
SETTING THE COUNCIL TAX 2005/06

1 SUMMARY

- 1.1 This report seeks authorisation from Council to set the Council Tax for the year 2005/06. The Appendices referred to in the report will be sent under separate cover before the meeting.

2 BACKGROUND

- 2.1 At the Council Meeting held on 27 January 2005, the Council agreed the Revenue Budget for 2005/06 within a five year budget strategy. It was agreed to set a local tax with an increase of 4.95%. Members will be aware that for billing purposes the final tax has to be divisible by 9. The final increase for Rochford District Council is actually 4.93% after rounding.

The Committee budget summary and Balances is shown in Appendix A.

In order to set the total Council Tax information is required from Essex County Council, Essex Police Authority, Essex Fire Authority, the Parishes and Town Council within the District. All Authorities have now notified the District Council of their precepts.

3 BUDGET STRATEGY

- 3.1. At the Council Budget Strategy meeting held on 27 January, the Corporate Director advised Members that he would be able to give the necessary assurances with regard to the robustness of the budget.
- 3.2. Following a full appraisal of earmarked reserves, a number have been closed down and the balances transferred to the General Fund balance. As a result of these actions, the General Fund balance is in excess of the minimum necessary for prudent budgeting. It should be noted, however, that the balance will reduce to the minimum level within three years. A list of the remaining earmarked balances is at Appendix F to this report.
- 3.3. The estimate process has been employed successfully over a number of years. It has been the subject of review by both internal and external audit. The system used is regarded as producing robust information for Members' consideration of the budget strategy.
- 3.4. The Council will be using Prudential Borrowing. The necessary Prudential Borrowing indicators were presented to Members on 27 January, demonstrating that the borrowing is affordable within the budget strategy.
- 3.5. The Treasury Management Policy was also agreed at Council on 27 January 2005

4 NNDR & ECONOMIC DEVELOPMENT

- 4.1 The business community attended the Finance and Procedures Overview and Scrutiny Committee on 9 December to present their views on issues affecting service delivery and the budget strategy.
- 4.2 The Authority is required by law to separately identify the figure in respect of economic development in advance of the coming financial year. For 2005/06 this is estimated at £90,500 using the best value format of estimates, which includes staffing and NNDR relief (£88,600 in 2004/05). The Council has also obtained funding of £700,000 for a scheme to enhance the Websters Way area in Rayleigh and will be introducing the Green Business Initiative to extend recycling to local businesses.

4 RECOMMENDATION

It is proposed that Council **RESOLVES**

- (1) That the total for economic development is estimated at £90,500.
- (2) That the total for gross expenditure of the District together with the Parish precepts be £24,777,565.
- (3) That the total of income for the District Council be £15,297,800.
- (4) That the total net expenditure of the District Council together with the Parishes be £9,479,765.
- (5) That the total of the sums payable into the general fund in respect of redistributed non domestic rates, revenue support grant, together with adjustments from the collection fund be £3,683,314.
- (6) That the budget requirement for the year of £9,479,765 less the net income receivable of £3,683,314 which, divided by the tax base of 30,591.82 is equal to £189.48, which is the basic amount of its Council Tax for the year.
- (7) That the total of Parish precepts included within the above is £815,665.
- (8) That the Council Tax relating to the District Council without Parish precepts is £162.81.
- (9) That the total tax for both District and Parishes be as set out in the schedule which is included as **Appendix B**. These sums are calculated as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.
- (10) The sums given above for Band D but now shown in the particular valuations bands A-H are set out in the schedule shown as **Appendix C**.

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- (11) The precepts issued to the Council in respect of Essex County Council, Essex Fire Authority and Essex Police Authority for each valuation band A-H as set out in the schedule as shown as **Appendix D**.
 - (12) The total Council Tax for the area for each valuation band A-H is set out in **Appendix E**. These are the amounts set as Council Tax for the year 2005/06. (HFS)

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Background Papers:

None

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