

Notice of:	EXECUTIVE
Decision Number:	EX13/2016
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Simon Blackburn, Leader of the Council
Date of Meeting:	22 nd February 2016

COUNCIL TAX 2016/17

1.0 Purpose of the report:

- 1.1 Proposals for Blackpool Council's level of Council Tax for 2016/17 and the General Fund Revenue Budget 2016/17.

2.0 Recommendation(s):

- 2.1 To consider all information received since the meeting of the Executive on 8th February 2016 including the Final Settlement Funding Assessment which was announced on 8th February 2016 and to determine whether or not to confirm the Executive's recommendation to Council regarding the General Fund Revenue Budget 2016/17.
- 2.2 To recommend to Council approval of a level of Council Tax for the year 2016/17 of £1,358.05 at valuation band D equivalent which includes the additional 2% Adult Social Care Precept.
- 2.3 To recommend to Council the level of net expenditure for the General Fund Revenue Budget 2016/17 of £122,999,000.
- 2.4 To note that the Lancashire Combined Fire Authority will meet on 15th February 2016 to set its precept for the financial year 2016/17. This will be reported verbally at this meeting.
- 2.5 To note that the Police and Crime Commissioner for Lancashire's precept for the year 2016/17 at valuation band D equivalent will be agreed on 16th February 2016 and 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 8th February 2016. The Council Tax level recommended balances all 8 principles of the approved Medium Term Financial Strategy against the real risk of further service cuts.

- 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:

None, as although one of the 8 guiding principles of the Council's Medium Term Financial Strategy 2015/16 – 17/18 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 2016/17 (including Adult Social Care pressures of 4 times the allowable Precept and new burdens such as Deprivation of Liberty Safeguards and the transfer to Academies) prevent a Council Tax level any lower than the capped level being prudent or practicable.

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 £1,358.05, the profile of hereditaments in Blackpool with bands A and B comprising 74% of the total means that the average council tax payable in 2016/17 is estimated at £795.

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 8th February 2016, 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 £122,999,000 that would result in a level of Council Tax for the year 2016/17 of £1,358.05 at valuation band D equivalent. This is an increase of 3.99% and includes the additional and allowable 2% Adult Social Care Precept.
- 5.2 The Final Settlement of Blackpool Council's 2016/17 Settlement Funding Assessment was announced by the Department for Communities and Local Government on 8th February 2016. Compared to the Provisional Settlement there have been no changes to the method of distributing Revenue Support Grant and as such the Settlement Funding Assessment and Core Spending Power are unchanged for 2016/17 at £75.8m and £125.0m respectively.
- 5.3 As part of the Provisional Local Government Finance Settlement the threshold for 'excessive' Council Tax increases was set at 2%, with an increase of 2% or more requiring a local referendum to be held. This 2% threshold excludes the additional 2% 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 2016/17 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 12th February. The views presented at this meeting will be reported to the Executive.
- 5.5 The precepts of the Lancashire Combined Fire Authority and the Police and Crime Commissioner for Lancashire for the year 2016/17 will be agreed on 15th and 16th February 2016 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 None

7.0 Human Resources considerations:

7.1 Human Resources considerations were outlined in the General Fund Revenue Budget 2016/17 report.

8.0 Equalities considerations:

8.1 An Equality Analysis was produced for the General Fund Revenue Budget 2016/17 report to the Executive on 8th February 2016 [available via this link](#) - this remains applicable.

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 2016/17 report to the Executive on 8th February 2016 [available via this link](#) - this remains applicable.

11.0 Ethical considerations:

11.1 In the context of a budget savings requirement of £25.1m in 2016/17 with inevitable cuts to some services, a Council tax increase of 3.99% which will yield £1.85m 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 12th February 2016. As is the usual practice engagement on the Council's overall budgetary position – including possible impacts on revenue raising, service cuts and Council Tax has also taken place at meetings of the Disability Partnership (5th January 2016), Blackpool Equalities Forum (20th January 2016) and Faith Forum (25th January 2016). The relevant minutes have been circulated to the Executive.

12.2 The Council commissioned Research for Today to undertake early engagement with the public via a Simalto budget-setting exercise. The intention was to inform residents about the services which the Council delivers and the current budget situation, then seek their informed views on how the Council budget could be re-set.

- 12.3 The process ran for 5 weeks from the start of September. It was open to anyone to participate in and was promoted via the Council’s website, third sector organisations, the emerging Citizen’s Panel, the Council’s followers on social media, plus formal “completion” sessions and outreach work in the community. A video on the website explained the work of the Council and the budgetary situation.
- 12.4 The information gathered has been presented to the Council’s Executive for consideration and used throughout the budget-setting process. It has informed the content of this report. It is important to emphasise that the broad nature of this exercise plus the self-selection of participants means it can only provide a guide to public opinion and perception.
- 12.5 The Council’s Executive considered feedback from the Simalto exercise as part of the paper “Council Budget 2016/17 Consultation Process” on 23rd November 2015.
- 12.6 As the Provisional and Final Local Government Finance Settlements required a further £5.1m of budget savings in 2016/17 to that previously consulted upon above, then approval of this report will commence a further 3-month consultation process on service proposals listed at Appendix 2b [available via this link](#) to the General Fund Budget Report. The Council is required to consider the views offered and take them into account throughout further meetings and discussions with residents, trade unions and other stakeholders.

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: | 29/2015 |
| 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: 12th February 2016 Date approved:

17.0 Declarations of interest (if applicable):

17.1 Councillor Campbell declared a disclosable pecuniary interest in decision number 2, in relation to the proposed consultation on a reduction of £200,000 from Housing Related Support, as an employee of Bay Housing Association. Councillor Campbell left the meeting for this part of the decision and took no part in the voting or discussion.

Councillors Cain and Smith declared a prejudicial interest in decision Number 3, in relation to the proposed consultation on additional income of £100,000 from Blackpool Operating Company Ltd, as Council appointed Directors of Blackpool Operating Company Ltd. Councillors Cain and Smith 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. That in the absence of the Leader and Deputy Leader of the Council, Councillor Jackson be appointed Chairman for the part of the meeting related to savings from Housing Related Support and additional income from Blackpool Operating Company Ltd.

2. To reconfirm the recommendation to the Council of approval of the savings of £200,000 from Housing Relating Support as part of the second tranche of budget saving proposals and to note that formal consultation on these proposals will take place over the next 3 months.
3. To reconfirm the recommendation to the Council of approval of additional income of £100,000 from Blackpool Operating Company Ltd as part of the second tranche of budget saving proposals and to note that formal consultation on these proposals will take place over the next 3 months.

(Councillor Campbell having declared a disclosable pecuniary interest in relation to the savings from Housing Related Support left the meeting for the Decisions 1, 2 and 3, and returned to the meeting and retook her position as Chairman for Decisions 4 to 8.)

(Councillors Cain and Smith having prejudicial interests in relation to the additional income from Blackpool Operating Company Ltd left the meeting for Decisions 1, 2 and 3.)

4. Having considered carefully the minutes of the Tourism, Economy and Resources Scrutiny Committee meeting held on 12th February 2016, to agree to confirm the Executive's other recommendations to Council regarding the General Fund Revenue Budget 2016/17 from its meeting on the 8th February 2016.
5. To recommend to Council the level of net expenditure for the General Fund Revenue Budget 2016/17 of £122,999,000.
6. To recommend to Council approval of a level of Council Tax for the year 2016/17 of £1,358.05 at valuation band D equivalent which includes the additional 2% Adult Social Care Precept.
7. To note that the Lancashire Combined Fire Authority precept for the financial year 2016/2017 as agreed on the 15th February 2016 is £65.50 for a Band D Tax equivalent (a 0.99% increase).
8. To note that the Police and Crime Commissioner for Lancashire's precept for the financial year 2016/2017 as agreed on the 16th February 2016 is £162.22 (a 1.99% increase) for a Band D Tax equivalent.

18.2 Date of Decision:

22nd February 2016

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 8th February 2016. The Council Tax level recommended balances all 8 principles of the approved Medium Term Financial Strategy against the real risk of further service cuts.

19.1 Date Decision published:

24th February 2016

20.0 Executive Members in attendance:

20.1 Councillor Jackson, in the Chair for decisions 2 and 3

Councillor Campbell, in the Chair for decisions 4, 5, 6, 7 and 8

Councillors Cain, Collett, Cross, Jackson, Kirkland, Smith, I Taylor and Mrs Wright

(Councillor Campbell having declared a prejudicial interest relation to the savings from Housing Related Support left the meeting for the Decisions 1, 2 and 3).

(Councillors Cain and Smith having prejudicial interests in relation to the additional dividend from Blackpool Operating Company left the meeting for Decisions 1, 2 and 3).

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

21.0 Call-in:

21.1

22.0 Notes:

22.1