

CANNOCK CHASE COUNCIL

COUNCIL

15TH FEBRUARY 2012

JOINT REPORT OF THE HEAD OF FINANCIAL MANAGEMENT AND COUNCIL SOLICITOR

COUNCIL TAX RESOLUTION

1. Purpose of Report

1.1 To enable the Council to calculate and set the overall levels of Council Tax for 2012-13.

2. Recommendations

2.1 That Council approves the Council Tax Resolutions 1-6 attached at Annex A, subject to the Gross Expenditure and Income figures being determined as part of Councils determination of the Budget for 2012-13.

3. Summary

3.1 Council at its meeting of the 15 February received details relating to the procedural issues in order to set the overall Council Tax for 2012-13 comprising of the District Council Tax requirement and precepts from County, Fire and Police authorities.

3.2 The Calendar of Meetings for 2011-12 reflected this with two meetings scheduled for the 15 (District Council Tax) and 29 February 2012. (Overall Council Tax)

3.3 Council however at its meeting of the 15 February did not determine its District Council Tax Budget requirement with the Alternative Budgets of the Conservatives Group and Liberal Democrats Group being referred back to Cabinet for consideration.

3.4 In accordance with new arrangements as determined by the Localism Act the Council needs to determine a Council Tax Requirement (3c of the attached Resolution) rather than the traditional Budget Requirement.

3.5 All three budgets considered by Council ,were based upon a zero Council Tax increase for 2012-13, and hence the Districts Council tax requirement has effectively been set and the calculation of the overall level of Council Tax and the formal resolution required can be circulated to Council in advance of setting its Budget.

3.6 Council will note that indicative Council Tax figures for 2013-14 and 2014-15 do not form part of the 2012-13 Council Tax requirement

3.7 The Council Tax resolution does however require the Gross Expenditure (3a) and Gross income (3b) figures to be set, inclusive of use of reserves and balances, and Council should note these will be determined by Council on the 29 February. As stated above the Council tax Requirement – Gross Expenditure less Income has already been determined.

- 3.8 The Resolution attached utilises the original budget recommendation of Cabinet and this will be amended to reflect the Budget ultimately determined by Council.
- 3.9 The Head of Financial Management has now received all relevant Precepts and in accordance with the Local Government Finance Act, 1992 has determined the relevant calculations in order that the Council can set its overall Council Tax for 2012-13. - ANNEX A – COUNCIL TAX RESOLUTION
- 3.10 **Members should however note that the Resolution is invalid until the Gross Expenditure and Income figures have been determined**

4. Key Issues

- 4.1 In setting a budget for any year the Council must comply with the Budget and Council Tax setting requirements as reflected in the Local Government Finance Act 1992 as amended by the Localism Act 2011.
- 4.2 The Localism Act 2011 has made significant changes to the 1992 Act with the main impact for setting a Council Tax being that a billing authority (Cannock Chase Council) is required to calculate a Council Tax Requirement rather than a Budget requirement.
- 4.3 This primarily affects the Council Tax Resolution (Annex A) to be made by Council and is a technical rather than procedural issue.
- 4.4 In accordance with regulations the Council is required to:
- a) Calculate its Council Tax Requirement (Section 31A) – Replacing budget requirement (Section 32) and determination of the District Council element of Council Tax (Section 33 as in 2011-12
 - b) Set the overall level of Council Tax inclusive of Staffordshire County Council; Staffordshire Police; Stoke on Trent & Staffordshire Fire, Police, and other precepts (Section 30)
- 4.5 The determination of the Council Tax Requirement (Requirement a) is a function of all authorities however Requirement b) is purely a function of this Council as a billing authority
- 4.6 Council at its meeting of the 15 February considered the Recommendations of Cabinet and Alternative Budgets from the Conservative Group and Liberal Democrats Budget. The latter budgets were referred back to Cabinet for further consideration however all three budgets recommended a Council Tax Freeze in 2012-13.
- 4.7 This effectively determines the Council Tax requirement and the necessary calculations can be determined to work back from a Council Tax of £197.01 to the overall Council Tax requirement.
- 4.8 The Council is legally required to set a Balanced Budget and based upon the Alternative Budget options available to Cabinet and Council and the level of working balances the Section 151 Officer considers the assumptions and basis of the budget to be robust.
- 4.9 The overall level of Council Tax must be set before the 11 March each year; however, the overall level of Council Tax cannot be set before 1 March, 2012 unless all precepting

authorities have issued their precepts, and the required calculations in accordance with the Local Government Finance Act, 1992 have been determined.

4.10 All Precepts (Parishes and Major Precepting Authorities) have now been received

5. Conclusions and Reasons for Recommendations

5.1 All precepting authorities have issued their precepts, and the required calculations in accordance with the Local Government Finance Act 1992 (as amended) have been determined based upon Council Tax remaining at its current level in 2012-13.

5.2 The determination of Gross Expenditure and Income as required by the calculation will be set as part of Council approving the district Council budget for 2012-13.

6. Options

6.1 There are no alternative options available to Council in setting the overall Council Tax for 2012-13.

7. Report Author Details

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SCHEDULE OF ADDITIONAL INFORMATION

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Section 1

Contribution to Council Priorities

There are no implications arising from the report

Section 2

Contribution to Promoting Community Engagement

There are no implications arising from the report

Section 3

Financial Implications

The financial implications have been referred to throughout the report

Section 4

Legal Implications

The Legal Implications have been referred to throughout the report

Section 5

Human Resource Implications

There are no implications arising from the report

Section 6

Section 17 (Crime Prevention)

There are no implications arising from the report

Section 7

Human Rights Act Implications

There are no implications arising from the report

Section 8

Data Protection Act Implications

There are no implications arising from the report

Section 9

Risk Management Implications

In setting a budget in advance of the 1 March the Council would have been responsible for any difference between its estimated Parish Precepts and the actual precept received by 1 March. However all Parish Precepts have been received

Section 10

Equality and Diversity Implications

There are no implications arising from the report

Section 11

List of Background Papers

Section 12

Report History

Council Meeting	Date

Annexes to Report

Annex A Council Tax Resolution

CANNOCK CHASE COUNCIL**COUNCIL MEETING****29 FEBRUARY 2012**

1. **That it be noted that at its meeting on 14 December 2011, the Council agreed the following amounts for the year 2012-13 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:**

- a. **30,589.88** (equivalent Band D properties) being the amount calculated by the Council, in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its council tax base for the year, as amended.

b. **Part of the Council's Area**

Parish of Brereton & Ravenhill	2,029.27
Parish of Bridgtown	455.46
Parish of Brindley Heath	253.83
Parish of Cannock Wood	411.78
Parish of Heath Hayes & Wimblebury	4,313.63
Parish of Norton Canes	2,317.28
Parish of Rugeley	5,655.29
Parish of Hednesford	5,216.88

being the amounts (equivalent Band D properties) 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.

2. **That the Council Tax Requirement for the Council's own purposes for 2012-13 (excluding Parish precepts) is calculated as £6,026,512**
3. **That the following amounts be now calculated by the Council for the year 2012-13 in accordance with Sections 31A to 36 of the Local Government Finance Act 1992 :-**
- a. **£53,332,977** being the aggregate of the amounts which the Council estimates for items set out in Section 31A (2) of the Act (inclusive of parish precepts).
- b. **£46,718,590** being the aggregate of the amounts which the Council estimates for items set out in Section 31A (3) of the Act.
- c. **£6,614,387** 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. **£216.23** being the amount at 3(c) above, all divided by the amount at 1(a) above, and calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its council tax for the year.

- e. **£587,875** being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- f. **£197.01** being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by the amount at 1(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 special item relates.

g. Part of the Council's Area

	£. p.
Parish of Brereton & Ravenhill	221.97
Parish of Bridgtown	212.38
Parish of Brindley Heath	212.37
Parish of Cannock Wood	221.29
Parish of Heath Hayes & Wimblebury	212.99
Parish of Norton Canes	218.16
Parish of Rugeley	244.47
Parish of Hednesford	221.93

being the amounts given by adding to the amount at 3(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 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amount of its council tax for the year for dwellings in those parts of its area to which one or more special items relate.

h. Part of the Council's Area

	Valuation Bands								
	A (disabl ed) £. P	A £. p	B £. p	C £. p	D £. p	E £. p	F £. P	G £. p	H £. p
Brereton & Ravenhill	123.32	147.98	172.64	197.31	221.97	271.30	320.62	369.95	443.94
Bridgtown	117.99	141.59	165.18	188.78	212.38	259.58	306.77	353.97	424.76
Brindley Heath	117.98	141.58	165.18	188.77	212.37	259.56	306.76	353.95	424.74
Cannock Wood Heath Hayes & Wimblebury	122.94	147.53	172.11	196.70	221.29	270.47	319.64	368.82	442.58
Norton Canes	121.20	145.44	169.68	193.92	218.16	266.64	315.12	363.60	436.32
Rugeley	135.82	162.98	190.14	217.31	244.47	298.80	353.12	407.45	488.94
Hednesford All other parts of Council's area	123.29	147.95	172.61	197.27	221.93	271.25	320.57	369.88	443.86
	109.45	131.34	153.23	175.12	197.01	240.79	284.57	328.35	394.02

being the amounts given by multiplying the amounts at 3(f) and 3(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.

4. **That it be noted that, for the year 2012-13, the Staffordshire County Council , Staffordshire Police Authority and the Stoke on Trent and Staffordshire Fire Authority have stated the following amounts 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:**

	Valuation Bands								
	A (disabl ed) £. p	A £. p	B £. p	C £. p	D £. p	E £. p	F £. p	G £. p	H £. p
Staffordshire County Council	571.56	685.87	800.19	914.50	1,028.81	1,257.43	1,486.06	1,714.68	2,057.62
Staffordshire Police Authority	98.67	118.41	138.14	157.88	177.61	217.08	256.55	296.02	355.22
Stoke on Trent and Staffordshire Fire	37.58	45.09	52.61	60.12	67.64	82.67	97.70	112.73	135.28

5. That, having calculated the aggregate in each case of the amounts at 3(h) and 4 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act, 1992, hereby sets the following amounts as the amounts of council tax for the year 2012-13 for each of the categories of dwellings show below:

Part of the Council's Area	Valuation Bands								
	A (disabled) £. p	A £. p	B £. p	C £. p	D £. p	E £. p	F £. p	G £. p	H £. P
Brereton & Ravenhill	831.13	997.35	1,163.58	1,329.81	1,496.03	1,828.48	2,160.93	2,493.38	2,992.06
Bridgtown	825.80	990.96	1,156.12	1,321.28	1,486.44	1,816.76	2,147.08	2,477.40	2,972.88
Brindley Heath	825.79	990.95	1,156.12	1,321.27	1,486.43	1,816.74	2,147.07	2,477.38	2,972.86
Cannock Wood	830.75	996.90	1,163.05	1,329.20	1,495.35	1,827.65	2,159.95	2,492.25	2,990.70
Heath Hayes & Wimblebury	826.14	991.36	1,156.60	1,321.82	1,487.05	1,817.50	2,147.96	2,478.41	2,974.10
Norton Canes	829.01	994.81	1,160.62	1,326.42	1,492.22	1,823.82	2,155.43	2,487.03	2,984.44
Rugeley	843.63	1,012.35	1,181.08	1,349.81	1,518.53	1,855.98	2,193.43	2,530.88	3,037.06
Hednesford	831.10	997.32	1,163.55	1,329.77	1,495.99	1,828.43	2,160.88	2,493.31	2,991.98
All Other Parts of the Area	817.26	980.71	1,144.17	1,307.62	1,471.07	1,797.97	2,124.88	2,451.78	2,942.14

6. That it is determined in accordance with Section 57ZB of the Local Government Act 1992 that the Council's basic amount of Council Tax for 2012/13 is not excessive in accordance with principles determined by the Secretary of State under Section 52ZC of that Act.