

REPORT TO FULL COUNCIL



DATE	20 th December 2012
PORTFOLIO	Resources & Performance Management
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Changes to the Constitution – Delegations to the Director of Resources

PURPOSE

1. To propose an amendment to the Scheme of Delegation (Council Functions).

RECOMMENDATION

2. That approval is given to the inclusion of the following delegation to the Director of Resources in Part 3. A. 1. (Council Functions) of the Scheme of Delegation.

g. Director of Resources

To determine prior to the start of each financial year in consultation with the Executive Member for Resources & Performance Management:

1. *The Council Tax base.*
2. *The estimated business rates to be collected as set out in the NNDR1 return.*

REASONS FOR RECOMMENDATION

3. To ensure that the Council is able to carry out the necessary steps to finalise future years' budgets in line with the provisions of the Local Government Finance Act 2012.

SUMMARY OF KEY POINTS

4. Part 3 (Executive Functions) of the constitution contains the following delegation to the Director of Resources:

10. To determine the Council Tax base in consultation with the Executive Member for Resources.

This delegation is a key step in finalising the revenue budget and the setting of the Council Tax prior to the start of each financial year.

5. In addition, the Director of Resources also certifies a financial return (known as NNDR1)

that is submitted to the Government each year setting out the amount of business rates that will be collected in the following year. As the Council is merely acting as a collection agent for Government this is a purely administrative function which does not affect the setting of the Council Tax. It is therefore not referred to specifically in the Scheme of Delegation.

6. This situation will change from next April because of the Business Rates Retention Scheme introduced under the Local Government Finance Act 2012. The amount of business rates which the Council will be able to levy and collect will become a fundamental part of the Council's core funding. The Act therefore envisages that this becomes a decision for Full Council also.
7. The delegation is currently in the Scheme of Delegation under Executive Functions. As the delegation relates to a Council Function i.e. the setting of Council Tax, it is proposed that this should be included in Part 3 A 1 (Council Functions) of the Constitution. The Leader has legislative authority to amend Part 3 A 2 (Executive Functions) of the Constitution and has made the decision to remove it accordingly. Council approval is now sought to include the delegation in Part 3 A 1 (Council Functions) of the Scheme of Delegation as follows:

g. Director of Resources

To determine prior to the start of each financial year in consultation with the Executive Member for Resources & Performance Management:

1. *The Council Tax base.*
2. *The estimated business rates to be collected as set out in the NNDR1 return.*

FINANCIAL IMPLICATIONS AND BUDGET PROVISION

8. None arise directly

POLICY IMPLICATIONS

9. None arise directly

DETAILS OF CONSULTATION

10. MSSWG

BACKGROUND PAPERS

11. None

FURTHER INFORMATION

PLEASE CONTACT:

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ALSO:

