

# COUNCIL – 27TH FEBRUARY 2012

## Supplementary Report of Cabinet

Lead Member: Cllr Tom Barkley

### Part A

Item 6.3      2012/13 GENERAL FUND AND HRA REVENUE BUDGETS AND COUNCIL TAX BASE 2012/13 AND SPECIAL EXPENSES – SUPPLEMENTARY REPORT

#### Purpose of the Supplementary Report

To set out the full recommendations and reasons required in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992, in order that the Council can adopt a General Fund Revenue Budget, Housing Revenue Account Budget and, following receipt of all the precepts for the precepting authorities, adopt a Council Tax levy for 2012-13.

#### Policy Context

The budget is essential to all policies of the Council and the setting of a Council Tax levy is a legal requirement of the Council and the rents need to be within specified parameters set by the CLG. In addition, the Corporate Plan aim Housing and Health is the context for the HRA budget and rent/charges setting.

#### Recommendations

1. that the expenses incurred by the Council in performing in Loughborough a function performed elsewhere in its area by a parish council or the chairman of a parish meeting be treated as special expenses for the purposes of Section 35 of the Local Government Finance Act 1992, to the extent provided in minute 72 (C) of Council February 2008;
2. that
  - a. the Original Budget for 2012-13 be £16,947,215,
  - b. the base Council Tax be set at £102.62 at Band D, and
  - c. the Loughborough Special Rate be set at £73.51;
3. that the amounts below be approved as the Council tax base for 2012-13:
  - (a) for the whole Council area as 55,212.6 [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 a Parish precept relates:

Part of the Council's area	
<b>Parish, etc</b>	Council Tax Base 2012/13
Anstey	2275.5
Barkby	145.8
Barkby Thorpe	16.0
Barrow-upon-Soar	2263.0
Beeby	34.8
Birstall	4255.3
Burton-on-the-Wolds	494.5
Cossington	220.7
Cotes	12.9
East Goscote	914.8
Hathern	749.9
Hoton	145.8
Mountsorrel	2811.3
Newtown Linford	511.9
Prestwold	30.6
Queniborough	963.0
Quorndon	2208.6
Ratcliffe-on-the-Wreake	86.0
Rearsby	452.1
Rothley	1754.5
Seagrave	261.2
Shepshed	4557.9
Sileby	2506.4
South Croxton	128.5
Swithland	148.5
Syston	4320.8
Thrussington	260.2
Thurcaston & Cropston	949.0
Thurmaston	2956.9
Ulverscroft	61.2
Walton-on-the-Wolds	127.2
Wanlip	81.5
Woodhouse	964.3
Wymeswold	574.4
Loughborough Special Expense Area	16967.6

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;

4. That the following amounts be calculated for the year 2012-13 in accordance with Sections 31 to 36 of the Act:
  - a) The Council Tax requirement for the Council's own purposes for 2012-13 (excluding Parish precepts) is £6,913,233

- b) £72,345,732 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.
- c) £62,702,167 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
- d) £9,643,565 being the amount by which the aggregate at 4(b) above exceeds the aggregate at 4(c) 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).
- e) £174.66 being the amount at 4(d) above (Item R), all divided by Item T (3(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).
- f) £3,977,700 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix A).
- g) £102.62 being the amount at 4(d) above less the result given by dividing the amount at 4(f) above by Item T (3(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.
- h) Part of the Council's Area

<u>Parish, etc</u>	<u>District Band D Charge</u>
Anstey	191.83
Barkby and Barkby Thorpe	150.52
Barrow-upon-Soar	169.98
Beeby	102.62
Birstall	191.20
Burton-on-the-Wolds / Cotes / Prestwold	151.88
Cossington	152.46
East Goscote	163.07
Hathern	151.63
Hoton	142.06
Mountsorrel	165.18
Newtown Linford	176.85
Queniborough	140.00
Quorndon	178.35
Ratcliffe-on-the-Wreake	131.69
Rearsby	142.45
Rothley	156.77
Seagrave	162.34
Shepshed	171.26
Sileby	167.34
South Croxton	170.95

<b>Parish, etc</b>	<b>District Band D Charge</b>
Swithland	119.46
Syston	193.46
Thrussington	119.91
Thurcaston & Cropston	136.34
Thurmaston	206.30
Ulverscroft	102.62
Walton-on-the-Wolds	126.20
Wanlip	127.16
Woodhouse	165.90
Wymeswold	135.18
Loughborough Special Expense Area	176.13

being the amounts given by adding to the amount at 4(g) 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 3(b) above, calculated by the Council, in accordance with section 34(3) of the act, as the basic amounts of its Council Tax for year for dwellings in those parts of its area to which one or more special items relate.

i) Part of the Council's area

Parish	Valuation Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
Anstey	127.88	149.21	170.52	191.83	234.45	277.09	319.71	383.66
Barkby and Barkby Thorpe	100.34	117.08	133.80	150.52	183.96	217.42	250.86	301.04
Barrow-upon-Soar	113.32	132.21	151.10	169.98	207.75	245.53	283.30	339.96
Beeby	68.41	79.82	91.22	102.62	125.42	148.23	171.03	205.24
Birstall	127.46	148.72	169.96	191.20	233.68	276.18	318.66	382.40
Burton-on-the-Wolds / Cotes / Prestwold	101.25	118.13	135.01	151.88	185.63	219.38	253.13	303.76
Cossington	101.64	118.58	135.52	152.46	186.34	220.22	254.10	304.92
East Goscote	108.71	126.84	144.95	163.07	199.30	235.55	271.78	326.14
Hathern	101.08	117.94	134.78	151.63	185.32	219.02	252.71	303.26
Hoton	94.70	110.50	126.28	142.06	173.62	205.20	236.76	284.12
Mountsorrel	110.12	128.48	146.83	165.18	201.88	238.59	275.30	330.36
Newtown Linford	117.90	137.55	157.20	176.85	216.15	255.45	294.75	353.70
Queniborough	93.33	108.89	124.45	140.00	171.11	202.22	233.33	280.00
Quorndon	118.90	138.72	158.54	178.35	217.98	257.62	297.25	356.70
Ratcliffe-on-the-Wreake	87.79	102.43	117.06	131.69	160.95	190.22	219.48	263.38
Rearsby	94.96	110.80	126.62	142.45	174.10	205.76	237.41	284.90
Rothley	104.51	121.94	139.35	156.77	191.60	226.45	261.28	313.54
Seagrave	108.22	126.27	144.30	162.34	198.41	234.49	270.56	324.68
Shepshed	114.17	133.21	152.23	171.26	209.31	247.38	285.43	342.52
Sileby	111.56	130.16	148.75	167.34	204.52	241.71	278.90	334.68
South Croxton	113.96	132.97	151.96	170.95	208.93	246.93	284.91	341.90
Swithland	79.64	92.92	106.19	119.46	146.00	172.55	199.10	238.92
Syston	128.97	150.47	171.97	193.46	236.45	279.44	322.43	386.92
Thrussington	79.94	93.27	106.59	119.91	146.55	173.20	199.85	239.82
Thurcaston & Cropston	90.89	106.05	121.19	136.34	166.63	196.94	227.23	272.68
Thurmaston	137.53	160.46	183.38	206.30	252.14	297.99	343.83	412.60
Ulverscroft	68.41	79.82	91.22	102.62	125.42	148.23	171.03	205.24
Walton-on-the-Wolds	84.13	98.16	112.18	126.20	154.24	182.29	210.33	252.40
Wanlip	84.77	98.91	113.03	127.16	155.41	183.68	211.93	254.32

Parish	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Woodhouse	110.60	129.04	147.47	165.90	202.76	239.63	276.50	331.80
Wymeswold	90.12	105.14	120.16	135.18	165.22	195.26	225.30	270.36
Loughborough Special Expense Area	117.42	136.99	156.56	176.13	215.27	254.41	293.55	352.26

being the amounts given by multiplying the amounts at 4(h) 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 the 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.

5. To note that the County Council, the Police Authority and the Fire Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the table below.

	Valuation Bands-Requirements (to 2 decimal places)								
	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	BAND X
Leicestershire County Council	708.67	826.78	944.89	1063.00	1299.22	1535.44	1771.67	2126.00	590.56
Combined Fire Authority	35.58	41.52	47.45	53.38	65.24	77.10	88.96	106.75	29.65
Leicestershire Police Authority	115.92	135.24	154.55	173.87	212.51	251.15	289.79	347.75	96.60

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 2012-13 for each part of its area and for each of the categories of dwellings.

	BAND A 6/9	BAND B 7/9	BAND C 8/9	BAND D 1	BAND E 11/9	BAND F 13/9	BAND G 15/9	BAND H 18/9
Anstey	988.05	1152.75	1317.41	1482.08	1811.42	2140.78	2470.13	2964.16
Barkby / Barkby Thorpe	960.51	1120.62	1280.69	1440.77	1760.93	2081.11	2401.28	2881.54
Barrow-Upon-Soar	973.49	1135.75	1297.99	1460.23	1784.72	2109.22	2433.72	2920.46
Beeby	928.58	1083.36	1238.11	1392.87	1702.39	2011.92	2321.45	2785.74
Birstall	987.63	1152.26	1316.85	1481.45	1810.65	2139.87	2469.08	2962.90
Burton-On-The-Wolds, Cotes & Prestwold	961.42	1121.67	1281.90	1442.13	1762.60	2083.07	2403.55	2884.26
Cossington	961.81	1122.12	1282.41	1442.71	1763.31	2083.91	2404.52	2885.42
East Goscote	968.88	1130.38	1291.84	1453.32	1776.27	2099.24	2422.20	2906.64
Hathern	961.25	1121.48	1281.67	1441.88	1762.29	2082.71	2403.13	2883.76
Hoton	954.87	1114.04	1273.17	1432.31	1750.59	2068.89	2387.18	2864.62
Mountsorrel	970.29	1132.02	1293.72	1455.43	1778.85	2102.28	2425.72	2910.86
Newtown Linford	978.07	1141.09	1304.09	1467.10	1793.12	2119.14	2445.17	2934.20
Queniborough	953.50	1112.43	1271.34	1430.25	1748.08	2065.91	2383.75	2860.50
Quorndon	979.07	1142.26	1305.43	1468.60	1794.95	2121.31	2447.67	2937.20
Ratcliffe-On-The-Wreake	947.96	1105.97	1263.95	1421.94	1737.92	2053.91	2369.90	2843.88
Rearsby	955.13	1114.34	1273.51	1432.70	1751.07	2069.45	2387.83	2865.40
Rothley	964.68	1125.48	1286.24	1447.02	1768.57	2090.14	2411.70	2894.04

	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H
	6/9	7/9	8/9	1	11/9	13/9	15/9	18/9
Seagrave	968.39	1129.81	1291.19	1452.59	1775.38	2098.18	2420.98	2905.18
Shepshed	974.34	1136.75	1299.12	1461.51	1786.28	2111.07	2435.85	2923.02
Sileby	971.73	1133.70	1295.64	1457.59	1781.49	2105.40	2429.32	2915.18
South Croxton	974.13	1136.51	1298.85	1461.20	1785.90	2110.62	2435.33	2922.40
Swithland	939.81	1096.46	1253.08	1409.71	1722.97	2036.24	2349.52	2819.42
Syston	989.14	1154.01	1318.86	1483.71	1813.42	2143.13	2472.85	2967.42
Thrussington	940.11	1096.81	1253.48	1410.16	1723.52	2036.89	2350.27	2820.32
Thurcaston & Cropston	951.06	1109.59	1268.08	1426.59	1743.60	2060.63	2377.65	2853.18
Thurmaston	997.70	1164.00	1330.27	1496.55	1829.11	2161.68	2494.25	2993.10
Ulverscroft	928.58	1083.36	1238.11	1392.87	1702.39	2011.92	2321.45	2785.74
Walton-On-The-Wolds	944.30	1101.70	1259.07	1416.45	1731.21	2045.98	2360.75	2832.90
Wanlip	944.94	1102.45	1259.92	1417.41	1732.38	2047.37	2362.35	2834.82
Woodhouse	970.77	1132.58	1294.36	1456.15	1779.73	2103.32	2426.92	2912.30
Wymeswold	950.29	1108.68	1267.05	1425.43	1742.19	2058.95	2375.72	2850.86
Loughborough (Special Expenses)	977.59	1140.53	1303.45	1466.38	1792.24	2118.10	2443.97	2932.76

7. that the Original Housing Revenue Account Budget for 2012-13 as set out in Appendix 5 of the Head of Finance & Property Services' report of the 2012/13 General Fund and HRA Revenue Budgets be approved;
8. that the increases to weekly rents be approved in line with the Department of Communities and Local Government guidance on rent restructuring as based on the final housing subsidy determination;
9. that the service charges be approved in accordance with the Communities and Local Government guidance on rent restructuring regarding the de-pooling of service charges as based on the final housing subsidy determination;
10. that the increases to shop rents by RPI, being the applicable rate of 5.6%, be approve;
11. that garage rents increase by RPI less 1.0% which is 4.6%; and
12. that the Leasehold Management and Administration charge be increased by RPI to £109.35 per annum.

#### Reasons

1. To set the definition of the Loughborough Special Expenses in accordance with Section 35 of the Local Government Finance Act 1992.
2. To ensure that the necessary finance would be available to carry out services in 2012-13 and to set the Council Tax and Loughborough Special Expenses in accordance with legal and statutory requirements.
3. To set the Council's 2011-12 Council Tax Base in accordance with the regulations made under Section 31B of the Local Government Finance Act 1992.
- 4-6. To set a Council Tax in accordance with legal and statutory requirements.

- 7 To ensure sufficient funding for the Housing Revenue Account in 2012-13.
8. To ensure sufficient resources would be made available to the Housing Revenue Account in 2012/13.
9. To ensure the correct alignment of costs and service charges for tenants in accordance with best practice.
10. In order that shop rents were in line with the evaluation made by the Head of Finance & Property Services.
11. To ensure that garage rents reflect current market conditions.
12. That there would be sufficient recovery of the costs associated with operating the leasehold flat and shop services.

#### Policy Justification

The budgets are essential to all policies of the Council and the setting of a Council Tax levy is a legal requirement of the council and the rents need to be within specified parameters set by the CLG.

#### Implementation Timetable

The new budgets, rents, service charges etc will become effective on or after 1 April 2012.

#### Report Implications

##### Financial Implications

Without the agreement of budgets, rents, service charges etc the council would be acting illegally and would not be able to function for any length of time.

##### Risk Management

There are no direct risks in approving the recommendations of this report and the inherent risk elements of the budgets etc are covered by that report.

Key Decision:	Yes
Background Papers:	Detailed working papers in Accountancy and Services CLG subsidy Determination
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## **Part B**

### Background

The Localism Act 2011 has made significant changes to the Local Government Finance Act 1992, and now requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously required.

A Report of the Head of Finance & Property Services setting out the proposed General Fund and HRA Revenue Budgets for 2012-13 has been circulated with the Council Agenda for 27 February 2012. The budgets set out in that report represent the financial spending plans for all services of Council and it is a legal requirement to set a balanced budget each financial year.

Appendix 2 of the above report of the identified some of the precepts as provisional, these figures have now been approved. Therefore, following receipt of all the confirmed precepts, Council is requested to consider the full Council Tax Resolution, set out in the recommendations and reasons above, in order to set a Council Tax Levy and General Fund revenue budget and Housing Revenue Account for 2012-13.



## Town &amp; Parish Council Precepts

Parish/Town Council	2011/12			2012/13			C Tax % Change
	Tax Base	Precepts £	Council Tax Band D £	Tax Base	Precepts £	Council Tax Band D £	
Anstey	2,242.4	166,500	74.25	2,275.5	203,000	89.21	20.1%
Barkby / Barkby Thorpe	161.6	7,750	47.96	161.8	7,750	47.9	-0.1%
Barrow-upon-Soar	2,219.7	152,900	68.88	2,263.0	152,440	67.36	-2.2%
Beeby	33.5	0	0.00	34.8	0	0	0.0%
Birstall	4,196.6	351,144	83.67	4,255.3	376,953	88.58	5.9%
Burton-on-the-Wolds, Cotes, & Prestwold	534.2	17,000	31.82	538.0	26,500	49.26	54.8%
Cossington	222.0	9,500	42.79	220.7	11,000	49.84	16.5%
East Goscote	915.1	55,300	60.43	914.8	55,300	60.45	0.0%
Hathern	732.4	35,000	47.79	749.9	36,750	49.01	2.6%
Hoton	144.1	5,750	39.90	145.8	5,750	39.44	-1.2%
Mountsorrel	2,804.7	174,126	62.08	2,811.3	175,868	62.56	0.8%
Newtown Linford	503.2	38,000	75.52	511.9	38,000	74.23	-1.7%
Queniborough	955.5	35,000	36.63	963.0	36,000	37.38	2.0%
Quorndon	2,207.0	159,300	72.18	2,208.6	167,250	75.73	4.9%
Ratcliffe-on-the-Wreake	88.2	2,500	28.34	86.0	2,500	29.07	2.6%
Rearsby	441.0	18,008	40.83	452.1	18,008	39.83	-2.4%
Rothley	1,701.0	95,000	55.85	1,754.5	95,000	54.15	-3.0%
Seagrave	262.1	15,200	57.99	261.2	15,600	59.72	3.0%
Shepshed	4,523.7	313,014	69.19	4,557.9	312,859	68.64	-0.8%
Sileby	2,512.9	158,543	63.09	2,506.4	162,225	64.72	2.6%
South Croxton	128.1	8,780	68.54	128.5	8,780	68.33	-0.3%
Swithland	149.7	2,500	16.70	148.5	2,500	16.84	0.8%
Syston	4,275.9	393,000	91.91	4,320.8	392,500	90.84	-1.2%
Thrussington	258.0	4,500	17.44	260.2	4,500	17.29	-0.9%
Thurcaston & Cropston	945.7	32,000	33.84	949.0	32,000	33.72	-0.4%
Thurmaston	2,948.9	306,659	103.99	2,956.9	306,580	103.68	-0.3%
Ulverscroft	62.4	0	0.00	61.2	0	0	0.0%
Walton-on-the-Wolds	128.4	4,000	31.15	127.2	3,000	23.58	-24.3%
Wanlip	83.0	2,000	24.10	81.5	2,000	24.54	1.8%
Woodhouse	954.6	59,823	62.67	964.3	61,019	63.28	1.0%
Wymeswold	579.9	18,700	32.25	574.4	18,700	32.56	1.0%
	37,915.5	2,641,497	69.67	38,245.0	2,730,332	71.39	2.5%
Loughborough (Special Expenses)	16,831.0	1,237,326	73.51	16,967.6	1,247,368	73.51	0.0%
Total	54,746.5	3,878,823		55,212.6	3,977,700		
Average			70.85			72.04	1.7%

