

Wiltshire Council

Council

23 February 2016

Council Tax Setting 2016/2017

Executive Summary

This report sets out, in the complex format prescribed by law, the resolutions required from the Council to set the Council Tax for the year 2016/2017.

Using the tax base, approved by Cabinet on 15 December 2015 of 176,780.23 band D equivalent households, and the draft net budget requirement of £313.585 million (which in order to fund requires a council tax requirement of £224.724 million) gives a band D council tax, inclusive of the 2% Social Care levy, for 2016/2017 of £1,271.20.

Fire, Police and Town/Parish precepts are in addition to the Wiltshire Council basic Council Tax.

The main body of the report sets out the statutory calculations, and shows the Fire, Police and Town/Parish precepts for every parish in Wiltshire along with the total Council Tax figures.

Proposal

That the Council approves the resolutions as set out within this report.

Reason for Proposal

To meet the statutory requirement to set the Council Tax. The calculations are as defined by law, and the figures will change only if the budget proposal is amended.

Carolyn Godfrey
Corporate Director

Wiltshire Council

Council

23 February 2016

Council Tax Setting 2016/2017

Purpose of Report

1. The purpose of this report is to enable the Council to calculate and approve the Council Tax requirement for 2016/2017.

Background

2. The Localism Act 2011 requires the billing authority to calculate the council tax requirement for the year.
3. Cabinet approved the 2016/2017 Wiltshire Council tax base of 176,780.23 on 15 December 2015.

Wiltshire Council

4. The spending review announced that for the rest of the current Parliament, local authorities responsible for adult social care (ASC authorities) will be given an additional 2% flexibility on their current council tax referendum threshold to be used entirely for adult social care. This flexibility is being offered in recognition of demographic changes which are leading to growing demand for adult social care, and increased pressure on council budgets.
5. At the Cabinet meeting on 9 February 2016 it was recommended that Wiltshire Council increase its basic element of the band D Council Tax by 1.99% for 2016/2017. This results in an average band D Council Tax of £1,246.76 for 2016/2017 (£1,222.43 for 2015/2016).
6. It was also recommended at the same meeting that Wiltshire Council take up the additional 2.00% flexibility in respect of adult social care for 2016/2017. This results in an average band D Council Tax of £1,271.20 for 2016/2017 (£1,222.43 for 2015/2016).
7. Since the Cabinet meeting on 9 February 2016, the precept levels of other precepting authorities have been received. These are detailed below:

Town & Parish Councils

8. The Town & Parish Council Precepts for 2016/2017 are detailed in Appendix B and total £15,415,782.30. The increase in the average band D Council Tax for Town & Parish Councils is 4.86% and results in an average band D Council Tax figure of £87.20 for 2016/2017 (£83.16 for 2015/2016).

Office of the Police & Crime Commissioner for Wiltshire & Swindon

9. The Office of the Police & Crime Commissioner for Wiltshire & Swindon met on 4 February 2016 and set their precept in respect of the Wiltshire area at £29,539,976 adjusted by a Council Tax Collection Fund contribution of £677,935. This results in a band D Council Tax of £167.10 for 2016/2017. This represents an increase of 1.90% compared to £163.98 for 2015/2016.

Dorset & Wiltshire Fire & Rescue Authority

10. The Dorset Fire Authority (“Dorset”) and the Wiltshire and Swindon Fire Authority (“Wiltshire”) are merging with effect from 1 April 2016. The Secretary of State agreed that the merger was in the interests of efficiency, economy and effectiveness, and the Dorset and Wiltshire Fire and Rescue Authority (Combination Scheme) Order 20156 came into force for certain purposes on 1 April 2015. The authorities have set up a shadow authority ahead of the merger on 1 April 2016.
11. Dorset’s band D Council Tax for 2015/2016 was £67.86 and Wiltshire’s was £64.88.
12. In relation to 2016/2017 the Dorset and Wiltshire Fire and Rescue Authority needs to be able to make a comparison between its relevant basic amount of council tax for that year and a relevant basic amount of council tax for 2015/2016. As there was no relevant basic amount of council tax for the combined area for 2015/2016 the Secretary of State needs to set an alternative notional amount.
13. The Secretary of State considers that it is appropriate to set an Alternative Notional Amount for the newly merged Dorset and Wiltshire Fire and Rescue Authority of £67.86 in respect of 2015/2016, i.e. the same level as the relevant basic amount of council tax for the outgoing Dorset Fire Authority, to allow equalisation to take effect in the first year of the new authority.
14. Dorset & Wiltshire Fire & Rescue Authority met on 12 February 2016 and set their precept in respect of the Wiltshire area at £12,234,960 adjusted by a Council Tax Collection Fund contribution of £268,230. This results in a band D Council Tax of £69.21 for 2016/2017. This represents an increase of 1.99% compared to the alternative Notional Amount of £67.86 for 2015/2016.

Conclusions

15. The recommendations are set out in the formal Council Tax Resolution in Appendix A.
16. If the formal Council Tax Resolution in Appendix A is approved, the total band D Council Tax will be as follows:

	2015/2016 £	2016/2017 £	Increase £	Increase %
Wiltshire Council	1,222.43	1,246.76	24.33	1.99
Wiltshire Council – Adult Social Care		24.44	24.44	2.00
Wiltshire Council Sub – Total	1,222.43	1,271.20	48.77	3.99
Office of the Police & Crime Commissioner for Wiltshire & Swindon	163.98	167.10	3.12	1.90
Dorset & Wiltshire Fire & Rescue Authority	67.86 (Alternative Notional Amount)	69.21	1.35	1.99
Sub – Total	1,454.27	1,507.51	53.24	3.66
Town & Parish Council (average)	83.16	87.20	4.04	4.86
Total	1,537.43	1,594.71	57.28	3.73

Risks Assessment

17. A full risk assessment of the budget proposals has been provided to Cabinet on 9 February 2016 in Wiltshire Council's Financial Plan 2016/2017.

Equality and Diversity Impacts of the Proposal

18. None have been identified as directly arising from this report, although equality and diversity impacts have been considered by officers and portfolio holders when preparing budget proposals.

Financial Implications

19. The financial implications are outlined in the report.

Legal Implications

20. The legal implications are outlined in the report.

Public Health Implications

21. None have been identified as arising directly from this report.

Environmental Implications

22. None have been identified as arising directly from this report.

Safeguarding Implications

23. None have been identified as arising directly from this report.

Options Considered

24. The calculations are as defined by law, and the figures will change only if the budget proposal is amended.

Reasons for Proposals

25. To meet the statutory requirement to set the Council Tax. The calculations are as defined by law, and the figures will change only if the budget proposal is amended

Proposal

26. That the Council approves the resolutions as set out within the report.

Michael Hudson
Associate Director, Finance

Report Author: Stuart Donnelly Principal Accountant

The following published documents set out the statutory requirements and powers relevant to the subject of this report:

Local Government Finance Act 1992

Localism Act 2011

Referendums Relating to Council Tax Increases (Principles) (England) Report 2016 to 2017

Referendums Relating to Council Tax Increases (Alternative Notional Amounts) (England) Report 2016 to 2017

The following published documents have been referred to during the preparation of this report:

Wiltshire Council's Financial Plan 2016/2017

Council Tax Base 2016/2017 Cabinet Report 15 December 2015

Appendices:

Appendix A Wiltshire Council - Council Tax Resolution 2016/2017

Appendix B Wiltshire Council - Council Tax Banding Schedule by Authority 2016/2017

Appendix C Wiltshire Council - Town & Parish Precepts 2016/2017

The Council is recommended to resolve as follows:

1. It be noted that on 15 December 2015 the Council calculated:
 - (a) the Council Tax Base 2016/2017 for the whole Wiltshire Council area as 176,780.23 [Item T in the formula in Section 31B(3) of the Local Government Finance Act 1992, as amended (the "Act")] and,
 - (b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix.
2. Calculate that the Council Tax requirement for the Council's own purposes for 2016/2017 (excluding Parish precepts) is £224,723,905.
3. That the following amounts be calculated for the year 2016/2017 in accordance with Sections 31 to 36 of the Act:
 - (a) £938,802,024 **(Gross Revenue Expenditure including transfers to reserves, parish precepts and any collection fund deficit)** 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) £698,662,337 **(Gross Revenue Income including transfers from reserves, General Government Grants and any collection fund surplus)** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £240,139,687 **(Net Revenue Expenditure including parish precepts)** 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. (Item R in the formula in Section 31A(4) of the Act).
 - (d) £1,358.40 **(Wiltshire Council band D tax plus average Town & Parish Councils Band D Council Tax)** being the amount at 3(c) above (Item R), all divided by Item T (2 above), calculated by the Council, in accordance with Section 31B(1) of the Act, as the basic amount of its Council Tax for the year (including Parish precepts), as shown below:

Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
905.60	1,056.53	1,207.47	1,358.40	1,660.27	1,962.14	2,264.00	2,716.80

- (e) £15,415,782 **(Aggregate of Town & Parish Council Precepts)** being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act (as per the attached Appendix C).
- (f) £1,271.20 **(band D Council Tax for Wiltshire Council purposes only)** being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (2 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, as shown below:

Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
847.4 7	988.7 1	1,129.9 6	1,271.2 0	1,553.6 9	1,836.1 8	2,118.6 7	2,542.4 0