

Report to Council

Report of: Monitoring Officer/Chief Financial Officer

Date: 20 February 2014

1. COUNCIL TAX DECLARATION - RECEIPT OF PRECEPTS FROM OTHER PRECEPTING BODIES

Recommending:

(1) That, if this year's Essex Police Precept is not available in time for this meeting, a Council Tax Committee be appointed in order to approve the level of the Council Tax, for 2014/15;

(2) That the Committee comprise five Councillors, allocated according to pro rata rules between the three political groups on the Council as follows:

Conservative:	3
Loughton Residents' Association:	1
Liberal Democrats:	1

(3) That one of the three Conservative Group nominees be the Chairman of the Council who will act as the Chairman of the Committee;

(4) That the remaining political group nominations be agreed at this meeting so as to facilitate an early meeting of the Committee as soon as the Police precept is notified;

(5) That the terms of reference for the proposed Committee be agreed as follows:

"To exercise the Council's functions, powers and duties relating to the formal acceptance of Council Tax precepts from the major precepting authorities and the setting of the overall Council Tax, subject to:

(a) the overall requirement that the approval of the Council's own budget and Council Tax precept for District purposes must remain as approved by the Council; and

(b) the outcome of any meeting being reported back to the Council and to Members of the Council via the Council Bulletin; and

(6) That the Constitution be amended to make provision for this Committee to be appointed in future years if a similar situation arises.

1. Introduction

- 1.1 The Council must set a budget and Council Tax level for its own purposes each year. The Council also has a separate function acting as billing authority and for setting an overall level of Council Tax inclusive of the precepts received from other precepting authorities including Essex County Council, the Police, the Fire Authority and Parish and Town Councils. Traditionally these two roles have been performed at a single Council meeting.
- 1.2 The Council will appreciate that the date for the Council's budget meeting is dictated by the dates on which the other precepting authorities determine their precept. If one or more of those other precepts are not received, the date for full Council would have to be postponed, not only inconveniencing members of this Council but also delaying the setting of the District's own budget and the Council Tax level. A further risk is a delay in printing for the production of Council Tax bills and associated cost implications.
- 1.3 All but one precept by other precepting bodies for 2014/15 have been received and all have complied with the Government's new policy of requiring referendums to be held if any precept increase exceeds 2%. In the case of the Essex Police Precept, there had been indications from the Commissioner that the increase in that precept would be above the threshold, but he has stated that he wishes to avoid a referendum if at all possible. It is now understood that the Commissioner will consider the position on the afternoon of 20 February 2014.
- 1.4 If the Commissioner is able to notify the Council prior to this meeting of a precept, it will then be possible for the Council Tax level to be set at this meeting.
- 1.5 However, we feel that it prudent to have a contingency plan to cover the possibility that the Police Commissioner will not be able to notify his precept for next year.
- 1.6 Section 67(3) of the Local Government Finance Act 1992 (as amended) provides that a Council can delegate the setting of the overall level of Council Tax (including major precepts) to a Committee. Such a Committee must have a fixed membership and clear terms of reference. Therefore we are recommending that the Council should at this meeting appoint a Committee of five Councillors, allocated pro rata between the political groups, in order to be able to finalise the Council Tax level if this is not notified by the Police Commissioner at this meeting. The Committee decision would only be a formality and would have no power to amend the precept of this Council and would not be a long one.
- 1.6 The terms of reference of the proposed Committee are set out in Recommendation (5) and we recommend that the Constitution should be amended to provide for such a Committee to be activated should this be necessary in the future.
- 1.8 We recommend as set out at the commencement of this report.