

## FULL COUNCIL

2<sup>ND</sup> FEBRUARY 2021

### REPORT OF THE CABINET MEMBER FOR RESOURCES

#### 1. COUNCIL UPDATE REGARDING RESOURCES

##### 1.1 Purpose of Report

- 1.1.1 To advise Members of the decisions taken at the Resources decision making session held on 12<sup>th</sup> January 2021.

##### 1.2 Background

- 1.2.1 Attached to this report is a list of decisions made.

##### 1.3 12<sup>th</sup> January 2021

- 1.3.1 The council tax base represents the estimated number of houses eligible to pay council tax in the borough, expressed as a number of Band D equivalent properties.
- 1.3.2 The tax base must be calculated in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 and must be determined between 1 December and 31 January for the following financial year.
- 1.3.3 For 2021/22, the total tax base is derived by taking the Council's valuation list issued by the Valuation Office Agency as at 30 November 2020. This is then adjusted for the effect of discounts, exemptions and premiums as at the same date and any new properties that have been built but have not yet been assessed by the Valuation Office Agency. The tax base is also reduced to reflect households in receipt of council tax reduction as at 30 November 2020.
- 1.3.4 The tax base for 2021/22 has been calculated as 77,190 Band D equivalent dwellings, compared with 77,566 Band D equivalent dwellings in the current year, a decrease of 376 Band D equivalent dwellings. This decrease is mainly due to an increase in the number of households claiming council tax reduction. The reduction in income arising from the lower council tax base has already been included in our latest budget estimates.
- 1.3.5 I approved the council tax base of 77,190 Band D equivalent dwellings and I approved that our forecast collection rate remains at 98.81%, as in previous years. Whilst the collection rate could reduce due to the impact of Covid, if we assumed a reduction in our base estimate, we would not then be able to capture the losses caused by Covid, which we will want to claim from central government.
- 1.3.6 Finally, as part of the report on the council tax base, I approved that funding totalling £19,000 be paid to those parish councils that have experienced an increase in the number of dwellings in receipt of council tax support, because this will have reduced their income. This amount will be paid out of the Covid funding we have received.

## **1.4 Council Plan and Priorities**

- 1.4.1 Strong financial management is a key enabler within the Council Plan. The Leader, the Deputy Chief Executive and I have recently agreed that due to the Council's role as Accountable Body and the significant amount of money involved, financial management of the Urban Growth Company (UGC), which is responsible for all projects within the UK Central Hub area, should transfer to the Council, under the Leadership of the Deputy Chief Executive, as Section 151 Officer. This means that financial management of the UGC will operate within the Council's financial control framework. The proposal has been welcomed by the Urban Growth Company and has recently been approved by the UGC Board. These arrangements are now being put in place.

## **1.5 Issues of Interest**

- 1.5.1 The fourth and final meeting of the Budget Strategy Group took place on 11<sup>th</sup> January 2021. A final year budget deficit of around £2.7 million had been presented to the Members Budget Seminar in December. The 11<sup>th</sup> January Budget Group considered proposals to deal with this budget deficit and a balanced three-year Medium Term Financial Strategy will now be reported to next week's Full Cabinet meeting. Cabinet will also be asked to make a council tax recommendation to the Full Council meeting at the end of this month.
- 1.5.2 Following the announcement of the third national lockdown at the beginning of January, our Income & Awards Team has received further grant allocations from central government to pay to local businesses to help to support them through the pandemic. Since March 2020, we have received total grant funding of £53 million to pay out as business support.
- 1.5.3 The Income & Awards Team is also administering the £500 Test and Trace payments scheme. These payments are made to people on low incomes who are required to self-isolate. The scheme was due to end on 31<sup>st</sup> January but it has recently been extended to 31<sup>st</sup> March 2021.

## **1.6 Future Decisions**

- 1.6.1 At future Resources decision sessions, reports will be presented on Revenue and Capital Monitoring, Debt Monitoring, Applications for Discretionary Rate Relief, Welfare Reform and the implementation of the Corporate Landlord Model covering all of the Council's land and property assets.