

BUDGET REPORT 2018/19 - REVISIONS

Responsible Cabinet Member: Councillor Middleton (Cabinet member for Resources and Innovation)

Report Sponsor: Paul Simpson (Corporate Director Resources)

Author and contact: Lisa Wheaton (Budget and Financial Planning Manager) Tel: 01908 254827

Executive Summary:

To outline changes to the Cabinet Budget Report, which include the additional recommendations that the Council must adopt when setting the level of Council Tax (the Cabinet Report was circulated as a separate document for the Council meeting). The changes also include confirmation of the precepts from the Thames Valley Police and Crime Commissioner, the Buckinghamshire and Milton Keynes Fire Authority and parish / town councils.

1. Recommendation(s)

- 1.1 That the following amounts be calculated for the year 2018/19 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 [the "Act"] (note these will be confirmed once all precepts have been received):
- (a) £581.828m Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by parish and town councils.
 - (b) £463.399m Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3).
 - (c) £118.429m As its Council Tax requirement for the year, being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 31A(4).
 - (d) £1,427.71 As the basic amount of its Council Tax for the year (including Parish Precepts), being the amount at (c) above, divided by the Council Tax Base agreed on 7 November 2017.
 - (e) £7,147,359 Being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act.
 - (f) £1,341.55 Being the amount at (d) less the result given by dividing the amount at (e) above by the Council Tax Base agreed on 7 November 2017, as the basic amount of Council Tax for the year for Milton Keynes Council, excluding Parish and Major Precepting Authorities.

1.2 That the following amounts be calculated for Milton Keynes Council Tax:

VALUATION BANDS								
	A £	B £	C £	D £	E £	F £	G £	H £
MKC With 2.99% Increase	829.46	967.70	1,105.95	1,244.19	1,520.68	1,797.16	2,073.65	2,488.38
ASC Levy Further 3% Increase	64.91	75.72	86.54	97.36	119.00	140.63	162.27	194.72
MKC Total	894.37	1,043.42	1,192.49	1,341.55	1,639.68	1,937.79	2,235.92	2,683.10

1.3 That the amounts given by multiplying the amount at (f) by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to all dwellings listed in each 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.

1.4 That for the year 2018/19, Police & Crime Commissioner for Thames Valley, in accordance with Section 40 of the Local Government Act 1992, has stated the following precepts to the Council for each of the categories of dwellings:

VALUATION BANDS							
A £	B £	C £	D £	E £	F £	G £	H £
121.52	141.77	162.03	182.28	222.79	263.29	303.80	364.56

1.5 That for the year 2018/19, Buckinghamshire and Milton Keynes Fire Authority, in accordance with Section 40 of the Local Government Act 1992, has stated the following precepts to the Council for each of the categories of dwellings:

VALUATION BANDS							
A £	B £	C £	D £	E £	F £	G £	H £
41.80	48.77	55.73	62.70	76.63	90.57	104.50	125.40

1.6 That as a result of the above, the amounts of Council Tax (shown in **Annexes Y1 and Y2**) be set in accordance with Sections 30 and 36 of the Local Government Act 1992, for each of the categories of dwelling shown in the Schedule.

1.7 That the 2018/19 levies payable to the Buckingham and River Ouzel Internal Drainage Board and the Environment Agency be noted.

2. Issues

2.1 There are a number of decisions the Council must make to set the level of Council Tax with regard to precepts and levies from the following bodies:

- (a) The Police and Crime Commissioner for Thames Valley
- (b) Parish and town councils

- (c) Buckinghamshire and Milton Keynes Fire Authority
 - (d) Internal Drainage Board and the Environment Agency.
- 2.2 Confirmation of the precepts / levies from all of those bodies was not available when the Cabinet met on 6 February 2018 and therefore the necessary recommendations are included in this report.
- 2.3 All 48 parish and town precept notifications have been received, equating to an average Band D equivalent charge for parish and town councils of £86.16.
- 2.4 The Police and Crime Commissioner for Thames Valley approved a 7.0% increase from the 2017/18 charge, equating to a Band D equivalent charge of £182.28.
- 2.5 The Buckinghamshire and Milton Keynes Fire Authority approved a 2.99% increase from the 2017/18 charge, equating to a Band D equivalent charge of £62.70.
- 2.6 This report also covers additional statutory requirement for Council to formally set the Council Tax and changes to the Cabinet Budget Report.
3. **Changes to the Cabinet Budget Report**
- 3.1 Attached is a revised **Annex L** (2018/19 General Fund Budget Summary) to the Cabinet's budget report and an updated Table 3 below (Page 34 of the Budget report) to reflect final precept numbers.

Table 3: Summary of Forecast Revenue Resources for 2018/19 – 2021/22

Revenue Resources	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m
Revenue Support Grant	(11.476)	(5.502)	(0.000)	(0.000)
Retained Business Rates	(49.120)	(49.120)	(44.120)	(44.120)
Council Tax (including parish precepts)	(118.429)	(122.189)	(126.052)	(130.020)
Public Health Grant	(11.400)	(11.100)	(11.100)	(11.100)
Use of New Homes Bonus	0.000	(2.000)	(4.000)	(4.000)
Total Ongoing Resources	(190.425)	(189.911)	(185.272)	(189.240)

4. **Levies 2018/19**
- 4.1 Levies are payments that a local authority is required to make to a particular body (a levying body). Levying bodies are defined in Section 117(5) of the Local Government Finance Act 1988.
- 4.2 In the case of Milton Keynes Council, the Environment Agency and the Buckingham and River Ouzel Internal Drainage Board both charge levies through the Council. The levies for 2018/19 are detailed in the table below:

Levying Authority	£
Environment Agency – Flood Defence	138,030
Buckingham and River Ouzel Internal Drainage Board	324,805
Total	462,835

Annexes: Revised Annex L (2018/19 General Fund Budget Summary).
Annexes Y1 and Y2 reflecting the precept information.