

BROMSGROVE DISTRICT COUNCIL

MEETING OF THE CABINET

27TH FEBRUARY 2019, AT 4.30 P.M.

PRESENT: Councillors G. N. Denaro (Leader), K.J. May (Deputy Leader),
B. T. Cooper, M. A. Sherrey, C. B. Taylor and P. J. Whittaker

Officers: Ms. C. Flanagan, Mr C. Forrester, Mr D Riley and Ms. A. Scarce

74/18 **APOLOGIES**

There were no apologies for absence on this occasion.

75/18 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

76/18 **MINUTES**

The minutes of the Cabinet meeting held on 13th February 2019 were submitted.

RESOLVED that the minutes of the Cabinet meeting held on 13th February 2019 be approved as a true record.

77/18 **COUNCIL TAX RESOLUTION (APPENDIX 7 TO THE MEDIUM TERM FINANCIAL PLAN CONSIDERED AT THE MEETING HELD ON 13TH FEBRUARY 2019)**

The Financial Services Manager introduced the report and in so doing explained that the papers before Members were Appendix 7 to the Medium Term Financial Plan report considered at Cabinet on 13th February 2019. The formal resolutions determined the levels of Council Tax for the Council for 2019/20.

An increase of 2.99% was lower than most preceptors, with the exception of the parish councils who were proposing 2.85% full details were provided within the report. The table on page 4 of the supplementary agenda pack provided details of the Valuation Bands. Details of the surplus on the collection fund were provided and payments would be made in ten equal instalments.

Following presentation of the report Members discussed the following points in more detail:

- No single total for the surplus on the Collection Fund and its level. It was confirmed that the level was close to that expected.
- It was confirmed that whilst the Council was not able to increase its Council Tax by more than 3% unless a referendum had been held, the Police Authority had been given special permission to increase its 9.94%.
- It was understood that the increased rate from the Police would be to cover additional officers on the ground.

Councillor B. Cooper, Portfolio Holder for Finance took the opportunity to thank the Executive Director, Finance and Resources and the Financial Services Manager for all their hard work.

RECOMMENDED:

1. That it be noted at its meeting on 16th January 2019 the Cabinet calculated the Council Tax Base 2019/20
 - (a) for the whole Council area as 36,714.20 [Item T in the formula in Section 31B of the Local Government Act 1992, as amended (the "Act")]; and
 - (b) for dwellings in those parts of its area to which a Parish precept relates the amounts as shown in Column 4 of the attached **Schedule 1**.
2. Calculate the Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish precepts) is **£8,187,422.53**.
3. That the following amounts be calculated for the year 2019/20 in accordance with sections 31 to 36 of the Act:
 - (a) £41,030,713 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) (*i.e. Gross expenditure*)
 - (b) £31,932,165 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
(*i.e. Gross income*)
 - (c) £9,098,547 being the amount by which the aggregate of 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 31B of the Act).

- (d) £247.82 being the amount at 3 (c) above (Item R), all divided by Item T (1(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).
- (e) £911,125 being the aggregate amount of all special items (Parish precepts) referred to in Section 34 (1) of the Act (as per the attached **Schedule 3**).
- (f) £223.00 being the amount at 3 (d) above less the result given by dividing the amount at 3 (e) above by Item T (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 Parish precept relates.
- (g) The amounts shown in Column 3 of **Schedule 1**. These are the basic amounts of the council tax for the year for dwellings in those parts of the Council's area shown in Column 1 of the schedule respectively to which special items relate, calculated by the Council in accordance with Section 34(3) of the Act. (District and Parish combined at Band D).
- (h) The amounts shown in Column 5 of **Schedule 1** being the amount given by multiplying the amounts at 4(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. It be noted that for the year 2019/20 Worcestershire County Council, Warwickshire and West Mercia Police and Crime Commissioner and Hereford and Worcester Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwelling in the Council's area as indicated below:

	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Worcestershire County Council	840.50	980.58	1,120.67	1,260.75	1,540.92	1,821.08	2,101.25	2,521.50
Warwickshire and West Mercia Police and Crime Commissioner	144.44	168.51	192.59	216.66	264.81	312.95	361.10	433.32
Hereford and Worcester Fire and Rescue Authority	56.23	65.60	74.97	84.34	103.08	121.82	140.57	168.68

5. Having calculated the aggregate in each case of the amounts at 4(h) and 5 above, that Bromsgrove District Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992 hereby sets the amounts shown in **Schedule 2** as the amounts of Council Tax for 2019/20 for each part of its area and for each of the categories of dwellings.
6. That the Executive Director Finance & Resources be authorised to make payments under Section 90(2) of the Local Government Finance Act 1988 from the Collection Fund by ten equal instalments between April 2019 to March 2020 as detailed below:

	Precept £	Surplus on Collection Fund £	Total to pay £
Worcestershire County Council	46,287,427.65	311,464.00	46,598,891.65
Warwickshire and West Mercia Police and Crime Commissioner	7,954,452.97	50,628.00	8,005,080.97
Hereford & Worcester Fire	3,096,473.87	21,040.00	3,117,513.87

7. That the Executive Director Finance & Resources be authorised to make transfers under Section 97 of the Local Government Finance Act 1988 from the Collection Fund to the General Fund the sum of £9,160,375.06 being the Council's own demand on the Collection Fund (£8,187,422.53), Parish Precepts (£911,124.53) together with the distribution of the Surplus on the Collection Fund (£61,828.00).

8. That the Executive Director Finance & Resources be authorised to make payments from the General Fund to the Parish Councils the sums listed on **Schedule 3** by two equal instalments on 1 April 2019 and 1 October 2019 in respect of the precept levied on the Council.
9. That the above resolutions 3 to 5 be signed by the Chief Executive for use in legal proceedings in the Magistrates Court for the recovery of unpaid Council Taxes.
10. Notices of the making of the said Council Taxes signed by the Chief Executive are given by advertisement in the local press under Section 38(2) of the Local Government Finance Act 1992.

78/18

COUNCIL TAX SUPPORT SCHEME

The Financial Support Manager presented the report and in so doing highlighted that there was a requirement for the Council to review its Council Tax Support Scheme each year. This report proposed a change to the scheme to provide for increased levels of support for working age claimants to 85% from the current level of 80% and in addition provided additional support for care leavers under the age of 25. It also updated figures within the scheme to bring them in line with national welfare benefits.

Members were reminded that when Council Tax Benefit was abolished in April 2013, Central Government replaced the scheme of subsidy for costs with a grant equivalent for 90% of the costs. They were also advised that from modelling carried out and based on existing claimants an increase in expenditure of £96k was suggested. This should be mitigated by the overall costs of the scheme being below 90% of the 2012/13 scheme.

It was noted that whilst Worcestershire County Council (WCC) had responded to the consultation raising concerns about the increase in support to 85% as it would increase the financial burden to them, WCC tax base had been set in January and would have reflected this level of support.

Following presentation of the report Members discussed how, immediately after the abolishment of the Council Tax Benefit scheme the Council had continued to give 100% support, reducing this to 80% after 2 years.

RECOMMENDED:

That the Local Council Tax Support scheme is revised to provide:

- 1) Increase to maximum level of support for working age claimants from 80% of liability to 85% of liability;
- 2) Care Leavers under 21 years of age are treated as a protected group and provided 100% Local Council Tax Reduction (LCTR);
- 3) Care leavers aged 21 years or over and under 25 years of age are treated as a protected group and provided up to 100% LCT;
- 4) The scheme is uprated in line with national welfare benefits;
and
- 5) Council Tax Hardship Scheme is amended to enable transitional support to be provided to care leavers under 25 whose income results in significant withdrawal of support

The meeting closed at 4.50 p.m.

Chairman