

The Vale of Glamorgan Council

Cabinet Meeting: 7 March, 2016

Report of the Leader

Council Tax Proposals 2016/17

Purpose of the Report

1. The purpose of this report is to set out proposals for the 2016/17 Council Tax for Cabinet members to consider, before making their recommendations to Council on 10th March 2016.

Recommendation

That Cabinet recommend to Council the following:-

1. Set the Council Tax for 2016/17 for its own purposes (excluding police and town and community council precepts) at the following levels. (assuming there is no change in the AEF received by this Council from Welsh Government, following the debate at the Welsh Assembly on 9th March 2016).

Band	Council Tax £
A	740.82
B	864.29
C	987.76
D	1,111.23
E	1,358.17
F	1,605.11
G	1,852.05
H	2,222.46
I	2,592.87

Reason for the Recommendation

1. To set Council Tax levels for 2016/17.

Background

2. The Council is required under statute to fix the level of Council Tax for 2016/17 by 11th March 2016. The final decision on the budget cannot be delegated and must be made at a meeting of Council.
3. In previous years, the provisional settlement has been received from Welsh Government (WG) during October, with the final settlement being received during December. This year, however, the initial budget proposals were not received until December 2015, due to the late timing of the UK Government's Spending Review. Local authorities were advised of their final settlement on 2nd March 2016 and the Final Budget will be debated by WG on 9th March 2016.
4. The proposed revenue budget and Council Tax level for the coming year are normally presented via a single report to Cabinet and Council. Due to the late announcement of the final settlement and the final budget being debated by WG on 9th March 2016, the setting of the budget and the Council Tax for 2016/17 are being presented to separate meetings. The revenue budget for 2016/17 was approved by Council on 2nd March 2016 and the proposals for the 2016/17 Council Tax, contained in this report, will be presented to Council on 10th March 2016.

Relevant Issues and Options

5. The final revenue budget for 2016/17 was approved by Council on 2nd March 2016 as £213.288m.
6. The Council's final settlement figures from WG for the Revenue Support Grant (RSG) were £112.506m and for Non-Domestic Rates was £37.942m. These amounts together total a final Aggregate External Finance (AEF) of £150.448m.
7. With the revenue budget set as £213.288m, deducting from this the AEF of £150.448m produces a requirement of £62.84m to be met from council tax. Dividing this by the council tax base of 56,550, gives a level of council tax for this Council's purposes (excluding police and community council precepts) for Band D properties of £1,111.23. This is an increase over the current year of £41.67 or 3.9%.
8. Should the AEF differ from the figure quoted above (following the debate at the Welsh Assembly) there will have to be a recalculation of the Council Tax requirement and a supplementary report will be tabled at the Council Meeting. This will allow the Council to set a balanced budget, as required by legislation.

Resource Implications (Financial and Employment)

9. In order to fund the revenue budget for 2016/17 of £213.288m, as approved by Council on 2nd March 2016, council tax of £62.84m is required.

Sustainability and Climate Change Implications

10. The promotion of sustainability and action to arrest climate change is central to the work of the Council and a key consideration when allocating scarce resources to meet the needs of the present without compromising the ability of future generations to meet their own needs.

Legal Implications (to Include Human Rights Implications)

11. The Council is required under statute to fix its council tax for 2016/17 by 11th March 2016 and in order to do so will have to agree a balanced revenue budget by the same date.

Crime and Disorder Implications

12. Provision within the budget for Community Safety and other expenditures could have a beneficial effect on the reduction of crime.

Equal Opportunities Implications (to include Welsh Language issues)

13. The Council has an existing process for undertaking equality impact assessments and the Equality Impact Assessment (EIA) for the overall budget. Carrying out an EIA involves systematically assessing the likely (or actual) effects of policies on people in respect of disability, gender, sexuality (including gender identity), age, Welsh language, and racial equality.

Corporate/Service Objectives

14. Funds allocated in the budget contribute to the wide range of Corporate/Service Objectives as set out in the Corporate Plan.

Policy Framework and Budget

15. This report is following the procedure laid down in the Constitution for setting the Council Tax and needs to be referred to Council to make the final decision.

Consultation (including Ward Member Consultation)

16. Scrutiny Committees and Corporate Management Team have been consulted on the initial budget proposals. Trade Unions have been consulted informally on the potential implications of the proposals. External stakeholders were also consulted on the budget priorities.

Relevant Scrutiny Committee

17. The lead Scrutiny Committee is Corporate Resources.

Background Papers

Local Government Provisional Revenue Settlement letter dated 10th December 2015.

Update to the Provisional Local Government Settlement 2016/17 dated 10th February 2016

Reports to Council on 2nd March 2016

Contact Officer

Carys Lord - Section 151 Officer

Officers Consulted

All Directors

Responsible Officer:

Carys Lord - Section 151 Officer