly relating to footway lighting and cemeteries, whereas some parishes provide and pay for these services. The new Adult Social Care Precept has been introduced by the Government, and is equivalent to a 2% Council Tax increase. The income from this must be ring-fenced to be spent on Adult Social Care Services.

Some parishes in the special fund area have, however, assumed responsibility for footway lighting so that two special fund charges are applied in different areas dependent upon whether footway lighting is provided by this Council or the Parish Council. However, Lawley & Overdale Parish Council has decided to discontinue the agreement with the Council, whereby the footway lighting is included within their Band D council tax charge. In 2015/16 this amounted to £11.13 at Band D as part of the parish charge, for 2016/17 residents will be charged £28.03 as part of the Special Fund charge. The charge for special fund areas has increased by 1.2%, and across the Borough as a whole the proposals set out in this report represent a 1.2% increase on average in the Council Tax levied by Telford & Wrekin Council plus the Adult Social Care Precept which is a 2% increase.

5. FORMAL RESOLUTIONS

5.1. That it be noted that at its meeting on 22 January 2016 the Council calculated the following amounts for the year 2016/17 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 made under Section 33 of the Local Government Finance Act 1992 as amended (The Act):-

(a) **46,985.3** being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (The Regulations), as its Council Tax base for the year (The Council Tax Base).

(b) **Part of the Council's Area
Tax Base**

The Parish of:-

CHETWYND	235.6
CHETWYND ASTON & WOODCOTE	162.5
CHURCH ASTON	473.7
DAWLEY HAMLETS	2,061.8
DONNINGTON & MUXTON	3,668.3
EDGMOND	527.9
ERCALL MAGNA	554.6
THE GORGE	1,341.0
GREAT DAWLEY	2,364.0
HADLEY & LEEGOMERY	3,789.4
HOLLINSWOOD & RANDLAY	1,330.7
KETLEY	1,179.9
KYNNERSLEY	73.3
LAWLEY & OVERDALE	2,552.9
LILLESHALL	540.9
LITTLE WENLOCK	232.9
MADELEY	3,893.9
NEWPORT	3,469.6
OAKENGATES	2,317.6
PRESTON	98.7
RODINGTON	339.8
ST. GEORGES & PRIORSLEE	3,724.1
STIRCHLEY & BROOKSIDE	2,214.9
TIBBERTON & CHERRINGTON	270.1
WATERS UPTON	379.7
WELLINGTON	6,349.4
WROCKWARDINE	1,405.8
WROCKWARDINE WOOD & TRENCH	1,395.7
	46,948.7

being the amounts calculated by the Council in accordance with Regulation 6 of The Regulations, 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.

5.2. That the following amounts be now calculated by the Council for the year 2016/17 in accordance with Sections 31 to 36 of The Act:-

- (a) £409,992,299 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) £350,862,383 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £59,129,916 being the amount by which the aggregate at 5.2(a) above exceeds the aggregate at 5.2(b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year.
- (d) £1,258.48 being the amount at 5.2(c) above divided by the Council Tax base, 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 and special items).
- (e) £4,180,289 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (f) £1,169.50 being the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates (calculated by deducting from the amount at 5.2(d) above, the quotient of the amount at 5.2(e) above divided by the Council Tax Base). The only area that this relates to is the Parish of Eyton. This includes the Adult Social Care Precept of £22.94.

(g)	<u>Part of the Council's Area</u>	£
	The Parish of:	
	Chetwynd	1,184.35
	Chetwynd Aston & Woodcote	1,200.26
	Church Aston	1,205.88
	Dawley Hamlets (SF2*)	1,231.65
	Donnington & Muxton	1,214.20
	Edgmond	1,201.70
	Ercall Magna	1,224.71
	The Gorge (SF2*)	1,244.75
	Great Dawley (SF2*)	1,360.01
	Hadley & Leegomery	1,241.79

Hollinswood & Randlay	1,320.19
Ketley	1,265.86
Kynnersley	1,197.77
Lawley & Overdale (SF2*)	1,260.99
Lilleshall	1,237.90
Little Wenlock	1,230.59
Madeley (SF2*)	1,289.73
Newport	1,282.30
Oakengates (SF2*)	1,320.98
Preston	1,172.53
Rodington	1,200.69
St. Georges & Priorslee (SF1*)	1,209.97
Stirchley & Brookside(SF2*)	1,306.79
Tibberton & Cherrington	1,186.90
Waters Upton	1,214.27
Wellington (SF2*)	1,249.93
Wrockwardine	1,215.73
Wrockwardine Wood & Trench (SF1*)	1,251.41

**SF1 indicates a parish in the special fund area which has taken over responsibility for footway lighting. An additional charge of £0.20 per Band D is made for cemeteries.*

**SF2 indicates a parish in the special fund area which has not taken over responsibility for footway lighting. An additional charge of £28.23 per Band D is made for both cemeteries and footway lighting.*

being the amounts given by adding to the amount at 5.2(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 5.1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

- (h) The amounts in Appendix 1 being the amounts given by multiplying the amounts at 5.2(f) and 5.2(g) 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.

6. The West Mercia Police & Crime Commissioner precept for 2016/17 was set at its meeting on 2 February 2016. The following

amounts were stated in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Band</u>	<u>Amount</u> £
A	126.40
B	147.47
C	168.54
D	189.60
E	231.74
F	273.87
G	316.01
H	379.20

7. The Shropshire & Wrekin Fire and Rescue Authority's precept for 2016/17 was set at its meeting on 24 February 2016. The following amounts were stated in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:-

<u>Valuation Band</u>	<u>Amount</u> £
A	62.70
B	73.15
C	83.60
D	94.05
E	114.95
F	135.85
G	156.75
H	188.10

8. That, having calculated the aggregate in each case of the amounts at 5.2(h) and 6 and 7 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act, 1992, hereby sets the amounts in Appendix 2 as the amounts of council tax for the year 2016/17 for each of the categories of dwellings shown.

9. Background Papers
 Service & Financial Planning Report 2016/17 – 2017/18
 Parish Precept Requests
 Police & Crime Commissioner Precept Request
 Fire Authority Precept Request
 2016/17 Revenue Support Grant Settlement
 Acts, Directions and Regulations as quoted above.