

Item 6 (d) – Revenue Budget and Council Tax 2015/16

The attached report was considered by the Cabinet on 5 February 2015, relevant minute extract below:

Cabinet – 5 February 2015 (Minute 72)

The Portfolio Holder for Finance & Resources introduced a report setting out the proposed budget and required level of Council Tax for 2015/16. Member's considered the full budget report and included the change recommended by Cabinet on 15 January. That change was to reduce the Council Tax increase assumption from 3% to 2% for 2016/17 to 2018/19.

At the last Finance & Resources Advisory Committee meeting it was debated whether the Council Tax increase assumption should be reduced to 2% for the whole 10-year period. The motion was put to the vote and was lost. The additional impact of this change would be £2.3m.

The Portfolio Holder was pleased to report that this report once again left the Council with a balanced budget over the next 10 years.

The Chief Officer for Finance highlighted that the report contained a number of appendices including budget amounts for all service areas, growth and savings items agreed as well as pay costs and a risk analysis.

On Tuesday the Government had announced the final funding settlement figures for 2015/16 which were unchanged from the provisional figures issued before Christmas.

The figures assumed that once again no funding would be passed on to Town and Parish Councils for Council Tax Support. This was one of the three options Council would be asked to consider and were included in the recommendations.

Appendix H contained a review of reserves which included the recommendation to set up an On-Street Parking Reserve where any surpluses above budget could be held before being spent on permitted purposes.

A Property Investment Reserve was also to be established as Council had previously agreed to set aside £5m for the Property Investment Strategy. This would come from £2.2m from the General Fund Reserve and smaller amounts from other reserves. The balance would be funded from capital receipts.

Public Sector Equality Duty

Members noted that consideration had been given to impacts under the Public Sector Equality Duty.

Resolved: That Council be recommended to:

- (a) Approve the Summary of Council Expenditure and Council Tax set out in Appendix E to the report.
- (b) Approve the 10-year budget 2015/16 to 2024/25 which is the guiding framework for the detailed approval of future years' budgets set out in Appendix B to the report, including the growth and savings proposals set out in Appendix C-D to the report, and that where possible any variations during and between years be met from the Budget Stabilisation Reserve: and
- (c) Approve the changes to reserves set out in Appendix H.
- (d) Members' views are sought on the issue of Council Tax Support funding for Town and Parish Councils and one of the following options be approved:
 - i. An amount of funding is passed to Town and Parish Councils for Council Tax Support in 2015/16 equivalent to the amount passed on in 2013/14 less 48% (the Council's reduction in Revenue Support Grant);
 - ii. A different amount is passed to Town and Parish Councils for Council Tax Support in 2015/16;
 - iii. No funding is passed to Town and Parish Councils for Council Tax Support in 2015/16.