

## **COUNCIL TAX SETTING 2018/19 AND PRESENTATION FROM THE LEADER OF THE COUNCIL**

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### **Recommendation**

Council is asked to:

- a) Approve the formal Council Tax Resolution as set out in Appendix A;
- b) Note the Head of Finance and Commercial's report;
- c) Note the statement by the Chief Finance Officer regarding the robustness of the budget estimates and level of reserves as set out in Appendix B; and
- d) Note the Council Tax Reduction Scheme for the Council attached at Appendix C. The rules of the 2018/19 scheme remains unchanged and is the same as what was originally approved in 2013/14.

### **Summary**

1. The purpose of this report is to enable the Council to calculate and approve the Council Tax Requirement for 2018/19, in accordance with the Local Government Finance Act 1992 as subsequently amended.
2. At its meeting on 5 February 2018 the Cabinet considered the budgets for 2018/19 and agreed to recommend to Full Council for approval. The detailed Cabinet report is available on the Website and the minutes of the Cabinet meeting is included on this agenda.
3. This report shows the precept figures for Buckinghamshire County Council, Thames Valley Police and Crime Commissioner, the Buckinghamshire & Milton Keynes Fire Authority, and the Parish Councils.

### **2018/19 Revenue Budgets**

4. The updated National Core Spending Power figures shows an increase of 1.5% for 2018/19 and an overall increase for the period 2016/17 to 2019/20 of 2.1%. This increase is mainly represented by higher forecast increases to Council Tax revenue due to the increase in the referendum limit to 3%.
5. The largest source of central government funding is the Settlement Funding Assessment (SFA) which consists of two funding streams: Business Rates Retention and Revenue Support Grant (RSG). Nationally, the total amount of SFA paid out by government to local authorities will reduce by 5.70% in 2018/19 down to £15.824bn. Continued reduction is planned for the final year of the four-year settlement, which will reduce the annual amount of SFA paid to £14.7bn for

2019/20, an aggregate reduction of 22% for the period 2016/17 and 2019/20.

6. For the Council the **Revenue Support Grant** for 2018/19 is £0.117m, a reduction of £0.518m (82%) from the £0.635m received in 2017/18. The trend of reducing RSG continues for the Council, down to 0 in 2019/20.
7. **Baseline Funding** is funded by Central Government through redistributed Business Rates, and the amount is determined by Government's assessment of need within Wycombe. The settlement for 2018/19 is £3.219m compared to £3.125m in 2017/18.
8. As expected under the four-year settlement, the year on year reduction to the Council's **Settlement Funding Assessment** in 2018/19 is 11.3% (£0.424m) rising to 15.2% (£0.508m) in 2019/20, i.e. the remaining period of the four-year settlement. In both cases this is a significantly higher reduction than the national average for district councils, which is 7.9% for 2018/19 and 14.9% for 2019/20. This is because the core spending power forecasts Wycombe can generate more income locally through Council Tax, therefore, within the government's context of Core Spending Power, Wycombe can absorb a greater reduction in government funding than most district councils.
9. The Council Tax requirement for 2018/19 is £9.327m as summarised in the table on the following page:

2018/19 Budget Summary by: Portfolio Holder	Net Approved Budget	Growth/(Savings)		Net Approved Budget
	2017/18 £m	Inflation £m	Other £m	2018/19 £m
Community	3.710	0.019	-0.731	2.998
Youth	0.000	0.000	0.078	0.078
Major Projects, Estates & Economic Development	-3.777	0.059	-0.520	-4.238
Environment	6.248	0.221	0.045	6.514
Housing	2.424	0.026	0.107	2.557
HR, ICT & Shared Support Services	1.353	0.042	-0.765	0.630
Leader	2.572	0.044	0.013	2.629
Planning & Sustainability	3.310	0.069	0.055	3.434
Finance	2.196	0.062	0.170	2.428
<b>Net Cost of Services</b>	<b>18.036</b>	<b>0.542</b>	<b>-1.548</b>	<b>17.030</b>
Interest Receipt	0.000		-0.539	-0.539
Capital Financing Charges	-2.383		0.190	-2.193
Net movement to/(from) Earmarked Reserves	-1.938		1.351	-0.587
Revenue Contribution to Capital Outlay	0.000		0.685	0.685
Payment to Parishes	0.109		-0.015	0.094
<b>Budget Requirement</b>	<b>13.824</b>	<b>0.542</b>	<b>0.124</b>	<b>14.490</b>
Funded by:				
Collection Fund Surplus	-0.243		-0.018	-0.261
Business Rates	-3.209		-0.016	-3.225
Revenue Support Grant	-0.635		0.518	-0.117
New Homes Bonus	-0.875		-0.685	-1.560
<b>Net Expenditure before Council Tax</b>	<b>8.862</b>	<b>0.542</b>	<b>-0.077</b>	<b>9.327</b>
Council Tax Base	67,139			68084
Council Tax Band D	£131.99			136.99
<b>Demand on the Collection Fund</b>	<b>-8.862</b>		<b>-0.465</b>	<b>-9.327</b>

10. The 2018/19 budget for Wycombe District Council recommended by the Cabinet translates into a district council tax of £136.99 for a Band D property, which represents a £5 increase on 2017/18.
11. To this figure is added the cost of parish precepts, which average £45.15, and the major preceptors. The following table consolidates the overall council tax position for 2018/19.

	2017/18		2018/19		Change
	£	£/Band D	£	£/Band D	
Bucks County Council	81,780,880	1,218.08	87,898,522	1,291.04	5.99%
Bucks & MK Fire Authority	4,087,433	60.88	4,268,836	62.70	2.99%
Police & Crime Commissioner	11,432,458	170.28	12,410,261	182.28	7.05%
Wycombe District Council	8,861,700	131.99	9,326,759	136.99	3.79%
Parishes (Average)	2,989,027	44.52	3,073,929	45.15	1.42%
<b>Total Band D Council Tax</b>	<b>109,151,498</b>	<b>1,625.75</b>	<b>116,978,307</b>	<b>1,718.16</b>	<b>5.68%</b>

## Capital Programme

12. The programme presented is developed for 2018/19, and the 5 year programme represents the ongoing commitments of the existing and future programme. The tables below summarises the Capital Programme and the various funding sources:

2017/18 Latest Budget £m	Draft Capital Programme	2018/19 Budget £m	2019/20 Aspiration £m	2020/21 Aspiration £m	2021/22 Aspiration £m	2022/23 Aspiration £m	Total £m	Programme Total (including 2017/18) £m
0.128	Community	2.111	2.012	0.145	0.145	0.145	4.558	4.686
9.657	Economic Development & Regeneration	17.856	9.675	2.000	2.000	2.000	33.531	43.188
1.210	Planning & Sustainability	0.047	15.000	15.000	15.000	-	45.047	46.257
2.095	Housing	5.038	3.366	3.366	0.800	0.800	13.370	15.465
0.029	Leader	0.463	-	-	-	-	0.463	0.492
0.912	HR, ICT & Customer Services	1.148	1.298	0.608	0.498	0.623	4.175	5.087
	Capital Overview		-0.618	-14.832			-15.450	-15.450
3.146	CLL, S106, HIF, LGF and other external funding	18.695	6.461	10.234	11.015	3.190	49.595	52.741
<b>17.176</b>	<b>Grand Total</b>	<b>45.358</b>	<b>37.194</b>	<b>16.521</b>	<b>29.458</b>	<b>6.758</b>	<b>135.289</b>	<b>152.465</b>

  

2017/18 Forecast £m	Funding	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m	Total £m	Total including 2017/18 £m
-3.946	Grants & Contributions	-19.495	-7.261	-6.189	-4.115	-3.990	<b>-41.050</b>	<b>-44.996</b>
-13.230	Capital Receipts	-20.720	-9.000	-9.800	-5.000	-2.768	<b>-47.288</b>	<b>-60.518</b>
0.000	Revenue Financing	-5.143	-20.933	-0.532	-0.304	0.000	<b>-26.912</b>	<b>-26.912</b>
0.000	Borrowing	0.000	0.000	0.000	-20.039	0.000	<b>-20.039</b>	<b>-20.039</b>
<b>-17.176</b>	<b>Total</b>	<b>-45.358</b>	<b>-37.194</b>	<b>-16.521</b>	<b>-29.458</b>	<b>-6.758</b>	<b>-135.289</b>	<b>-152.465</b>