

FINANCE COMMITTEE

24th February 2011

Members Present: - Councillor Chater
Councillor Duggins
Councillor Foster
Councillor J Mutton
Councillor Ruane
Councillor Taylor

Employees Present:- C. Forde (Finance and Legal Services Directorate)
B. Hastie (Finance and Legal Services Directorate)
P. Jennings (Finance and Legal Services Directorate)
G. Paddan (Customer and Workforce Services Directorate)

Public business

1. Appointment of Chair

RESOLVED that Councillor Duggins be appointed as Chair of the Finance Committee.

2. Declarations of Interest

There were no declarations of interest.

3. 2011/2012 Council Tax Setting Report

Further to Minute 125/10 of the Council, the Finance Committee considered a report of the Director of Finance and Legal Services which sought approval for the City's 2011/12 Council Tax level. The report incorporated the impact of the Council's Budget Requirement of £277,069,353, the Government's final Formula Grant settlement, and the City's approved Council Tax base. This resulted in a Band D Council Tax for Coventry City Council that was unchanged from the 2010/11 level.

The Finance Committee noted that the Government have introduced a Council Tax Freeze Grant in 2011/12 that rewarded councils that maintained their tax levels at, or below, 2010/11 levels. This grant was equivalent to a 2.5% increase of 2011/12 Council Tax. On the basis of an unchanged tax level, Coventry will receive a Council Tax Freeze Grant of £2.9m.

The precepts from both the West Midlands Fire and Rescue Authority and the West Midlands Police Authority have been finalised. The figures presented below reflect the confirmed final precepts. After including the effect of the Fire and Police precepts the total Band D Council Tax will also be unchanged from the 2010/11 level.

Members noted that the recommendations follow the structure of resolutions drawn up by the local authority associations, to ensure that legal requirements are fully adhered

to in setting the tax. As a consequence, the wording of the proposed resolutions was necessarily complex.

RESOLVED that:-

(1) The Finance Committee reaffirm the following amounts as its Council Tax base for the year 2011/12, as approved by Cabinet on 4th January 2011 (report attached as an appendix), in accordance with Regulations made under Section 33(5) of the Local Government Finance Act 1992:

a) 89,027.3 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax base for the year;

**b) Allesley 433.6
Keresley 210.2**

being the amounts calculated by the Council, in accordance with Regulation 6 of the regulations, as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

(2) The following amounts be now calculated by the Council for the year 2011/12 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:

a) £793,620,353 being the aggregate of the amounts that the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act, other than any expenditure estimated to be incurred which will be charged to a Business Improvement District (BID) revenue account as set out in section 43(2)(a) of the Local Government Act 2003. (*Gross Expenditure including the amount required for the working balance*);

b) £516,551,000 being the aggregate of the amounts that the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act, other than any income estimated to be received which will be credited to a BID revenue account as set out in section 43(2)(b) or (c) of the Local Government Act 2003. (*Gross Income including reserves to be used to meet the Gross Expenditure*);

c) £277,069,353 being the amount by which the aggregate at (2) (a) above exceeds the aggregate at (2) (b) above, calculated by the Council in accordance with Section 32(4) of the Act, as its budget requirement for the year;

d) **£159,209,913** being the aggregate of the sums which the Council estimates will be payable for the year into its general fund in respect of Formula Grant (the sum of Revenue Support Grant and National Non Domestic Rates) [£158,284,270] and the amount of the sums which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with the Act as amended by the 1994 Regulations (Council Tax Surplus) [£925,643] and pursuant to the Collection Fund (Community Charge) directions under Section 98(4) of the Local Government Finance Act 1988 (Community Charge Surplus) [£0].

e) **£1,323.86**
$$\frac{(2) (c) - (2) (d)}{(1) (a)} = \frac{277,069,353 - 159,209,913}{89,027.3}$$

being the amount at (2) (c) above, less the amount at (2) (d) above, all divided by the amount at (1) (a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year. (*Average Council Tax at Band D for the City including Parish Precepts*).

f) **£5,100.00** being the aggregate amount of all special items referred to in Section 34(1) of the Act. (*Parish Precepts*);

g) **£1,323.80** =
$$\frac{(2) (e) - (2) (f)}{(1) (a)} = \frac{1,323.86 - 5,100}{89,027.3}$$

being the amount at (2) (e) above, less the result given by dividing the amount at (2) (f) above by the amounts at (1) (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 the area to which no special item relates. (*Council Tax at Band D for the City excluding Parish Precepts*);

h)	Coventry Unparished Area	£1,323.80
	Allesley	£1,332.10
	Keresley	£1,330.94

being the amounts given by adding to the amount at (2) (g) above, the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at (1) (b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings

in those parts of its area to which one or more special items relate. (*Council Taxes at Band D for the City and Parish*).

i)

Valuation Band	Parts to which no special item relates	Parish of Allesley	Parish of Keresley
		£	£
A	882.53	888.06	887.29
B	1029.62	1036.08	1035.17
C	1176.71	1184.09	1183.06
D	1323.80	1332.10	1330.94
E	1617.98	1628.12	1626.71
F	1912.16	1924.15	1922.47
G	2206.33	2220.16	2218.23
H	2647.60	2664.20	2661.88

being the amounts given by multiplying the amounts at (2) (h) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation Band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwelling listed in different valuation bands.

- (3) It be noted that for the year 2011/12 the West Midlands Police Authority and West Midlands Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown below:

Valuation Band	West Midlands Police Authority	West Midlands Fire Authority
	£	£
A	66.30	31.89
B	77.35	37.20
C	88.40	42.52
D	99.45	47.83
E	121.54	58.46
F	143.64	69.09
G	165.74	79.72
H	198.89	95.66

- (4) Having calculated the aggregate in each case of the amounts at (2) (i) and (3) above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2011/12 for each of the categories of dwellings shown below:

Valuation Band	Parts to which no special item relates	Parish of Allesley	Parish of Keresley
	£	£	£
A	980.72	986.25	985.48
B	1144.17	1150.63	1149.72
C	1307.63	1315.01	1313.98
D	1471.08	1479.38	1478.22
E	1797.98	1808.12	1806.71
F	2124.89	2136.88	2135.20
G	2451.79	2465.62	2463.69
H	2942.15	2958.75	2956.43

4. Any Other Public Business

There were no other items of public business.