

ITEM 9

COUNCIL CABINET 17 January 2018 Minute Extracts

(Reports considered by Council Cabinet on 17 January 2018 are available to view at <http://cmis.derby.gov.uk>)

Key Decisions

99/17 Council Tax Base for 2018/19

The Council Cabinet considered a report which stated that the Council has to calculate its council tax base for 2018/19 as a means of raising council tax income for the 2018/19 financial year from Derby council tax payers.

The tax base was an estimated figure of the number of domestic properties in terms of 'band D' in the Council's area during the financial year concerned. It was used to determine a headline charge for band D properties in the city. Charges for other bands were calculated as defined fractions of the headline charge.

The proposed council tax base for 2018/19 was 67,610.42 band D equivalent properties compared with the 2017/18 council tax base of 66,574.07. This reflected an increase in the number of domestic dwellings within the city, an estimated reduction in the amount of council tax support awarded and an estimate of the number of newly built homes between 1 December 2017 and 31 March 2019.

The increase in the tax base would result in more council tax being collectable for the 2018/19 financial year.

The Executive Scrutiny Board noted the report.

Options Considered

The Council had a statutory duty to set a council tax base.

Decision

1. To approve the council tax base for the year 2018/19 as 67,610.42 band D equivalent properties in accordance with The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (SI 2012/2914).
2. That in accordance with the methodology and estimates shown at Appendix 2 of the report, to recommend Council to approve this calculation at the Council meeting on 24 January 2018.

Reasons

Agreeing the council tax base was the first step in the process of setting the council tax to be collected in 2018/19 and was an essential part of establishing the 2018/19 budget.

Budget and Policy Framework

101/17 Council Budget Proposals 2018/19

The Council Cabinet considered a report which set out Council Cabinet's proposals to Council in respect of the budget for the financial year 2018/19 and included the following proposals set out in Section 4 of the report:

- The Council tax base and proposed increase for Band D households – paragraph 4.1 of the report.
- The Gross Revenue budget – paragraph 4.2 of the report.
- The Net Revenue Budget and net spending limits for each Directorate – paragraph 4.3 of the report.
- The Capital Programme – paragraph 4.7 of the report.
- The Treasury Management Strategy, Statement and Policy – paragraph 4.8 of the report.
- Financial Risk Assessment – paragraph 4.9 of the report.
- Medium Term Financial Plan – paragraph 4.10 of the report.
- The HRA budget proposals, 30 Year plan update and rent/service charge increases for 2018/19 – paragraph 4.11 of the report.
- Dedicated Schools Grant Allocations and proposed changes to the funding formula for schools – paragraph 4.12 of the report.
- The Council's Reserves and Policy – paragraph 4.13 of the report
- Results of Budget Consultation – paragraph 4.14 of the report
- Equality Impact Assessment Summary – paragraph 4.15 of the report.

The report also provided a summary of the Council's Medium Term Financial Strategy with outline revenue, capital and treasury management plans for the next three years to ensure Council considers the budget in the light of longer term financial sustainability.

The report included the detailed assumptions behind the budget proposals including specific cost pressures and savings proposals required to deliver a balanced budget for 2018/19.

The 2018/19 budget proposals had been subject to consultation during the autumn of 2017 and the responses received were analysed in Appendix 10 of the report including the Council Cabinet's responses to the consultation.

The Executive Scrutiny Board noted the report.

Decision

1. To recommend Council to approve the Council Tax base of 67,610.42 and increase in Council Tax for 2018/19 for Derby City Council being:
 - an increase in Council Tax of 2.99%
 - an Adult Social Care Precept of 3.0%.

A total increase of 5.99% resulting in an increase of £77.76p on a Band D equivalent household as set out in section 4.1 of the report.

2. To delegate to the S.151 Officer the final calculation of Council Tax, reflecting the precepts for the Fire and Police authorities when received, and to issue Council Tax bills in March 2018 in line with Section 30 of the regulations.
3. To recommend to Council the Council Cabinet's budget proposals as set out in the report for consideration and approval, and specifically:
 - The Gross Revenue Budget of £630.047m
 - The Net Revenue budget of £217.782m
 - The net spending limits for each directorate being:
 - People's £142.915m
 - Communities and Place £42.681m
 - Organisation and Governance £23.708m
 - Corporate £8.478m
 - The Capital Programme for 2018/19 amounting to £134.289m
 - The Treasury Management Strategy
 - The Housing Revenue Account budget proposals, 30 Year plan update and rent/service charge increases for 2018/19
 - To set the Council's strategic reserve as 5% of its net Revenue budget.
4. To note the Council's Medium Term Financial Plan for the years 2018/19 to 2020/21 and the proposals set out therein for revenue, capital and treasury implications.
5. To note the Financial Risk Assessment.
6. To note the results of the Budget Consultation and Council Cabinet's response to that process.
7. To recommend to Council the 2018-2019 allocation of the Dedicated Schools Grant of £226.774 million and changes to Derby City's Schools Funding Formula as a response to the implementation of a National Funding Formula for Schools.
8. To delegate approval to the S.151 Officer to make necessary changes to the budget arising from the Government's Financial Settlement as and when confirmed and any technical adjustments to the Treasury Management Strategy arising from the revised Prudential Code.