

SPECIAL EXPENSES BUDGET 2018/19

Officer contacts: Hasina Shah

Ext: 3972

Email: [hasina.shah @wycombe.gov.uk](mailto:hasina.shah@wycombe.gov.uk)

Julia Turner

Ext 3278

Email: julia.turner@wycombe.gov.uk

Wards affected: All High Wycombe Town

PROPOSED RECOMMENDATION TO CABINET

That the committee notes and recommends an option as detailed in paragraphs 13 to 15 to the Cabinet for Council Tax band D for the unparished area of High Wycombe.

NB: The High Wycombe Town Committee is an advisory body only. In the main, its decisions are recommendations to Cabinet or to Council.

Corporate Implications

1. The financial implications have been set out in this report. Under section 35(2) (d) of the Local Government Act 1992 any expenses incurred by the Authority in performing a part of the District functions performed elsewhere in the District by a Parish Council are Special Expenses unless a contrary resolution is in force. The Council passed a resolution on 4 January 1993 making all such expenses a general expense, with the exception of certain items detailed in the resolution, which are treated as Special Expenses.
2. An increase in the Council Tax Base means that High Wycombe Town Committee will receive an extra £12.117k in precept at the current level of £17.12 Band D. The Town Committee also has forecast working balances of £507k at 31 March 2018.
3. The Band D tax base for West Wycombe has increased to £545.86 (£541.13 in 2017/18). There is no change in Band D Council Tax resulting into the same precept for West Wycombe of £3,100.

Executive Summary

4. This report sets out the proposed budget for 2018/19 for Special Expenses and the impact on the precept. Details of the estimates for 2018/19 are attached at Appendix A.
5. The Council Tax precept is based on the tax base calculated in terms of Band D equivalent properties. The tax base for 2018/19 is 22,670 (21,971 in 2017/18). The increase in properties means that the precept for the unparished area of High Wycombe will increase by £12,117 if the Band D tax for Special Expenses is left unchanged, amounting to a total precept of £388,107 in 2018/19.

6. The Band D tax base for West Wycombe has increased to £545.86 (£541.13 in 2017/18). Due to immaterial change in the tax base, the precept for West Wycombe remains at £3,100.
7. The Council Tax Reduction Scheme (CTRS), which has resulted in a reduction in the Council Tax base for the High Wycombe Town area from 2013/14 onwards, has been base-lined into the Council's overall settlement. As part of the Government's Comprehensive Spending Review (CSR) announcement in November 2015 this has been reduced significantly for 2018/19. As a result, the amount given to the Town Council and Parishes has been reduced in line with this and for High Wycombe Town will receive £27,428 in 2018/19. This is a reduction from the 2017/18 level of £31,708.

Background and Issues

8. A separate fund is maintained for Special Expenses. Income is raised by a precept on the town's inhabitants and interest is credited on the fund balance.

2018/19 Budget Overview (Appendix A)

9. For 2018/19 the estimated Net Cost of Services is £419k (£461k in 2017/18). The precept of £388k (£376k in 2017/18) has been calculated using a Band D tax rate of £17.12.
10. A contribution of £404k from the Special Expense reserves was approved by the March 2017 Cabinet to fund the phase 1 of the new Cemetery at Queensway. The works will start in 2018/19 and the funds from the reserve will be released during the year.
11. After adjusting for the capital charge credit, CTS grant, one-off contribution to fund the expenditure at Queensway cemetery and working balance interest there is an annual spend of £780k.
12. The current recommended minimum level of working balances is £150k. High Wycombe Town Council working balances forecast to be £507k at 31 March 2018.

Options for Setting Precept

13. If the current level of Band D tax for Special Expenses of £17.12 is left unchanged the precept for the unparished area of High Wycombe will increase by £12,117. The total precept for 2018/19 would be £388,107 with a working balance forecast of £506,636 at 31 March 2018.
14. A 2% reduction to the Band D Council Tax to £16.78 would result in the precept for the unparished area of High Wycombe increasing by £4,410. The total precept for 2018/19 would be £380,400 with a working balance forecast of £498,929 at 31 March 2018.
15. A 5% reduction to the Band D Council Tax to £16.26 would result in the precept for the unparished area of High Wycombe decreasing by £7,379. The total precept for 2018/19 would be £368,611 with a working balance forecast of £487,140 at 31 March 2018.
16. The reduction in Council Tax Band D for the unparished area of High Wycombe does not have any impact on the District Council options to

implement the full £5 permissible increase. However, for any increase in the Council Tax Band D for the unparished area of High Wycombe would have an impact on the District Council ability to implement the full £5 increase permissible.

17. When recommending a tax decision the Committee will need to consider the impact on the District Council's tax setting position, the level of current balances and any anticipated future calls on the Committee's finances. The Committee is not restricted to the options outlined in paragraphs 13 to 15 above in making its recommendation to Cabinet.

Next Steps

18. These proposals, the Committee's comments and recommendations will be considered by Cabinet at its meeting on 5th February 2018. Council tax for 2018/19 will be set by full Council at its meeting on 22nd February 2018.

Background Papers

Papers held by Financial Services