

RECOMMENDATIONS FOR COUNCIL TAX REQUIREMENT 2018/19

The Cabinet has considered a report in respect of the level of Council Tax for 2018/19 and the setting of the Council's Revenue and Capital Budgets for the forthcoming financial year. The Cabinet also had copies of the draft Budget Book for 2018/19.

In summary, the Cabinet recommends to the Council a 2018/19 Council Tax at Band D for Croydon purposes of £1,257.18, in addition a 2.0% increase for the Adult Social Care Levy £85.55, GLA Precept of £294.23, giving an overall Band D charge, £1,636.96, a 2.99% increase for Croydon Council, a 2.0% increase for the adult social care levy and a 5.07% increase for the GLA.

Following detailed consideration, the Cabinet recommends that the Council should:

- (1) Approve the 2018/19 Revenue Budget of £266.898m, an increase in budget requirement of 3.23%
- (2) Approve the 2018/19 Council Tax Requirement of £167.359m.

Appendix E
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| Calculation of Council Tax Requirement | | £'000 | £'000 | £'000 |
|---|---|------------------------|---------|-----------|
| (A) | Expenditure and other charges (as set out in section 31A(2) (a) to (f) of the Act) | | | |
| (i) | expenditure on Croydon's services, local precepts and levies | | 875,101 | |
| (ii) | allowance for contingencies | | 2,000 | |
| (iii) | transfer to General Reserves | | 4,700 | |
| (iv) | transfer to Earmarked Reserves | | 0 | |
| (v) | transfer from the General Fund from the Collection Fund in respect of prior year deficit on the Collection Fund, | | 0 | 881,801 |
| | <i>Less</i> | | | |
| (B) | Income and other credit items (in Section 31A(3) (a) to (d) of the Act) | | | |
| (i) | Income from services | | 587,317 | |
| (ii) | Transfer to the General Fund from the Collection Fund in respect of prior year surplus on the Collection Fund, | | 8,768 | |
| (iii) | Income from Government | | | |
| | Core Grants | 27,586 | | |
| | Business Rates Top Up Grant | 12,746 | | |
| | Business Rates Income | 78,025 | | |
| | Revenue Support Grant | 0 | 118,357 | 714,442 |
| (C) | <i>Equals</i> The Council Tax Requirement, i.e. the amount by which the expenditure and other charges exceed the income and other credits.* This is (A) above less(B) above (as per Section 31A(4) of the Act) | | | 167,359 |
| Calculation of basic amount of council tax | | | | |
| (C) | Council Tax Requirement | | | 167,359 |
| | <i>Divided by</i> | | | |
| (D) | The Council's Tax base | | | 124,641 |
| | <i>Equals</i> | | | |
| (E) | The Basic amount of Council Tax (i.e., the Council Tax for a Band D property to which no relief or exemption is applicable) for services charged to Croydon's General Fund (This is (C) above divided by the tax base at (D) as per Section 31(B) of the Act) | | | £1,342.73 |
| | * The exact figure is | £167,359,209.93 | | |

(F) The tax for different bands calculated as follows (as per Section 36(1) of the Act):

| Council Tax for Croydon for 2018/19 | |
|--|------------------------------------|
| Band A | 6/9 x £1,342.73 = £895.15 |
| Band B | 7/9 x £1,342.73 = £1,044.35 |
| Band C | 8/9 x £1,342.73 = £1,193.53 |
| Band D | 9/9 x £1,342.73 = £1,342.73 |
| Band E | 11/9 x £1,342.73 = £1,641.11 |
| Band F | 13/9 x £1,342.73 = £1,939.50 |
| Band G | 15/9 x £1,342.73 = £2,237.88 |
| Band H | 18/9 x £1,342.73 = £2,685.46 |

(G) to which is added the following precept (issued by the Mayor of London, in exercise of the powers conferred on him by sections 82, 83, 85, 86, 88 to 90, 92 and 93 of the Greater London Authority Act 1999 (“the 1999 Act”) and sections 40, 47 and 48 of the Local Government Finance Act 1992 (“1992 Act”))

| GLA Precept for 2018/19 | |
|--------------------------------|---------------|
| Band A | 196.15 |
| Band B | 228.85 |
| Band C | 261.54 |
| Band D | 294.23 |
| Band E | 359.61 |
| Band F | 425.00 |
| Band G | 490.38 |
| Band H | 588.46 |

(H) That, having calculated the aggregate in each case of the amounts at (F) and (G) above the Council, in accordance with section 30(2) of the local government finance act 1992, hereby set the following amounts as the amounts of council tax for the year 2018/19 for each of the categories of dwellings shown below:-

| Total Council Tax For 2018/19 | |
|--------------------------------------|-----------------|
| Band A | 1,091.30 |
| Band B | 1,273.20 |
| Band C | 1,455.07 |
| Band D | 1,636.96 |
| Band E | 2,000.72 |
| Band F | 2,364.50 |
| Band G | 2,728.26 |
| Band H | 3,273.92 |