


<p style="text-align: center;">London Borough of Hammersmith & Fulham</p> <p style="text-align: center;">COUNCIL</p> <p style="text-align: center;">24 February 2016</p>	
<p style="text-align: center;">DRAFT REVENUE BUDGET AND COUNCIL TAX LEVELS 2016/17</p>	
<p style="text-align: center;">Report of the Leader of the Council: Councillor Stephen Cowan</p>	
<p>Open Report.</p>	
<p>Classification - For Decision</p> <p>Key Decision: Yes</p>	
<p>Wards Affected: All</p>	
<p style="text-align: center;">Accountable Director: Hitesh Jolapara, Strategic Finance Director</p>	
<p>Report Author: Andrew Lord- Head of Strategic Planning and Monitoring</p>	<p>Contact Details: Tel: 020 8753 2531 E-mail: andrew.lord@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

1.1. The 2016/17 revenue budget proposals are set out regarding:

- Council tax levels
- Savings and growth proposals
- Changes to fees and charges
- Budget risks, reserves and balances
- Equalities Impact Assessments

2. RECOMMENDATIONS

- 2.1 A freeze in the Hammersmith & Fulham element of the council tax charge
- 2.2 Not apply the “social care precept” levy. This means H&F residents will pay council tax at 3.3% below the level modelled (2% social care precept and 1.3% for council tax) by the Government for the coming year.
- 2.3 Council tax be set for 2016/17 for each category of dwelling, as calculated in accordance with Sections 31A to 49B of the Localism Act 2011, as outlined below and in full in Appendix A:
- (a) *The element of council tax charged for Hammersmith & Fulham Council will be £727.81 per Band D property in 2016/17.*
- (b) *The element of council tax charged by the Greater London Authority will be £276.00 per Band D property in 2016/17*
- (c) *Social Care Precept set at nil*
- (d) *The overall Council Tax to be set at £1,003.81 per Band D property in 2016/17.*

Category of Dwelling	A	B	C	D	E	F	G	H
Ratio	6/9 £	7/9 £	8/9 £	1 £	11/9 £	13/9 £	15/9 £	18/9 £
A) H&F	485.21	566.07	646.94	727.81	889.55	1,051.28	1,213.02	1,455.62
b) GLA	184.00	214.67	245.33	276.00	337.33	398.67	460.00	552.00
c) Total	669.21	780.74	892.27	1,003.81	1,226.88	1,449.95	1,673.02	2,007.62

- 2.4 The Council’s own total net expenditure budget for 2016/17 is set at £153.507m.
- 2.5 Fees and charges are approved as set out in paragraph 6.1
- 2.6 The budget projections, made by the Strategic Finance Director to 2019/20, be noted.
- 2.6 The statement made by the Strategic Finance Director under Section 25 of the Local Government Act 2003 regarding the adequacy of reserves and robustness of estimates be noted (section 14).
- 2.7 The Strategic Finance Director be authorised to collect and recover National Non-Domestic Rate and Council Tax in accordance with the Local Government Finance Act 1988 (as amended), the Local Government Finance Act 1992 and the Council Schemes of Delegation.

- 2.8 That all Directors be required to report on their projected financial position compared to their revenue estimates in accordance with the Corporate Revenue Monitoring Report timetable.
- 2.9 Directors be authorised to implement their service spending plans for 2016/17 in accordance with the recommendations within this report and the Council's Standing Orders, Financial Regulations and relevant Schemes of Delegation.
- 2.10 Members' attention is drawn to S106 of the Local Government Finance Act 1992 which requires any Member, who is two months or more in arrears on their Council Tax, to declare their position and not to vote on any issue that could affect the calculation of the budget or Council Tax.

3. REASONS FOR DECISION

- 3.1 The Council is obliged to set a balanced budget and council tax charge in accordance with the Local Government Finance Act 1992.

4. BUDGET OVERVIEW

- 4.1 **A freeze in the Hammersmith and Fulham element of council tax is recommended.** This includes not levying a 2% 'social care precept' as suggested by Central Government. This will provide a balanced budget whilst not increasing the burden on local taxpayers.
- 4.2 The council tax freeze has been delivered despite unprecedented government funding cuts. From 2010/11 to 2015/16 government funding has reduced by £66m. The 2016/17 funding reduction is £8.2m. In addition, the Government has imposed £3.4m of unfunded new burdens on the Council for 2016/17. Funding is forecast to reduce by a further £25m from 2017/18 to 2019/20. A fuller explanation of the funding forecast and spending power calculation is set out in Appendix I.
- 4.3 The budget focuses on protecting front-line services and value for money. Growth of **£6.3m** has been provided to meet statutory obligations, demographic and service pressures and key local priorities. Savings of **£15.4m** are put forward to balance the 2016/17 budget.
- 4.4 The budget proposals mean that H&F residents will pay council tax at 3.3% below the level modelled (2% social care precept and 1.3% for council tax) by the Government for the coming year.

5. THE COUNCIL TAX REQUIREMENT

- 5.1 The Band D council tax charge is calculated by dividing the council tax requirement by the council tax base¹. The 2016/17 council tax requirement

¹ The council tax requirement is the expenditure that is to be funded from council tax. The council tax base is the income that will be generated from a council tax charge of £1.

is **£53.9m** and is summarised in Table 1. The medium-term forecast, to 2019/20 is set out in Appendix B.

Table 1: The Council Tax Requirement	£'000s
Base gross budget rolled forward from 2015/16	167,400
Plus/Minus:	
New Burdens	894
Inflation (section 6)	2,300
Growth (section 6)	6,341
Contingency	1,801
Savings and additional income (section 7)	(15,402)
Contribution to efficiency projects to meet budget gap in future years (section 14)	4,000
Gross Budget Requirement	167,334
Specific unringfenced grants (section 8)	(11,827)
Use of developer contributions (section 8)	(2,000)
Net Budget Requirement for 2016/17	153,507
Less :	
Revenue Support Grant (section 8)	(38,453)
Locally retained business rates (section 8)	(60,029)
One off Collection Fund Surplus	(1,137)
2016/17 Council Tax Requirement	53,888

6. INFLATION AND GROWTH

Inflation

6.1 The following provision is made for inflation:

- **Price inflation** is provided for when there is a contract in place.
- **Pay inflation** of 1% is provided for in line with Government recommendations for public sector pay awards.
- **Fees and charges**
 - Adult Social Care, Children's Services, Adult Learning and Skills, Libraries and Housing charges frozen. Meals on Wheels charges to reduce by 33%.

- A standard uplift of 1.1% based on the August Retail Price index for some fees in Environmental Services. All parking charges are frozen.
- In the future, commercial services that are charged on a for-profit basis will be reviewed on an ongoing basis in response to market conditions and varied up and down as appropriate, with appropriate authorisations according to the Council constitution.

Current proposed exceptions to the standard 1.1% increase are set out in Appendix F.

Growth

- 6.2 Growth is provided through the budget process as necessary. This is detailed in Appendix C and summarised in Table 2.

Table 2: 2016/17 Growth Proposals

	£'000s
Adult Social Care	1,475
Children's Services	3,164
Environmental Services	269
Corporate Services	228
Council Wide	1,140
Libraries	65
Total Growth	6,341

- 6.3 The reasons why growth has been provided are set out in Table 3.

Table 3: Reasons for 2016/17 Budget Growth

	£'000s
Government related	3,351
Other public bodies	678
Increase in demand/demographic growth	486
Council Priority	1,425
Budget pressure	208
Existing budget pressures funded by virements from budget underspends	193
Total Growth	6,341

7. SAVINGS AND INCOME GENERATION

7.1 Savings of **£15.4m** are required to balance the 2016/17 budget. In bringing forward proposals to meet this challenge the Council has:

- Protected front-line services.
- Focused on asset rationalisation to reduce accommodation costs and deliver debt reduction savings.
- Sought to deliver the best possible service at the lowest possible cost. Effective budget management is essential.
- Considered if benefits can be obtained from commercialisation and competition.
- Recognised that cross-cutting action is necessary. A number of council-wide transformation portfolios have continued to deliver savings, such as Business Intelligence.
- Taken forward working collaboratively with others. Shared solutions will be taken forward as and when appropriate.
- Made best use of the NHS funding for social care and public health.
- Given consideration to the public sector equality duty ('PSED')

7.2 The saving proposals are detailed in Appendix C with the 2016/17 position summarised in Table 4.

Table 4: 2016/17 Savings Proposals

Department	Savings £'000s
Adult Social Care	5,321
Children's Services	3,227
Environmental Services	2,799
Libraries and Archives	20
Corporate Services	3,175
Housing	265
Council Wide Savings	1,050
Total All savings	15,857
Less savings accounted for in the grant/resource forecast ²	(455)
Total Net Savings	15,402

7.3 The saving proposals are categorised by savings area in Table 5 below.

² The council has undertaken business intelligence projects that have generated extra grant and council tax income of £0.455m. These are shown within the resource forecast.

Table 5 – 2016/17 Savings Proposals by Savings Area

Savings Area	£'000s
Business Intelligence	624
Debt reduction and restructuring	1,050
Estate rationalisation	510
Income	1,919
Outside investment secured (i.e. Section 106, NHS)	1,792
Prevention	2,560
Procurement / Commissioning	3,181
Service rationalisation	346
Service reconfiguration	2,944
Shared services	171
Staffing / Productivity	760
Grand Total	15,857
Less savings accounted for in the grant/resource forecast	(455)
Total Net Savings	15,402

8. EXTERNAL, DEVELOPER AND BUSINESS RATES FUNDING

- 8.1 The Government funding receivable is detailed in Appendix E. On a like-for like-basis 2016/17 funding is £8.2m (14% in cash terms) less than in 2015/16.
- 8.2 30% of business rates income is retained locally whilst 50% is paid to the Government and 20% to the Greater London Authority. The key elements of the business rates retention system, for Hammersmith and Fulham, are set out in Appendix H. These figures are provisional. The information is pulled together into a government return (NDR1) which was not issued in time for this Report. Any variation to the budget estimate will be reported to Budget Council.
- 8.3 Hammersmith and Fulham has previously been disadvantaged by the business rates retention scheme due to the impact of Appeals. In 2016/17 the Hammersmith and Fulham share is broadly in line with what is assumed within the system.
- 8.4 Appeals are outside the Council's control and remain a risk to the future year forecast.
- 8.5 Property developments over recent years have placed increased pressure on council services.
- 8.6 Section 106 agreements containing planning obligations are entered into between developers and the Council as the Local Planning Authority. The

use of such obligations is controlled by legislation, including regulation 122 of the Community Infrastructure Regulations 2010 which requires planning obligations to be:

- Necessary to make the development acceptable in planning terms;
- Directly related to the development; and
- Fairly and reasonably related in scale and kind to the development.

- 8.7 The Council has entered into a significant number of s106 agreements. It currently holds £39.3m of funds from those agreements and further receipts are expected as and when approved developments proceed. Whilst S106 funds can only lawfully be applied in accordance with the terms of each specific agreement, as approved by the Planning Applications Committee, some approved funds are identified fairly generally as being for expenditure on as yet unspecified “Social and Physical Infrastructure” or “Environmental Improvements” (although the agreements identify the types of projects/items the funds can be used for).
- 8.8 Provided the Council respects the obligation to maintain a reasonable relationship with the developments and complies with the specific terms of each of the s106 agreements giving rise to the funds, the Council has a degree of flexibility and discretion as to how it spends some of these funds. Of the total funds currently held by the Council, £9m is uncommitted, with more secured for future years as developments proceed. As is usual in these circumstances many areas of Council activity that have faced increased demand following new developments offer a good fit with the purposes of some of the uncommitted s106 funds which can therefore be lawfully used to finance such activities. It is therefore proposed to use £2m of uncommitted funding to support relevant spend within the Council in 2016/17.

HAMMERMITH AND FULHAM’S COUNCIL TAX REQUIREMENT

- 9.1 Council on 27 January formally agreed a Tax Base of 74,041 equivalent Band D properties for 2016/17. Therefore the Council's element of the Council Tax can be calculated as follows:

$\frac{\text{Total Council Tax Requirement}}{\text{Tax Base}} = \frac{\underline{\pounds 53.888m}}{74,041} = \pounds 727.81$
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- 9.2 This represents a freeze in the LBHF element of the council tax charge.

10. PRECEPTOR'S COUNCIL TAX REQUIREMENTS (SUBJECT TO CONFIRMATION)

- 10.1 The Greater London Authority's precept of £20.435m is also funded from Council Tax. The following table analyses the total amount to be funded and the resulting overall Band D Council Tax level.

<u>Preceptors Budget Requirement</u>	=	<u>£20.435m</u>	=	£276.00
Tax Base		74,041		

- 10.2 This represents a 6.4% cut from the 2015/16 level, with much of this reduction due to the end of the Olympic precept.

11. OVERALL COUNCIL TAX REQUIREMENTS 2016/17

- 11.1 It is proposed to freeze Hammersmith and Fulham's element of the Council Tax in 2016/17 in order to provide a balanced budget in year with £14m - £20m in General Fund balances (see section 14). The overall amount to be funded from the Council Tax is calculated as follows:

Table 5 – Overall 2016/17 Council Tax Requirement

London Borough of Hammersmith & Fulham	£000s 53,888
Greater London Authority	20,435
Total Requirement for Council Tax	74,323

- 11.2 In accordance with the Local Government Finance Act 1992, the Council is required to calculate and approve a council tax requirement for its own budgetary purposes (section 9) and then add the separate Council Tax requirements for each of the preceptors (section 10). The requisite calculation is set out in Appendix A.
- 11.3 The Council must then set the overall Council Tax for the Borough. These calculations have to be carried out for each of the valuation bands A to H, and are set out in the recommendations at the front of the report. The amount per Band D equivalent property is calculated as follows:

<u>Total Council Tax Requirement</u>	=	<u>£ 74.323m</u>	=	£1,003.81
Tax Base		74,041		

12. CONSULTATION WITH NON DOMESTIC RATEPAYERS

- 12.1 In accordance with the Local Government Finance Act 1992, the Council is required to consult with Non Domestic Ratepayers on the budget proposals. The consultation can have no effect on the Business Rate, which is set by the Government.
- 12.2 As with previous years, we have discharged this responsibility by writing to the twenty largest payers and the local Chamber of Commerce together with a copy of this report.

13. COMMENTS OF THE POLICY AND ACCOUNTABILITY (PAC) COMMITTEES

- 13.1 As part of the consultation process each department's budget proposals have been reviewed by a relevant PAC. A verbal update will be given if there are any formal comments.

14. COMMENTS OF THE STRATEGIC FINANCE DIRECTOR

The Robustness of the Budget Estimates

- 14.1 Under Section 25 of the Local Government Act 2003, the Strategic Finance Director is required to include, in the budget report, his view of the robustness of the 2016/17 estimates.
- 14.2 Budget estimates are exactly that, estimates of spending and income at a point in time. This statement about the robustness of estimates cannot give a guaranteed assurance about the budget, but gives Members reasonable assurances that the budget has been based on the best available information and assumptions. For the reasons set out below the Strategic Finance Director is satisfied with the accuracy and robustness of the estimates included in this report :
- The budget proposals have been developed following guidance from the Strategic Finance Director and have been through a robust process of development and challenge.
 - Contract inflation is provided for.
 - Adequate allowance has been made for pension costs.
 - Service managers have made reasonable assumptions about growth pressures.
 - Mechanisms are in place to monitor sensitive areas of expenditure and the delivery of savings.
 - Key risks have been identified and considered.
 - Prudent assumptions have been made about interest rates and the budget proposals are joined up with the requirements of the prudential code and Treasury Management Strategy.

- The revenue effects of the capital programme have been reflected in the budget.
- The recommendations regarding fees and charges are in line with the assumptions in the budget.
- The provision for redundancy is reasonable to meet future restructuring and downsizing.
- The use of budget monitoring in 2015/16 in order to re-align budgets where required.
- A review via the Council Business Board of proposed savings and their achievability.
- A Member review and challenge of each department's proposals for the budget.
- The establishment of appropriate management and monitoring arrangements for the delivery of transformation programmes.
- A prudent approach has been adopted on the local share of income receivable through the business rates retention scheme.

Risk, Revenue Balances and Earmarked Reserves

- 14.3 Under Section 25 of the Local Government Act 2003, the Strategic Finance Director is required to include, in budget reports, his view of the adequacy of the balances and reserves the budget provides for. The level of balances is examined each year along with the level of reserves in light of the risks facing the Authority in the medium term.

General Fund Balances

- 14.4 The Council's general balance stood at £19m as at 1 April 2015 and it is currently projected that this will not reduce in the current financial year. This will leave general balances at just over 10% of the 2016/17 budget requirement.
- 14.5 The Council's budget requirement for 2016/17 is £167.4m. Within a budget of this magnitude there are inevitably areas of risk and uncertainty particularly within the current challenging financial environment. The key financial risks that currently face the Council have been identified and quantified. They are set out in Appendix D and amount to £10.2m.
- 14.6 Given the on-going scale of change in local government funding, the Strategic Finance Director considers that a wider than normal range needs to be specified for the optimal level of balances. He is therefore recommending that reserves need to be maintained within the range £14m - £20m. The optimal level is projected to be broadly met over the next 3 years and is, in the Strategic Finance Director's view, sufficient to allow for the risks identified and to support effective medium term financial planning.

Earmarked Reserves

- 14.7 The Council holds a number of one-off earmarked reserves to deal with anticipated risks and liabilities, and to allow for future investment in priority areas. Reviews are undertaken of the need for, and the adequacy of, each earmarked reserve as part of the budget process and again when the accounts are closed.
- 14.8 The Council is undertaking a number of major efficiency and other transformation programmes, the up-front and transition costs of which are being funded by reserves. These include the transition from the current IT contract in order to make at least £4.7 million annual savings, the consolidation of office estate in the Town Hall, the redesign of adult social care, giving residents control over council housing and mitigating the poor service provided by the outsourced managed services programme.
- 14.9 An additional contribution to reserves for efficiency projects of £4.0m is proposed as part of the budget proposals so that the Council can continue to plan for these challenges over the next few years.

Council Tax Setting

- 14.10 As part of the Localism Act 2011, the Government replaced the power to cap excessive budgets and Council Tax increases with compulsory referenda on Council Tax increases above limits it sets. For 2016/17 local authorities “will be required to seek the approval of their local electorate in a referendum if, compared with 2015/16, they set an increase in the relevant basic amount of council tax that is 2% or higher”. No such referendum will be required by this Council.
- 14.11 In addition the Government has given power to authorities to charge a 2% social care precept, increasing by 2% each year. Revenue from these precepts are included in Government projections for LBHF’s spending power in future years. However, the Council wishes to avoid having to apply this tax to residents.

Prior Year Collection Fund Surplus

- 14.12 The Local Government and Finance Act 1988 requires that all council tax and non-domestic rates income is paid into a Collection Fund, along with payments out regarding the Greater London Authority precept, the business rates retention scheme and a contribution towards a Council’s own General Fund. As at the close of 2014/15, due to the receipt of higher than expected income, the Collection Fund was in surplus by £1.6m. The Hammersmith and Fulham share of this surplus is £1.137m and this is included within the 2016/17 budget proposals. The balance of £0.463m is payable to the Greater London Authority.

14.13 Implications verified by: Andrew Lord – Head of Strategic Planning and Monitoring

15. LEGAL IMPLICATIONS

15.1 The Council is obliged to set the council tax and a balanced budget for the forthcoming financial year in accordance with the provisions set out in the body of the report.

15.2 In addition to the statutory provisions the Council must also comply with general public law requirements and in particular it must take into account all relevant matters, ignore irrelevant matters and act reasonably and for the public good when setting the Council Tax and budget.

15.3 The recommendations contained in the report have been prepared in line with these requirements.

15.4 Section 25 of the Local Government Act 2003, which came into force on 18 November 2003, requires the Strategic Finance Director to report on the robustness of the estimates made for the purposes of budget calculations and the adequacy of the proposed financial reserves. The Council must take these matters into account when making decisions about the budget calculations.

15.5 A public authority must, in the exercise of its functions, comply with the requirements of the Equality Act 2010 and in particular section 149 (the Public Sector Equality Duty). Members need to consider this duty in relation to the present proposals. In addition, where specific budget proposals have a potential equalities impact these are considered and assessed by the relevant service as part of the final decision-making and implementation processes and changes made where appropriate.

15.6 The protected characteristics to which the Public Sector Equality Duty (“PSED”) applies are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race/ethnic/national origin, sexual orientation, religion or belief and sex.

15.7 The PSED is set out in section 149 of the Equality Act 2010 (“the Act”) and provides (so far as relevant) as follows:

(1) A public authority must, in the exercise of its functions, have due regard to the need to:

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

(3) Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

(a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;

(b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;

(c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

(4) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

(5) Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—

(a) tackle prejudice, and

(b) promote understanding.

(6) Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act.

15.8 Case law has established the following principles relevant to compliance with the PSED which Council will need to consider:

(i) The PSED is an integral and important part of the mechanisms for ensuring the fulfilment of the aims of anti-discrimination legislation.

(ii) The duty to have "due regard" to the various identified "needs" in the relevant sections does not impose a duty to achieve results. It is a duty to have "due regard" to the "need" to achieve the identified goals.

(iii) Due regard is regard that is appropriate in all the circumstances, including the importance of the area of life of people affected by the decision and such countervailing factors as are relevant to the function that the decision-maker is performing.

(iv) Although the weight to be given to equality issues and countervailing factors is for the decision-maker, it is for the Court to determine whether "due regard" has been given. This will include the court assessing for itself whether in the circumstances appropriate weight has been given by the authority to those "needs" and not simply deciding whether the authority's decision is a rational or reasonable one.

(v) The duty to have "due regard" to disability equality is particularly important where the decision will have a direct impact on disabled people. The same goes for other protected groups where they will be particularly and directly affected by a decision.

(vi) The PSED does not impose a duty on public authorities to carry out a formal equalities impact assessment in all cases when carrying out their functions, but where a significant part of the lives of any protected group will be directly affected by a decision, a formal equalities impact assessment ("EIA") is likely to be required by the courts as part of the duty to have 'due regard'.

(vii) The duty to have 'due regard' involves considering not only whether taking the particular decision would unlawfully discriminate against particular protected groups, but also whether the decision itself will be compatible with the equality duty, i.e. whether it will eliminate discrimination, promote equality of opportunity and foster good relations. Consideration must also be given to whether, if the decision is made to go ahead, it will be possible to mitigate any adverse impact on any particular protected group, or to take steps to promote equality of opportunity by, for e.g., treating a particular affected group more favourably.

(viii) The duty is non-delegable and must be fulfilled by the Council and members personally.

(ix) The Council must ensure that it is properly informed before taking a decision.

(x) Council officials must be rigorous in both enquiring and reporting to the Council on equalities issues to assist Council and members to fulfil that duty.

(xi) The duty must be exercised in substance, with rigour, and with an open mind. It is not a question of "ticking boxes".

(xii) The duty is a continuing one and equalities issues must be kept under review.

- 15.9 All these matters will be considered by service departments as part of the final decision-making and implementation processes, but must also be considered by the Council when taking its decision.
- 15.10 To assist the Council in fulfilling its PSED, the Equality Impact Analysis ('EIA') that has been carried out in respect of the proposed budget, including the proposed Council Tax reduction, is attached to this report in Appendix G. This will need to be read and taken into account by the Council, together with the requirements of the PSED itself set out above, in reaching a decision on the recommendations in the report.
- 15.11 The EIA addresses the broad issue of the proposed freeze in Council Tax and identifies the areas of the budget which may have particular equality implications. It also identifies areas that are likely to require further detailed consideration prior to implementation during the financial year and which may, as a result, be subject to change. The courts have found that this is a legitimate approach.
- 15.12 Implications verified by: Tasnim Shawkat – Director of Law Hammersmith and Fulham (020 8753 2700)

16. EQUALITY IMPLICATIONS

- 16.1 Published with this report is an Equality Impact Analysis ('EIA'). The EIA assesses the impacts on equality of the main items in the budget proposed to Full Council as well as the decision to freeze Council Tax. The full EIA is attached, in Appendix G.

LOCAL GOVERNMENT ACT 2000 LIST OF BACKGROUND PAPERS

No.	Description of Background Papers	Name/Ext of holder of file/copy	Department/ Location
1.	None		

LIST OF APPENDICES :

Appendix A – The Requisite Council Tax Calculations for Hammersmith and Fulham

Appendix B – Medium Term Financial Forecast

Appendix C – Growth and Savings Proposals

Appendix D - Budget Risks

Appendix E – Government Grant Funding

Appendix F – Fees and Charges – exceptions to standard 1.1% increase.

Appendix G – Draft Equalities Impact Assessment

Appendix H – The Business Rates Retention Scheme for Hammersmith and Fulham

Appendix I – Reduction in Spending Power

APPENDIX A

The Requisite Calculations for Hammersmith & Fulham (as set out in Section 31A to 49B in the Localism Act 2011)

		<u>£'s</u>
(a)	Being the aggregate of the amounts which the Council estimates for the items set out in section 31A (2) (a) to (f) of the Act.	642,773,316
(b)	Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) (a) to (d) of the Act.	(568,450,220)
(c)	Being the aggregate difference of (a) and (b) above calculated by the Council in accordance with Section 31A (4) of the Act, as its council tax requirement for the year.	74,323,096
(d)	Being the amount calculated by the council as the council tax base for 2016/17 and formerly agreed by council on the 27th January 2016.	74,041
(e)	Being the amount at (c) divided by the amount at (d) above, calculated by the Council in accordance with Section 31B of the Act as the Basic amount of council tax (Band D) for the year.	1,003.81
(f)	Hammersmith and Fulham proportion of the Basic amount of its Council Tax (Band D)	727.81

(g) Valuation Bands – Hammersmith & Fulham Council:

(g) Valuation Bands – Hammersmith & Fulham Council:			
Band A	Band B	Band C	Band D
485.21	566.07	646.94	727.81
Band E	Band F	Band G	Band H
889.55	1,051.28	1,213.02	1,455.62

being the amounts given by multiplying the amount at (f) above by the number which, in proportion set out in section 5 (1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which that proportion is applicable to dwellings listed in band D, calculated by the Council, in accordance with Section 36 (1) of the Act, as the amounts to be taken into account for the year in respect of dwellings listed in the different valuation bands.

(h) Valuation Bands – Greater London Authority

That it be noted that for the year 2016/17 the following amounts in precepts issued to the Council in respect of the Greater London Authority, its functional and predecessor bodies, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Band A	Band B	Band C	Band D
184.00	214.67	245.33	276.00
Band E	Band F	Band G	Band H
337.33	398.67	460.00	552.00

(i) That having calculated the aggregate in each case of the amounts at (g) and (h) above, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the following amounts of Council Tax for the year 2016/17 for each of the categories of dwellings shown below:

Band A	Band B	Band C	Band D
669.21	780.74	892.27	1,003.81
Band E	Band F	Band G	Band H
1,226.88	1,449.95	1,673.02	2,007.62