

Council Tax Setting 2016/17

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Purpose of Report

1. To seek approval of the final council tax resolutions for 2016/17.

Background

2. Local Government Finance Act 1992 (amended by the The Localism Act 2011) requires the billing authority to calculate a Council Tax Requirement.

Please note that these are provisional figures for Somerset County Council and Devon and Somerset Fire & Rescue Authority. Final figures will be tabled at the meeting on 25th February 2016 if there are any changes.

Recommendation

3. That Full Council approve the following:
 - (a) the formal council tax resolutions referred to in paragraphs 4 to 13
 - (b) and the individual tax setting as follows:
 - (i) that the **Somerset County Council; Police and Crime Commissioner for Avon and Somerset (PCC for Avon and Somerset); and Devon and Somerset Fire and Rescue Authority** has stated the amounts shown in paragraphs 7 to 10 respectively of this report in precept issued to the Council, in accordance with Section 40 of the Local Government Act 1992 (as amended), for each of the categories of dwelling;
 - (ii) that the **total amount** of council tax for each band of property in the South Somerset area for 2016/17 be as given in the table below:

| A - | A | B | C | D | E | F | G | H |
|--------|--------|----------|----------|----------|----------|----------|----------|----------|
| 829.09 | 994.90 | 1,160.74 | 1,326.54 | 1,492.36 | 1,823.98 | 2,155.64 | 2,487.26 | 2,984.72 |

NB – The above figures exclude all **town/parish precepts** and assume that the figures provided by Somerset County Council & Devon and Somerset Fire and Rescue are approved at their full Council meetings on 17 February & 19 February 2016 respectively. If any changes are required they will be reported to the meeting. PCC for Avon and Somerset approved their figures on 8 February 2016.

- (iii) that, having calculated the totals of each precepting authority's amounts (including town and parish precepts), the Council (in accordance with Section 30(2) of the Local Government Act 1992) (as amended) hereby sets the amounts shown at **TOTAL** in the table shown at Appendix A as the council taxes for the financial year 2016/17 for each category of dwelling.

(c) the total Band D Council Tax will be as follows:

| | 2015/16 £ | 2016/17 £ | Increase % |
|--|-----------------|-----------------|---------------|
| South Somerset District Council | 147.75 | 152.48 | 3.20 |
| Somerset County Council | 1,027.30 | 1,060.84 | 3.26 |
| Somerset County Council (Adult Social Care) | 0.00 | 20.80 | |
| PCC for Avon and Somerset | 174.78 | 178.26 | 1.99 |
| Devon and Somerset Fire and Rescue Authority | 78.42 | 79.98 | 1.99 |
| | 1,428.25 | 1,492.36 | 4.49 |
| Town and Parish Council (average) | 73.34 | 77.60 | 5.81 |
| | 1,501.59 | 1,569.96 | 4.55 |

Resolution of Council for Tax Setting

4. At a meeting on **10th December 2015**, the Assistant Director – Finance and Corporate Services calculated the Council Tax Base 2016/17:
 - (a) for the whole South Somerset District Council area as **58,543.0** [Item T in the formula in Section 31B of the Local Government Act 1992 (as amended) (the Act) (**the tax base for the whole district**); and
 - (b) for dwellings in those parts of its area to which one or more special items relates as in the attached Appendix A (**the tax base for each parish or town council area**).
5. Note that the Council Tax requirement for the Council's own purposes for 2016/17 (excluding parish and town precepts and special expenses) is **£8,926,450**.
6. Approve that the following amounts (that now include all the precepts issued to it by the parish and town councils) be now calculated by the Council for the year 2016/17 in accordance with sections 31 to 36 of the Act:
 - (a) **£80,756,590** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act; (**expenditure, including all precepts issued to it by parish and town council**);
 - (b) **£67,287,250** being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(3) of the Act (**income, including government grants, benefits subsidy and adjustments for surpluses on the Collection Fund**);
 - (c) **£13,469,340** being the amount by which the aggregate at 6(a) above exceeds the aggregate at 6(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); (**expenditure less income**);
 - (d) **£230.08** being the amount at 6(c) above (Item R), all divided by Item T (4(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; (**this is an overall average amount of Council Tax, per Band D property, for District, Somerset Rivers Authority and**

parish and town councils requirements including special expenses);

- (e) **£4,542,890** being the aggregate amount of all the special items referred to in Section 34(1) of the Act (as per the attached Appendix A); (**parish and town council precepts**);
- (f) **£152.48** being the amount at 6(d) above less the result given by dividing the amount at 6(e) above by Item T (4(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 items relates: (the District Council & Somerset Rivers Authority element of the tax for Band D dwellings)**;
- (g) the amounts shown at Appendix A being, for each parish or town in the Council's area, the amount given by adding to the amount in 6(f) above, the result of dividing the special item relating to that part of its area by the amount referred to at 4(b) above, in accordance with Section 34(3) of the Act, as the basic amount of its Council Tax in those parts of its area to which the special items relate; (**the COMBINED District and parish, or District and town amounts of Council Tax for Band D dwellings**) (Note: for completeness the table shows all areas and parish or town council precepts, if any, and how they affect the total tax);
- (h) the amounts shown at Appendix A being, for each parish or town in the Council's area, the amounts given by applying to the amounts referred to at 6(f) and 6(g) above the formula and categories set out in Section 36 of the Act **as the district, parish and town Council Taxes for each valuation band in each parish and town**;
- (i) for the parishes of Castle Cary, Henstridge, Ilchester and Wayford the amounts shown includes an amount raised relating to special items in accordance with Section 35(2)(d) of the Act.

7. That it be noted that for the year 2016/17 the **Somerset County Council** has stated the following amounts in precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown below (**the County Council tax for each valuation band throughout the District**):

| A - | A | B | C | D | E | F | G | H |
|--------|--------|--------|--------|----------|----------|----------|----------|----------|
| 589.36 | 707.22 | 825.10 | 942.97 | 1,060.84 | 1,296.58 | 1,532.33 | 1,768.06 | 2,121.68 |

8. That it be noted that for the year 2016/17 the **Somerset County Council-Adult Social Care** has stated the following amounts in precept issued to the Council, for each of the categories of dwellings shown below (**the County Council tax for each valuation band throughout the District**):

| A - | A | B | C | D | E | F | G | H |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 11.56 | 13.87 | 16.18 | 18.49 | 20.80 | 25.42 | 30.04 | 34.67 | 41.60 |

9. That it be noted that for the year 2016/17 the **PCC for Avon and Somerset** has stated the following amounts in precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown below (**the Police Authority tax for each valuation band throughout the District**):

| A - | A | B | C | D | E | F | G | H |
|-------|--------|--------|--------|--------|--------|--------|--------|--------|
| 99.03 | 118.84 | 138.65 | 158.45 | 178.26 | 217.87 | 257.49 | 297.10 | 356.52 |

10. That it be noted that for the year 2016/17 the **Devon and Somerset Fire and Rescue Authority** has stated the following amounts in precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown below (**the Fire Authority tax for each valuation band throughout the District**):

| A - | A | B | C | D | E | F | G | H |
|-------|-------|-------|-------|-------|-------|--------|--------|--------|
| 44.43 | 53.32 | 62.21 | 71.09 | 79.98 | 97.75 | 115.53 | 133.30 | 159.96 |

11. That it be noted that for the year 2016/17 **South Somerset District Council** has stated the following amounts will be the council tax charges for each band as follows:

| A - | A | B | C | D | E | F | G | H |
|-------|--------|--------|--------|--------|--------|--------|--------|--------|
| 84.71 | 101.65 | 118.60 | 135.54 | 152.48 | 186.36 | 220.25 | 254.13 | 304.96 |

12. That the total amount of Council Tax for each band for 2016/17 for the South Somerset area be as given in the table below. The table excludes parish and town precepts and special expenses.

| A - | A | B | C | D | E | F | G | H |
|--------|--------|----------|----------|----------|----------|----------|----------|----------|
| 829.09 | 994.90 | 1,160.74 | 1,326.54 | 1,492.36 | 1,823.98 | 2,155.64 | 2,487.26 | 2,984.72 |

13. Authorities will be required to hold a referendum if their relevant basic amount of council tax (i.e. the Band D having excluded local precepts) for 2016-17 is in excess of the council tax referendum principles which apply to them. The referendum principles are that their relevant basic amount of council tax would be excessive if they set increases of:

- 4%, or more than 4% for authorities with responsibility for adult social care purposes
- More than £5, or 2% or more, (the greater of the two) for all district councils in 2 tier areas
- More than £5 for Police and Crime Commissioners in the lower quartile of Band D within their categories
- 2%, or more than 2% for all billing and major precepting authorities not covered by the above categories.

Background Papers

Report to Full Council

Medium Term Financial Plan (Revenue Budgets 2016/17 to 2020/21 and Capital Programme 2016/17 to 2020/21)

Local Government Finance Act 1992 (as amended)

Localism Act 2011