

Decision of:	EXECUTIVE
Decision Number:	EX8/2017
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting :	20 February 2017

COUNCIL TAX 2017/18

1.0 Purpose of the report:

- 1.1 Proposals for Blackpool Council's level of Council Tax for 2017/18 and the General Fund Revenue Budget 2017/18.

2.0 Recommendation(s):

- 2.1 To consider all information received since the meeting of the Executive on 6 February 2017 including the Final Settlement Funding Assessment if announced by the date of this meeting and to determine whether or not to confirm the Executive's recommendation to Council regarding the General Fund Revenue Budget 2017/18.
- 2.2 To recommend to Council approval of a level of Blackpool Council's Council Tax for the year 2017/18 of £1,425.75 at valuation band D equivalent which includes the additional 3% Adult Social Care Precept.
- 2.3 To recommend to Council the level of net expenditure for the General Fund Revenue Budget 2017/18 of £120,248,000. Any change in the final notification of Settlement Funding Assessment compared to the Provisional Settlement Funding Assessment will either be met from or added to Reserves.
- 2.4 To note that the Police and Crime Commissioner for Lancashire's precept for the financial year 2017/18 at valuation band D equivalent will be agreed on 13 February 2017 and will be reported verbally at this meeting.
- 2.5 To note that the Lancashire Combined Fire Authority will meet on the morning of 20 February 2017 to set its precept for the financial year 2017/18. This will again be reported verbally at this meeting.

3.0 Reasons for recommendation(s):

3.1 The Executive is required to consider the outcome of consultation meetings and surveys before finalising its Budget proposals.

The setting of the General Fund Revenue Budget and the level of Council Tax is consistent with the principles approved by the Executive at its meeting on 6 February 2017.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? NO

3.2b Is the recommendation in accordance with the Council’s approved budget? Not applicable – the report once approved will become the Council’s new approved Budget

3.3 Other alternative options to be considered:

Although one of the 8 guiding principles of the Council’s Medium-Term Financial Sustainability Strategy 2016/17 – 2021/22 is “to keep Council Tax levels as low as possible”, Government funding reductions alongside increasing service demands and inflationary pressures on the Council’s Budget in 2017/18 including Adult Social Care pressures of 2.5 times the allowable Precept (see table below) prevent a Council Tax level any lower than the capped level being prudent or practicable.

	£000	£000
Adult Social Care – 2017/18 in- year cost pressures		
- In-house pay related	257	
- National Living Wage on External Contracts	2,079	
- Other Non-pay inflation	775	
- Demographic pressures	588	
Total		3,699
3% Adult Social Care Precept		1,453

The Council Tax level recommended balances all 8 principles against the real risk of further service cuts. Although the level of Council Tax at valuation band D that is recommended is £1,425.75, the profile of hereditaments in Blackpool with bands A and B comprising 74% of the total means that the average council tax payable per dwelling in 2017/18 is estimated at £726.

4.0 Council Priority:

4.1 The relevant Council Priorities are:

“The economy: Maximising growth and opportunity across Blackpool”

“Communities: Creating stronger communities and increasing resilience”

5.0 Background Information

5.1 At its meeting on 6 February 2017 the Executive considered a report of the Director of Resources that recommended to Council approval of a net expenditure for the General Fund Revenue Budget of £120,248,000 that would result in a level of Council Tax for the year 2017/18 of £1,425.75 at valuation band D equivalent. This is an increase of 4.99% and includes the additional and allowable 3% Adult Social Care Precept.

5.2 The Final Settlement of Blackpool Council’s 2017/18 Settlement Funding Assessment will be announced by the Department for Communities and Local Government later this month. If there is a change to the Provisional Settlement Funding Assessment for 2017/18 of £69.6m, it is proposed that it will be either met from, or added to Reserves.

5.3 As part of the Provisional Local Government Finance Settlement the threshold for ‘excessive’ Council Tax increases was set at 2%, an increase of 2% or more requiring a local referendum to be held. This 2% threshold excludes the additional 3% allowed for the Adult Social Care Precept. The level of Council Tax recommended in this report will not invoke this requirement.

5.4 Besides the ongoing dialogue with the Trade Unions throughout the budget-setting process, the draft General Fund Revenue Budget 2017/18 and supporting information was further considered at a meeting of the Tourism, Economy and Resources Scrutiny Committee with Trade Union representatives and Business Ratepayers held on 10 February 2017. The views presented at this meeting will be reported to the Executive.

5.5 The precepts of the Police and Crime Commissioner for Lancashire and the Lancashire Combined Fire Authority for the year 2017/18 are proposed to be agreed on 13 and 20 February 2017 respectively and will be reported verbally to this meeting of the Executive.

5.6 Does the information submitted include any exempt information? No

5.7 List of Appendices:

None

6.0 Legal considerations:

6.1 There is a duty for major precepting authorities to issue a precept for 2017/18 before 1 March 2017. For other local authorities, there is a duty to set 2017/18 budgets before 11 March 2017.

7.0 Human Resources considerations:

7.1 Human Resources considerations were outlined in the General Fund Revenue Budget 2017/18 report.

8.0 Equalities considerations:

8.1 An Equality Analysis was produced for the General Fund Revenue Budget 2017/18 report to the Executive on 6 February 2017 - this remains applicable.

8.2 In making this year's Council Tax proposal, particular account has been taken of the impact on vulnerable groups and people who share the protected characteristics under the Equality Act. A full Equality analysis report into the detailed budget proposals within the Revenue Budget has underpinned this consideration. In terms of impact, proposals have been balanced that will protect core services to vulnerable people and communities, together with the need to balance the budget and move to a greater self-sufficiency with regard to income and tax raising, given the future reductions in central government grant support outlined in the Medium-Term Financial Sustainability Strategy 2016/17 – 2021/22.

9.0 Financial considerations:

9.1 As outlined in this report.

10.0 Risk management considerations:

10.1 A Risk Analysis was produced for the General Fund Revenue Budget 2017/18 report to the Executive on 6 February 2017 - this remains applicable.

11.0 Ethical considerations:

11.1 In the context of a budget savings requirement of £18.7m in 2017/18 with inevitable cuts to some services, a council tax increase of 4.99% which will yield £2.4m is a necessary contribution to ensure that key Council services are maintained.

12.0 Internal/ External Consultation undertaken:

12.1 Consultation has taken place at a meeting with the Trade Unions and Business Ratepayers on 10 February 2017. Preceding this, an extensive engagement has taken place throughout the autumn with a wide range of community and equality interest groups covering the full range of issues concerning the budgetary position – including possible impacts on revenue raising, service cuts and council tax. The engagement sessions consisted of targeted focus groups with third sector partners taking a lead role, on-street interviews and an online survey. The results of this exercise were included in the Appendices to the report to the Executive on 15 December 2016.

12.2 The groups involved in this exercise included the Blackpool Disability Partnership, the Blackpool Fylde and Wyre LGB&T strategic partnership, Blackpool Faith Forum, Blackpool Gold (Senior Voice) Forum, Equality Forum, representatives of Young Peoples groups and the Third sector.

13.0 Background papers

13.1 Budget working papers and above consultation minutes and feedback.

14.0 Key decision information:

14.1 Is this a key decision? Yes

14.2 If so, Forward Plan reference number:

14.3 If a key decision, is the decision required in less than five days? No

14.4 If **yes**, please describe the reason for urgency:

15.0 Call-in information:

15.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

15.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

16.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 10 February 2017 Date approved:

17.0 Declarations of interest (if applicable):

17.1 Councillor Mrs Wright declared a prejudicial interest in the decision as a Council appointed Board member of Blackpool Transport Services Limited. Councillor Mrs Wright left the meeting for this part of the decision and took no part in the voting or discussion.

18.0 Executive decision:

18.1 The Executive resolved as follows:

1. To note all information received since the meeting of the Executive on 6 February 2017 including that the Final Settlement Funding Assessment will now not be announced until after the meeting and therefore request the Director of Resources to provide a further update, if necessary, in advance of the budget Council meeting.
2. To note the minutes of the Tourism, Economy and Resources Scrutiny Committee meeting with Non-Domestic Ratepayers and Trade Union representatives held on 10 February 2017.
3. To confirm the Executive's recommendations to Council regarding the General Fund Revenue Budget 2017/18 subject to decisions 4 and 5 below.
4. To note that line B5.8 of the budget savings proposals outlined in Appendix 2 to the General Fund Revenue Budget considered by the Executive at its meeting on 6 February 2017, includes a saving identified for the disestablishment of the Political Assistant posts and to recommend the Council accordingly to rescind its decision of 8 July 2015 which established the principle of appointing Political Assistants within the framework of the Local Government and Housing Act 1989.
5. To approve a level of budget savings of £18.7m (reference paragraph 7.1 and 7.2 and Appendix 2, of the report to the Executive on 6 February 2017), with the exception of the following:
 - a. Remove the saving of £250,000 proposed at line B4.2, which proposed the introduction of a charge for concessionary fares on the tramway,

Appendix 6(b)

- b. Remove the saving of £26,000 contained within line B5.3 in relation to ending community based stroke service funding
 - c. Increase the saving at line B5.8 (Residual target to be allocated to services) by £276,000.
6. To recommend to Council approval of a level of Blackpool Council's Council Tax for the year 2017/18 of £1,425.75 at valuation band D equivalent which includes the additional 3% Adult Social Care Precept.
 7. To recommend to Council the level of net expenditure for the General Fund Revenue Budget 2017/18 of £120,248,000 and agree that any change in the final notification of Settlement Funding Assessment compared to the Provisional Settlement Funding Assessment will either be met from or added to Reserves.
 8. To note that the Police and Crime Commissioner for Lancashire's precept for the financial year 2017/18 at valuation band D equivalent had been agreed on 13 February 2017 and was reported verbally at this meeting as £165.45 (an increase of 1.99%).
 9. To note that the Lancashire Combined Fire Authority met on the morning of 20 February 2017 to set its precept for the financial year 2017/18. This was reported verbally at the meeting as £65.50 for a Band D Tax equivalent (no increase).

18.2 **Date of Decision:**

20 February 2017

19.0 **Reason(s) for decision:**

The Executive is required to consider the outcome of consultation meetings and surveys before finalising its Budget proposals.

The setting of the General Fund Revenue Budget and the level of Council Tax is consistent with the principles approved by the Executive at its meeting on 6 February 2017.

19.1 **Date Decision published:**

21 February 2017

20.0 **Executive Members present:**

20.1 Councillor Campbell, in the Chair

Councillor Benson, Cain, Cross, Kirkland, Smith and I Taylor

(Councillor Mrs Wright having declared a prejudicial interest left the room for the consideration of the decision and did not take part in the voting and discussion.)

21.0 Call-in:

21.1

22.0 Notes:

22.1 Apologies were received from Councillor Blackburn who was elsewhere on official Council business.