

Meeting: CFA**Date: 6th February 2019****Subject: Budget Strategy 2019/20 to 2021/22 – Formal Resolutions****Report by: The Chief Fire and Rescue Officer / The Treasurer****Author: Mark Noble (Head of Financial Strategy, Leicester City Council)****For: Decision****1. Purpose**

- 1.1 The Authority is required to set its Council Tax for 2019/20 and issue precepts to billing authorities before 1st March, under the Local Government Finance Act 1992.

2. Recommendations

The Authority is recommended (subject to 2.15 below) to:

- 2.1 Approve the budget for 2019/20, and the budget strategy described in the report, subject to changes which reflect final rates figures notified by billing authorities, as now reported by the Treasurer (and which are reflected in this resolution).
- 2.2 Note that the final position has improved due to receipt of rates figures for 2019/20 from billing authorities. Therefore, it has been possible to add a further £241,000 to the budget, which will be placed in an earmarked reserve for management of change.
- 2.3 Approve the capital programme described at paragraph 10, and authorise the Chief Fire and Rescue Officer to commit expenditure on schemes;
- 2.4 Note the earmarked reserves described at paragraph 12;
- 2.5 Note that no comments have been received on the draft budget from consultees;
- 2.6 Note that the aggregate of the taxbases communicated by billing authorities for 2019/20 is 322,815.71. [Item T in the formula in Section 42B of the Act].
- 2.7 Agree the following amounts be calculated for the year 2019/20 in accordance with Section 42A and Section 42B of the Act:

- (a) 38,574,000 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(2) of the Act.
- (b) 17,061,561 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(3) of the Act.
- (c) £21,512,439 being the amount by which (a) above exceeds (b) above, calculated by the Authority in accordance with Section 42A(4) of the Act as its Council Tax Requirement for the year. [Item R in the formula in Section 42B of the Act].
- (d) £66.6400 being the amount at (c) above (Item R) divided by the amount at 2.6 above (Item T), calculated by the Authority in accordance with Section 42B of the Act as the basic amount of its Council Tax for the year.

2.8 Agree that the Authority, in accordance with section 40 of the Act, issues precepts to each billing authority stating:-

- (a) the amounts shown in the appendix to this resolution as the tax payable for each band;
- (b) the amounts shown in the appendix as the precept payable by each authority.

2.9 Note the view of the Treasurer that reserves are adequate during 2019/20, and that estimates used to prepare the budget are robust;

2.10 Approve the treasury strategy and prudential indicators described in paragraph 15 of the report, and Appendices 3 and 4;

2.11 Approve the proposed capital strategy described in paragraph 16 of the report and Appendix 4, and confirm that the CFA would not wish to undertake commercial investment;

2.12 Note the equality implications arising from the budget, as described at paragraph 17;

2.13 Approve the scheme of virement described at Appendix 5 to the report.

2.14 Determine under Section 52ZB of the Act, that the relevant basic amount of council tax for 2019/20 is not excessive in accordance with principles issued under section 52ZC of the Act and expected to be approved by Parliament (being an increase of

less than 3%); and that in the event that the local government finance settlement has not been approved by 6th February, delegate the making of this determination to the Chief Fire Officer.

- 2.15 Note that should the Chief Fire Officer not be able to make the determination referred in 2.14 above, that resolutions 2.1 to 2.13 above shall be deemed not to be approved, and that an emergency meeting of the CFA shall be convened.

Officers to Contact

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Combined Fire Authority - Taxes and Precepts 2019/20
Appendix to Formal Resolution

<u>1. Tax per Band:-</u>	Ratio	2018/19 Tax £	2019/20 Tax £
A	6	43.1400	44.4267
B	7	50.3300	51.8311
C	8	57.5200	59.2356
D	9	64.7100	66.6400
E	11	79.0900	81.4489
F	13	93.4700	96.2578
G	15	107.8500	111.0667
H	18	129.4200	133.2800

2. Council Tax Bases 2018/19 & 2019/20

Authority	2018/19 Tax Base	2019/20 Tax Base	Increase
Blaby	32,944.05	33,441.71	497.66
Charnwood	55,525.80	56,462.40	936.60
Harborough	34,663.80	35,161.40	497.60
Hinckley & Bosworth	38,118.00	38,585.20	467.20
Leicester City	71,632.00	73,894.00	2,262.00
Melton	18,379.50	18,669.50	290.00
North West Leicestershire	32,852.00	33,678.00	826.00
Oadby & Wigston	17,257.00	17,423.20	166.20
Rutland	15,312.90	15,500.30	187.40
Total	316,685.05	322,815.71	6,130.66

3. Precept Levels 2018/19 & 2019/20

Authority	2018/19 Precept £	2019/20 Precept £	Increase £
Blaby	2,131,809	2,228,556	96,747
Charnwood	3,593,075	3,762,654	169,579
Harborough	2,243,094	2,343,156	100,062
Hinckley & Bosworth	2,466,616	2,571,318	104,702
Leicester City	4,635,307	4,924,296	288,989
Melton	1,189,337	1,244,135	54,798
North West Leicestershire	2,125,853	2,244,302	118,449
Oadby & Wigston	1,116,700	1,161,082	44,382
Rutland	990,898	1,032,940	42,042
Total	20,492,689	21,512,439	1,019,750

4. Council Tax Surpluses 2017/18 & 2018/19

Authority	2017/18 Surplus/ (Deficit) £	2018/19 Surplus/ (Deficit) £
Blaby	3,861	(1,751)
Charnwood	25,390	40,369
Harborough	48,849	14,342
Hinckley & Bosworth	26,157	5,087
Leicester City	49,000	62,000
Melton	4,794	(4,215)
North West Leicestershire	78,505	24,808
Oadby & Wigston	3,058	1,480
Rutland	(2,775)	2,570
Total	236,839	144,690