

**REPORT TO:** Council

**Date of Meeting:** 1 March 2012

**SUBJECT:**

Council Tax Recommendation 2012/13

**REPORT OF:** Margaret Rawding  
Head of Corporate Finance and ICT  
0151 934 4082

**Wars Affected:** All

**Is this a key decision?** Yes    **Is it in the Forward Plan?** Yes

**EXEMPT/CONFIDENTIAL:** No

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**PURPOSE/SUMMARY:**

To inform Council of the level of levies and precepts set for 2012/13, and for Council to approve a Council Tax for 2012/13.

**RECOMMENDATION(S):**

Council is recommended to:

1. Note the impact of external levies set for 2012/13;
2. Note the precepts set by the Police Authority and the Fire and Rescue Authority for 2012/13;
3. Note the level of Parish Precepts set for 2012/13;
4. Agree to accept the Council tax Freeze Grant for 2012/13; and
5. Set a 0% increase in Council Tax for 2012/13.

**How does the decision contribute to the Council's Corporate Objectives?**

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity		√	
3	Environmental Sustainability		√	
4	Health and Well-Being		√	
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening local Democracy		√	

## Reasons for the Recommendation:

The Council must set a Council tax for 2012/13 by 10 March 2012 at the latest.  
**What will it cost and how will it be financed?**

### (A) Revenue Costs

The setting of the Council Tax will enable the Council to receive income from Council Tax Payers.

### (B) Capital Costs

Nil

### Implications

The setting of the Council Tax will enable the Council to receive income from Council Tax Payers.

### Legal:

The Council is required to set a Balanced Budget and Council Tax level by 10 March 2012.

### Human Resources:

None

### Equality

1. No Equality Implication

2. Equality Implications identified and mitigated

3. Equality Implication identified and risk remains

### Impact on Service Delivery

### What consultations have taken place on the proposals and when?

The Head of Corporate Finance and ICT has agreed this report. **FD1382/12**

The Head of Corporate Legal Services has been consulted and any comments have been incorporated into the report. **(LD745/12)**

### Are there any other options available for consideration?

There are no alternative options. The Council must set a budget and a Council Tax by 10 March 2012 at the latest.

### Implementation date for the Decision:

Immediately following Council.

### Contact Officer: Margaret Rawding

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Background papers:

## **1. Introduction**

- 1.1. The Council is legally required to fix its budget and set a Council Tax for 2012/13 by 10 March 2012. This Council meeting has been arranged for this purpose.
- 1.2. The report provides Council with details of the amounts that will be paid to levying bodies in 2012/13 and the level of precepts that have been set by the Police Authority, the Fire and Rescue Authority and Parish Councils.
- 1.3. Elsewhere on the agenda, the Revenue Budget Recommendation for 2012/13 sets out the latest financial position for consideration. That report includes the assumption of a 0% increase in Council Tax. Whilst the detail of the savings may ultimately vary from this position, this report continues to assume a Council Tax freeze for 2012/13. Should a budget which includes an alternative Council Tax assumption be approved, a revised resolution will be presented for approval.

## **2. Levying Bodies**

- 2.1. The Council is required to pay levies to a number of external bodies. The expected levy amounts to be paid in 2012/13, and their impact on Sefton's budget compared to 2011/12, is shown in the table below.

<u>Levying Body</u>	2011/12 £	2012/13 £	Change £
Integrated Transport Authority	25,773,000	25,682,000	-91,000
Waste Disposal Authority	12,974,007	12,613,601	-360,406
Environment Agency	147,584	147,288	-296
Port Health Authority	79,500	79,500	0
Inshore Fisheries and Conservation Authority	58,661	59,248	+587
	39,032,752	38,581,637	-451,115

The above figures have been built into the "Framework" Budget for 2012/13.

## **3. Precepts**

### **3.1. Police and Fire Authority Precepts**

- 3.1.1. The Fire and Rescue Authority set its budget / precept for 2012/13 on 16 February 2012, with a Band D increase equivalent to 4%. The Merseyside Police Authority met on 20 February 2012 and set its budget / precept for 2012/13, with a Band D increase equivalent to 3%. The table below sets out the position for both Authorities.

<u>Precept</u>	2011/12	2012/13	Change	
	£	£	£	%
Police Authority	13,610,490	14,025,670	+415,180	+3.05
Fire & Rescue Authority	6,028,527	6,272,535	+244,008	+4.05
<u>Council Tax (Band D)</u>				
Police Authority	146.23	150.62	+4.39	+3.00
Fire & Rescue Authority	64.77	67.36	+2.59	+4.00

### 3.2. Parish Precepts

3.2.1. All Parish Councils have set their precepts for 2012/13. The total level of precepts has decreased from £973,704 in 2011/12 to £950,321 in 2012/13. Details of the precepts and Band D equivalent Council Tax charge in each Parish area are set out below: -

	Precept			Band D		
	2011/12 £	2012/13	Change £	2011/12	2012/13	Change
Aintree Village	110,000	90,000	-20,000	48.10	39.44	-8.66
Formby	43,000	43,000	0	4.54	4.56	+0.02
Hightown	3,750	3,750	0	4.22	4.21	-0.01
Ince Blundell	1,650	1,700	+50	8.48	8.79	+0.31
Little Altcar	2,500	2,500	0	8.69	8.67	-0.02
Lydiate	149,862	149,862	0	66.31	66.57	+0.26
Maghull	635,142	633,509	-1,633	88.85	88.85	0
Melling	18,000	18,000	0	16.48	16.47	-0.01
Sefton	5,300	3,500	-1,800	21.49	12.59	-8.90
Thornton	4,500	4,500	0	5.49	5.51	+0.02
	<b>973,704</b>	<b>950,321</b>	<b>-23,383</b>			

## 4. Recommended Council Tax for 2012/13

4.1 Members are reminded that the methodology to influence Council Tax increases has been amended. The Capping System has been abolished and replaced by maximum increases without a referendum being required. Sefton's maximum Council Tax increase for 2012/13 (without the need for a referendum would be 1.94%. On an ongoing basis, the maximum Council Tax increase for Sefton will be 2.36% (if the threshold remained at 3.5%).

4.2 On the assumption that the "Framework" Budget is approved (or is amended by Council and a Council Tax Freeze is accepted), the proposed Council Tax increase for Sefton in 2012/13 will be 0%. The overall Band D Council Tax to be levied for 2012/13 (excluding Parish Precepts) would therefore be: -

	£
Sefton	1266.68
Police Authority	150.62
Fire and Rescue Authority	67.36
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	<b>1,484.66</b>