

**NORTH HERTFORDSHIRE DISTRICT COUNCIL**



3 January 2020

Our Ref C/Tax 14.01.20 Meeting Date  
Your Ref.  
Contact. Committee Services  
Direct Dial. (01462) 474655  
Email. committee.services@north-  
herts.gov.uk

To: Members of the Committee: Councillors Ian Albert, David Levett, Sam North, Martin Stears-Handscomb and Claire Strong

Substitutes: Councillors Sam Collins, Simon Harwood and Kay Tart

**NOTICE IS HEREBY GIVEN OF A**

**MEETING OF THE COUNCIL TAX SETTING COMMITTEE**

to be held in the

**FIRST FLOOR ROOM 2, COUNCIL OFFICES, GERNON ROAD,  
LETCWORTH GARDEN CITY**

On

**TUESDAY, 14TH JANUARY, 2020 AT 5.00 PM**

Yours sincerely,

Jeanette Thompson  
Service Director – Legal and Community

**\*\*MEMBERS PLEASE ENSURE THAT YOU DOWNLOAD ALL AGENDAS AND REPORTS VIA THE MOD.GOV APPLICATION ON YOUR TABLET BEFORE ATTENDING THE MEETING\*\***

## **Agenda**

### **Part I**

| <b>Item</b> |  | <b>Page</b>        |
|-------------|--|--------------------|
| <b>1.</b>   | <b>APOLOGIES FOR ABSENCE</b>   |                    |
| <b>2.</b>   | <b>MINUTES - 28 FEBRUARY 2019</b><br>To take as read and approve as a true record the minutes of the meeting of the Committee held on the 28 February 2019.  | (Pages 5<br>- 10)  |
| <b>3.</b>   | <b>NOTIFICATION OF OTHER BUSINESS</b><br>Members should notify the Chairman of other business which they wish to be discussed at the end of either Part I or Part II business set out in the agenda. They must state the circumstances which they consider justify the business being considered as a matter of urgency.<br><br>The Chairman will decide whether any item(s) raised will be considered.  |                    |
| <b>4.</b>   | <b>CHAIRMAN'S ANNOUNCEMENTS</b><br>Members are reminded that any declarations of interest in respect of any business set out in the agenda, should be declared as either a Disclosable Pecuniary Interest or Declarable Interest and are required to notify the Chairman of the nature of any interest declared at the commencement of the relevant item on the agenda. Members declaring a Disclosable Pecuniary Interest must withdraw from the meeting for the duration of the item. Members declaring a Declarable Interest, wishing to exercise a 'Councillor Speaking Right', must declare this at the same time as the interest, move to the public area before speaking to the item and then must leave the room before the debate and vote. |                    |
| <b>5.</b>   | <b>PUBLIC PARTICIPATION</b><br>To receive petitions, comments and questions from the public.   |                    |
| <b>6.</b>   | <b>COUNCIL TAX BASE 2020/2021</b><br>REPORT OF THE SERVICE DIRECTOR – CUSTOMERS<br><br>To set the Council Tax Base for 2020/2021 in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (the Regulations).   | (Pages<br>11 - 20) |
| <b>7.</b>   | <b>NATIONAL NON-DOMESTIC RATE RETURN 1 (NNDR1) – 2020/2021</b><br>REPORT OF THE SERVICE DIRECTOR – CUSTOMERS<br><br>To inform Members of the reporting processes for the NNDR1 Return & approve the Draft NNDR1 Return for 2020/2021   | (Pages<br>21 - 26) |



This page is intentionally left blank

# Agenda Item 2

## NORTH HERTFORDSHIRE DISTRICT COUNCIL

### COUNCIL TAX SETTING COMMITTEE

MEETING HELD IN THE FIRST FLOOR ROOM 2, COUNCIL OFFICES, GERONON ROAD,  
LETCWORTH GARDEN CITY ON THURSDAY, 28TH FEBRUARY, 2019 AT 7.00 PM

#### MINUTES

**Present:** Councillors Julian Cunningham (Chairman), Lynda Needham (Vice-Chairman), Richard Thake and Martin Stears-Handscomb

**In Attendance:** Ian Couper (Service Director - Resources) and Amelia McNally (Committee & Member Services Officer)

#### 1 APOLOGIES FOR ABSENCE

*Audio Recording – Start time of Item – 35 seconds*

Apologies for absence were submitted on behalf of Councillor Ian Albert, for whom Councillor Martin Stears-Handscomb substituted.

#### 2 MINUTES - 10 JANUARY 2019

*Audio Recording – Start time of Item – 1 minute and 24 seconds*

**RESOLVED:** That the Minutes of the Meeting of the Committee held on 10 January 2019 be approved as a true record of the proceedings and be signed by the Chairman.

#### 3 NOTIFICATION OF OTHER BUSINESS

*Audio Recording – Start time of Item – 48 seconds*

There was no other business notified.

#### 4 CHAIRMAN'S ANNOUNCEMENTS

*Audio Recording – Start time of Item – 52 seconds*

- (1) The Chairman reminded that, in line with Council Policy, the meeting was being recorded;
- (2) The Chairman reminded that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question. Members declaring a Declarable Interest who wished to exercise a 'Councillor speaking Right' must declare this at the same time as the interest.

#### 5 PUBLIC PARTICIPATION

*Audio Recording – Start time of Item – 1 minute and 18 seconds*

There was no public participation.

#### 6 COUNCIL TAX RESOLUTION 2019/20

*Audio Recording – Start time of Item – 1 minute and 39 seconds*

There were some changes on the NNDR1 form which had been agreed and was submitted on 29<sup>th</sup> January 2019.

The Council was still providing approximately £38,000 of relief to parishes in respect of the Council Tax Reduction Scheme and the parishes would need to be warned that this would be reviewed for the next year.

The report set out the increases which were all within the statutory levels did not require a referendum. It was noted that there had been a 13% increase this year.

The recommendations were proposed and seconded on a recorded vote.

All Councillors present agreed to set the Council Tax as detailed below:

- (1) That it be noted that at its meeting on 10 January 2019 the Council Tax Setting Committee confirmed the amount £49,498.40 as its Council Tax base for the year 2019/2020 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations).

- a) £49,498.40 being the amount calculated by the Council, in accordance with Regulation 3 of the Regulations, as its Council Tax base for the year.  
b)

| <b>Parish/Town</b>    | <b>Council Tax Base</b> | <b>Parish/Town</b>     | <b>Council Tax Base</b> |
|-----------------------|-------------------------|------------------------|-------------------------|
| Ashwell               | 862.40                  | Langley                | 90.00                   |
| Barkway               | 398.70                  | Lilley                 | 171.40                  |
| Barley                | 321.30                  | Nuthampstead           | 68.60                   |
| Bygrave               | 126.10                  | Offley                 | 610.00                  |
| Caldecote and Newnham | 51.70                   | Pirton                 | 561.00                  |
| Clothall              | 81.00                   | Preston                | 220.70                  |
| Codicote              | 1653.70                 | Radwell                | 58.10                   |
| Graveley              | 169.30                  | Reed                   | 147.00                  |
| Great Ashby           | 2051.40                 | Royston                | 6469.80                 |
| Hexton                | 65.40                   | Rushden and Wallington | 201.50                  |
| Hinxworth             | 160.90                  | St Ippolyts            | 896.00                  |
| Holwell               | 153.00                  | St Pauls Walden        | 549.30                  |
| Ickleford             | 771.80                  | Sandon                 | 237.70                  |
| Kelshall              | 76.60                   | Therfield              | 263.40                  |
| Kimpton               | 1048.30                 | Weston                 | 440.70                  |
| Kings Walden          | 414.70                  | Wymondley              | 424.10                  |
| Knebworth             | 1987.00                 |                        |                         |

being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

- c) That it be noted that at its meeting on the 7 February 2019 the Council calculated the Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish precepts) as £11,391,066 and hence the total Council Tax requirement (including Parish precepts) as £12,551,161.

(2) That the following amounts be now calculated by the Council for 2019/2020 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 (the Act):-

- a) £74,745,529 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.
- b) £62,194,368 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.
- c) £12,551,161 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) of the Act, as its Council Tax requirement for the year.
- d) £253.57 being the amount at (c) above divided by the amount at 2.2(a) above calculated by the Council in accordance with Section 31B(1) as the basic amount of its Council Tax for the year.
- e) £1,198,980 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- f) £230.13 being the amount at (d) above less the result given by dividing the amount at (e) above by the amount at 2.2(a) above, calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special item relates.

| Parish/Town           | Basic<br>£ | Parish<br>Precept<br>£ | Total<br>£ |
|-----------------------|------------|------------------------|------------|
| Ashwell               | 230.13     | 89.96                  | 320.09     |
| Barkway               | 230.13     | 90.86                  | 320.99     |
| Barley                | 230.13     | 66.69                  | 296.82     |
| Bygrave               | 230.13     | 51.55                  | 281.68     |
| Caldecote and Newnham | 230.13     | 27.47                  | 257.60     |
| Clothall              | 230.13     | 10.89                  | 241.02     |
| Codicote              | 230.13     | 63.70                  | 293.83     |
| Graveley              | 230.13     | 35.44                  | 265.57     |
| Great Ashby           | 230.13     | 19.76                  | 249.89     |
| Hexton                | 230.13     | 0.00                   | 230.13     |
| Hinxworth             | 230.13     | 63.76                  | 293.89     |
| Holwell               | 230.13     | 57.37                  | 287.50     |
| Ickleford             | 230.13     | 62.68                  | 292.81     |
| Kelshall              | 230.13     | 37.21                  | 267.34     |
| Kimpton               | 230.13     | 70.59                  | 300.72     |
| Kings Walden          | 230.13     | 67.46                  | 297.59     |
| Knebworth             | 230.13     | 74.71                  | 304.84     |
| Langley               | 230.13     | 0.00                   | 230.13     |
| Lilley                | 230.13     | 61.18                  | 291.31     |
| Nuthampstead          | 230.13     | 0.00                   | 230.13     |
| Offley                | 230.13     | 65.85                  | 295.98     |
| Pirton                | 230.13     | 62.93                  | 293.06     |

Thursday, 28th February, 2019

|                        |        |       |        |
|------------------------|--------|-------|--------|
| Preston                | 230.13 | 29.01 | 259.14 |
| Radwell                | 230.13 | 18.19 | 248.32 |
| Reed                   | 230.13 | 32.83 | 262.96 |
| Royston                | 230.13 | 47.29 | 277.42 |
| Rushden and Wallington | 230.13 | 20.62 | 250.75 |
| St Ippolyts            | 230.13 | 28.53 | 258.66 |
| St Pauls Walden        | 230.13 | 80.67 | 310.80 |
| Sandon                 | 230.13 | 33.68 | 263.81 |
| Therfield              | 230.13 | 21.69 | 251.82 |
| Weston                 | 230.13 | 43.58 | 273.71 |
| Wymondley              | 230.13 | 76.26 | 306.39 |

being the amounts given by adding to the amount at 2.3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 2.2(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

| Parish/Town            | Valuation Bands |        |        |        |        |        |        |        |
|------------------------|-----------------|--------|--------|--------|--------|--------|--------|--------|
|                        | A               | B      | C      | D      | E      | F      | G      | H      |
|                        | £               | £      | £      | £      | £      | £      | £      | £      |
| Ashwell                | 213.39          | 248.96 | 284.52 | 320.09 | 391.22 | 462.35 | 533.48 | 640.18 |
| Baldock                | 153.42          | 178.99 | 204.56 | 230.13 | 281.27 | 332.41 | 383.55 | 460.26 |
| Barkway                | 213.99          | 249.66 | 285.32 | 320.99 | 392.32 | 463.65 | 534.98 | 641.98 |
| Barley                 | 197.88          | 230.86 | 263.84 | 296.82 | 362.78 | 428.73 | 494.70 | 593.64 |
| Bygrave                | 187.79          | 219.09 | 250.38 | 281.68 | 344.27 | 406.86 | 469.47 | 563.36 |
| Caldecote and Newnham  | 171.73          | 200.36 | 228.97 | 257.60 | 314.84 | 372.08 | 429.33 | 515.20 |
| Clothall               | 160.68          | 187.46 | 214.24 | 241.02 | 294.58 | 348.13 | 401.70 | 482.04 |
| Codicote               | 195.89          | 228.54 | 261.18 | 293.83 | 359.12 | 424.41 | 489.72 | 587.66 |
| Graveley               | 177.05          | 206.56 | 236.06 | 265.57 | 324.58 | 383.59 | 442.62 | 531.14 |
| Great Ashby            | 166.59          | 194.36 | 222.12 | 249.89 | 305.42 | 360.95 | 416.48 | 499.78 |
| Hexton                 | 153.42          | 178.99 | 204.56 | 230.13 | 281.27 | 332.41 | 383.55 | 460.26 |
| Hinxworth              | 195.93          | 228.58 | 261.23 | 293.89 | 359.20 | 424.50 | 489.82 | 587.78 |
| Hitchin                | 153.42          | 178.99 | 204.56 | 230.13 | 281.27 | 332.41 | 383.55 | 460.26 |
| Holwell                | 191.67          | 223.61 | 255.55 | 287.50 | 351.39 | 415.27 | 479.17 | 575.00 |
| Ickleford              | 195.21          | 227.74 | 260.27 | 292.81 | 357.88 | 422.94 | 488.02 | 585.62 |
| Kelshall               | 178.23          | 207.93 | 237.63 | 267.34 | 326.75 | 386.15 | 445.57 | 534.68 |
| Kimpton                | 200.48          | 233.90 | 267.30 | 300.72 | 367.54 | 434.37 | 501.20 | 601.44 |
| Kings Walden           | 198.39          | 231.46 | 264.52 | 297.59 | 363.72 | 429.85 | 495.98 | 595.18 |
| Knebworth              | 203.23          | 237.10 | 270.97 | 304.84 | 372.58 | 440.32 | 508.07 | 609.68 |
| Langley                | 153.42          | 178.99 | 204.56 | 230.13 | 281.27 | 332.41 | 383.55 | 460.26 |
| Letchworth             | 153.42          | 178.99 | 204.56 | 230.13 | 281.27 | 332.41 | 383.55 | 460.26 |
| Lilley                 | 194.21          | 226.58 | 258.94 | 291.31 | 356.04 | 420.77 | 485.52 | 582.62 |
| Nuthampstead           | 153.42          | 178.99 | 204.56 | 230.13 | 281.27 | 332.41 | 383.55 | 460.26 |
| Offley                 | 197.32          | 230.21 | 263.09 | 295.98 | 361.75 | 427.52 | 493.30 | 591.96 |
| Pirton                 | 195.37          | 227.94 | 260.49 | 293.06 | 358.18 | 423.30 | 488.43 | 586.12 |
| Preston                | 172.76          | 201.56 | 230.34 | 259.14 | 316.72 | 374.31 | 431.90 | 518.28 |
| Radwell                | 165.55          | 193.14 | 220.73 | 248.32 | 303.50 | 358.68 | 413.87 | 496.64 |
| Reed                   | 175.31          | 204.53 | 233.74 | 262.96 | 321.39 | 379.82 | 438.27 | 525.92 |
| Royston                | 184.95          | 215.77 | 246.59 | 277.42 | 339.07 | 400.71 | 462.37 | 554.84 |
| Rushden and Wallington | 167.17          | 195.03 | 222.89 | 250.75 | 306.47 | 362.19 | 417.92 | 501.50 |
| St Ippolyts            | 172.44          | 201.18 | 229.92 | 258.66 | 316.14 | 373.61 | 431.10 | 517.32 |
| St Pauls Walden        | 207.20          | 241.74 | 276.26 | 310.80 | 379.86 | 448.93 | 518.00 | 621.60 |
| Sandon                 | 175.87          | 205.19 | 234.49 | 263.81 | 322.43 | 381.05 | 439.68 | 527.62 |
| Therfield              | 167.88          | 195.86 | 223.84 | 251.82 | 307.78 | 363.73 | 419.70 | 503.64 |
| Weston                 | 182.47          | 212.89 | 243.29 | 273.71 | 334.53 | 395.35 | 456.18 | 547.42 |
| Wymondley              | 204.26          | 238.31 | 272.34 | 306.39 | 374.47 | 442.56 | 510.65 | 612.78 |

being the amounts given by multiplying the amounts at 2.3(f) and 2.3(g) above by the number which, in the 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 in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(l) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

That it be noted that for 2019/2020 Hertfordshire County Council and the Hertfordshire Police & Crime Commissioner has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown below:-

| Precepting Authority                                 | Valuation Bands |                 |                 |                 |                 |                 |                 |                 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|  | A<br>£          | B<br>£          | C<br>£          | D<br>£          | E<br>£          | F<br>£          | G<br>£          | H<br>£          |
| <b>Hertfordshire County Council</b>                  |                 |                 |                 |                 |                 |                 |                 |                 |
| COUNTY PRECEPT                                       | 842.78          | 983.22          | 1,123.70        | 1,264.15        | 1,545.08        | 1,825.99        | 2,106.93        | 2,528.30        |
| SOCIAL CARE PRECEPT                                  | 63.85           | 74.51           | 85.14           | 95.79           | 117.07          | 138.37          | 159.64          | 191.58          |
| <b>Total Hertfordshire County Council</b>            | <b>906.63</b>   | <b>1,057.73</b> | <b>1,208.84</b> | <b>1,359.94</b> | <b>1,662.15</b> | <b>1,964.36</b> | <b>2,266.57</b> | <b>2,719.88</b> |
| <b>Hertfordshire Police &amp; Crime Commissioner</b> | <b>125.33</b>   | <b>146.22</b>   | <b>167.11</b>   | <b>188.00</b>   | <b>229.78</b>   | <b>271.56</b>   | <b>313.33</b>   | <b>376.00</b>   |

That, having calculated the aggregate in each case of the amounts at 2.3(h) and 2.4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets out the following provisional amounts as the amounts of Council Tax for 2019/2020 for each of the categories of dwellings shown below:-

**List of parishes and tax at different bands (County, Care, Police, District and Parish)**

| Parish/Town            | Valuation Bands |          |          |          |          |          |          |          |
|------------------------|-----------------|----------|----------|----------|----------|----------|----------|----------|
|                        | A<br>£          | B<br>£   | C<br>£   | D<br>£   | E<br>£   | F<br>£   | G<br>£   | H<br>£   |
| Ashwell                | 1,245.35        | 1,452.91 | 1,660.47 | 1,868.03 | 2,283.15 | 2,698.27 | 3,113.38 | 3,736.06 |
| Baldock                | 1,185.38        | 1,382.94 | 1,580.51 | 1,778.07 | 2,173.20 | 2,568.33 | 2,963.45 | 3,556.14 |
| Barkway                | 1,245.95        | 1,453.61 | 1,661.27 | 1,868.93 | 2,284.25 | 2,699.57 | 3,114.88 | 3,737.86 |
| Barley                 | 1,229.84        | 1,434.81 | 1,639.79 | 1,844.76 | 2,254.71 | 2,664.65 | 3,074.60 | 3,689.52 |
| Bygrave                | 1,219.75        | 1,423.04 | 1,626.33 | 1,829.62 | 2,236.20 | 2,642.78 | 3,049.37 | 3,659.24 |
| Caldecote and Newnham  | 1,203.69        | 1,404.31 | 1,604.92 | 1,805.54 | 2,206.77 | 2,608.00 | 3,009.23 | 3,611.08 |
| Clothall               | 1,192.64        | 1,391.41 | 1,590.19 | 1,788.96 | 2,186.51 | 2,584.05 | 2,981.60 | 3,577.92 |
| Codicote               | 1,227.85        | 1,432.49 | 1,637.13 | 1,841.77 | 2,251.05 | 2,660.33 | 3,069.62 | 3,683.54 |
| Graveley               | 1,209.01        | 1,410.51 | 1,612.01 | 1,813.51 | 2,216.51 | 2,619.51 | 3,022.52 | 3,627.02 |
| Great Ashby            | 1,198.55        | 1,398.31 | 1,598.07 | 1,797.83 | 2,197.35 | 2,596.87 | 2,996.38 | 3,595.66 |
| Hexton                 | 1,185.38        | 1,382.94 | 1,580.51 | 1,778.07 | 2,173.20 | 2,568.33 | 2,963.45 | 3,556.14 |
| Hinxworth              | 1,227.89        | 1,432.53 | 1,637.18 | 1,841.83 | 2,251.13 | 2,660.42 | 3,069.72 | 3,683.66 |
| Hitchin                | 1,185.38        | 1,382.94 | 1,580.51 | 1,778.07 | 2,173.20 | 2,568.33 | 2,963.45 | 3,556.14 |
| Holwell                | 1,223.63        | 1,427.56 | 1,631.50 | 1,835.44 | 2,243.32 | 2,651.19 | 3,059.07 | 3,670.88 |
| Ickleford              | 1,227.17        | 1,431.69 | 1,636.22 | 1,840.75 | 2,249.81 | 2,658.86 | 3,067.92 | 3,681.50 |
| Kelshall               | 1,210.19        | 1,411.88 | 1,613.58 | 1,815.28 | 2,218.68 | 2,622.07 | 3,025.47 | 3,630.56 |
| Kimpton                | 1,232.44        | 1,437.85 | 1,643.25 | 1,848.66 | 2,259.47 | 2,670.29 | 3,081.10 | 3,697.32 |
| Kings Walden           | 1,230.35        | 1,435.41 | 1,640.47 | 1,845.53 | 2,255.65 | 2,665.77 | 3,075.88 | 3,691.06 |
| Knebworth              | 1,235.19        | 1,441.05 | 1,646.92 | 1,852.78 | 2,264.51 | 2,676.24 | 3,087.97 | 3,705.56 |
| Langley                | 1,185.38        | 1,382.94 | 1,580.51 | 1,778.07 | 2,173.20 | 2,568.33 | 2,963.45 | 3,556.14 |
| Letchworth             | 1,185.38        | 1,382.94 | 1,580.51 | 1,778.07 | 2,173.20 | 2,568.33 | 2,963.45 | 3,556.14 |
| Lilley                 | 1,226.17        | 1,430.53 | 1,634.89 | 1,839.25 | 2,247.97 | 2,656.69 | 3,065.42 | 3,678.50 |
| Nuthampstead           | 1,185.38        | 1,382.94 | 1,580.51 | 1,778.07 | 2,173.20 | 2,568.33 | 2,963.45 | 3,556.14 |
| Offley                 | 1,229.28        | 1,434.16 | 1,639.04 | 1,843.92 | 2,253.68 | 2,663.44 | 3,073.20 | 3,687.84 |
| Pirton                 | 1,227.33        | 1,431.89 | 1,636.44 | 1,841.00 | 2,250.11 | 2,659.22 | 3,068.33 | 3,682.00 |
| Preston                | 1,204.72        | 1,405.51 | 1,606.29 | 1,807.08 | 2,208.65 | 2,610.23 | 3,011.80 | 3,614.16 |
| Radwell                | 1,197.51        | 1,397.09 | 1,596.68 | 1,796.26 | 2,195.43 | 2,594.60 | 2,993.77 | 3,592.52 |
| Reed                   | 1,207.27        | 1,408.48 | 1,609.69 | 1,810.90 | 2,213.32 | 2,615.74 | 3,018.17 | 3,621.80 |
| Royston                | 1,216.91        | 1,419.72 | 1,622.54 | 1,825.36 | 2,231.00 | 2,636.63 | 3,042.27 | 3,650.72 |
| Rushden and Wallington | 1,199.13        | 1,398.98 | 1,598.84 | 1,798.69 | 2,198.40 | 2,598.11 | 2,997.82 | 3,597.38 |
| St Ippolyts            | 1,204.40        | 1,405.13 | 1,605.87 | 1,806.60 | 2,208.07 | 2,609.53 | 3,011.00 | 3,613.20 |

**Thursday, 28th February, 2019**

|                 |          |          |          |          |          |          |          |          |
|-----------------|----------|----------|----------|----------|----------|----------|----------|----------|
| St Pauls Walden | 1,239.16 | 1,445.69 | 1,652.21 | 1,858.74 | 2,271.79 | 2,684.85 | 3,097.90 | 3,717.48 |
| Sandon          | 1,207.83 | 1,409.14 | 1,610.44 | 1,811.75 | 2,214.36 | 2,616.97 | 3,019.58 | 3,623.50 |
| Therfield       | 1,199.84 | 1,399.81 | 1,599.79 | 1,799.76 | 2,199.71 | 2,599.65 | 2,999.60 | 3,599.52 |
| Weston          | 1,214.43 | 1,416.84 | 1,619.24 | 1,821.65 | 2,226.46 | 2,631.27 | 3,036.08 | 3,643.30 |
| Wymondley       | 1,236.22 | 1,442.26 | 1,648.29 | 1,854.33 | 2,266.40 | 2,678.48 | 3,090.55 | 3,708.66 |

**REASON FOR DECISION:** To set the Council Tax for the District of North Hertfordshire.

The Meeting closed at 7:06pm

**COUNCIL TAX SETTING COMMITTEE  
14 JANUARY 2020**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: COUNCIL TAX BASE 2020/2021**

**REPORT OF: SERVICE DIRECTOR - CUSTOMERS**

**EXECUTIVE MEMBER: COUNCILLOR IAN ALBERT**

**CURRENT COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT**

**NEW COUNCIL PRIORITY: BUILD THRIVING AND RESILIENT COMMUNITIES**

**1. EXECUTIVE SUMMARY**

1.1 To set the Council Tax Base for 2020/2021 in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (the Regulations)

**2. RECOMMENDATIONS**

2.1 That the Committee is recommended to set a non-collection rate of 1% for 2020/2021.

2.2 That the Committee is recommended to set the Council Tax Base for 2020/2021 at 49,979.6 and that the individual sums shown in Appendix A for each Parish be agreed

**3. REASONS FOR RECOMMENDATIONS**

3.1 To fulfil the statutory requirement to set a Council Tax Base for the District and to enable Major and Local Precepting Authorities to set their levels of Council Tax for 2020/2021.

**4. ALTERNATIVE OPTIONS CONSIDERED**

4.1. None as this is a prescribed statutory process.

**5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

5.1 Both the County Council and the Police & Crime Commissioner for Hertfordshire have been consulted on the two minor changes to the Council Tax Reduction Scheme for 2020/2021. There has been no formal response from either at the time of preparing this report. However, the changes are so minimal as to have practically no effect on the Tax Base.

## **6. FORWARD PLAN**

- 6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

## **7. BACKGROUND**

- 7.1 The Regulations require that a formal resolution be made to determine the Tax Base. The Regulations also require that this calculation is made between 1 December and 31 January. It cannot wait until the 'tax-setting' meeting in February because the result must be notified to the County Council, Police & Crime Commissioner for Hertfordshire and Local Councils by 31 January in each year. Each District Council is therefore required to present the calculation of the Tax Base for tax-setting at a Meeting during December or January.
- 7.2 The abolition of Council Tax Benefit and the introduction instead of locally designed Council Tax Reduction Schemes in 2013/14 changed the way that the Council Tax Base must be calculated.

## **8. RELEVANT CONSIDERATIONS**

### **Council Tax Reduction Scheme**

- 8.1 Since the implementation of Council Tax in 1993 and until the 2013 changes, Council Tax Benefit had been a demand-led Benefit, where the Council reduced liability to those who qualify and the subsequent shortfall in the Collection Fund was reimbursed through Council Tax Benefit Subsidy on a pound for pound basis (allowing for any Subsidy Penalties).
- 8.2 Since 2013/2014, there has been no Council Tax Benefit Subsidy and the local Council Tax Reduction Scheme was funded in the first year from a cash limited Council Tax Reduction Scheme Grant, which was paid directly to each Major Precepting Authority (in this Council's case the County Council, District Council and Police & Crime Commissioner for Hertfordshire). A similar Grant was also paid to Local Precepting Authorities (Parish, Town & Community Councils) through funding initially paid to the District Council, which it then distributed to the relevant Local Precepting Authorities.
- 8.3 Since 2014/2015, the amount of Council Tax Reduction awarded directly affects the Tax Base by reducing it by the equivalent number of Band D properties proportionate to the amount of expenditure. This is now established within the Council Tax Base.

### **The Calculation**

- 8.4 Appendix B gives an illustrative example of the Council Tax Base calculation for Letchworth Garden City. This is replicated amongst all areas of the District to give a final total of 49,979.6, which is seen at Appendix A.
- 8.5 This is an increase in the Council Tax Base of 481.2 compared with 2019/2020 or 0.97%.

## **Non-Collection Rate**

- 8.6 In setting its Council Tax Base, the Council has always had to decide on its expected level of non-collection and this has not changed under the new arrangements. Since 1995/1996, the Council has assumed a non-collection rate of 1%.
- 8.7 It should be borne in mind when considering the non-collection rate that there are a number of factors, other than eventually non-collected payments, which will impact on the collection rate and these are as follows:
- (i) The level of successful appeals against banding valuations
  - (ii) The impact of new properties coming into tax which may not be valued until the following year
  - (iii) The number of disablement applications, Discounts and Exemptions
  - (iv) The value of Council Tax Reduction Scheme awards
- 8.8 Any surplus (or deficit) on the Council Tax Collection Fund is split between the Major Precepting Authorities (the County Council, Hertfordshire Police and this Council) in proportion to the relative level of precept on the fund (approximately 76.5:10.6:12.9 County/Police/District in 2019/2020). The surplus can only be used to reduce (or increase in the case of a deficit) Council Tax bills in 2020/2021; but whereas the District proportion of the surplus reduces bills only in North Hertfordshire, the County and Police proportions are dissipated across the whole of Hertfordshire. The actual impact on bills will, therefore, depend not only upon the collection performance of this Council but of that of all other Hertfordshire authorities as well.
- 8.9 The collection performance in 2019/2020 is broadly in line with that of 2018/2019 (75.6% compared with 75.9% at the end of November). Although the comparative collection rate is down by 0.3%, the value of instalments extended into February and March is 0.4% of the collectable debit in 2019 compared with 0.3% at the same time in 2018. This reflects the increasing number of customers opting to pay in twelve instalments rather than ten.
- 8.10 In setting the non-collection figure, Members should be mindful that this is based on the ultimate expected collection rate and not the in-year collection rate. Ultimate collection rates remain high. Each previous financial year is now over 99.0% and for every year before 2017/2018 has now reached over 99.5%.
- 8.11 It was expected that because many families who previously received 100% Council Tax Benefit would from 2013/2014 have to pay a proportion of their Council Tax that this could significantly affect the collection rate and that Council Tax arrears would increase. The evidence so far would support the conclusion that collection rates remain on course but may take longer to achieve than before 2013/2014.
- 8.12 Analysis of the Council's collection performance shows that actual collection can expect to reach 99.5% within three to four years and 99.9% within ten years. On that basis, Officers are recommending that the non-collection rate should remain at 1% for 2020/2021.

## **9. LEGAL IMPLICATIONS**

- 9.1 The terms of reference of this Committee are to set the Council Tax Base for the Council in accordance with the Regulations.
- 9.2 The formula to be used for the calculation of the Council Tax Base is set out in the Local Authority (Calculation of Council Tax Base) Regulations 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012. The content and timing of the supply of information from and to the Major Precepting Authorities and the Billing Authority is regulated by the Local Authority (Calculation of Council Tax Base) (Supply of Information) Regulations 1992.

## **10. FINANCIAL IMPLICATIONS**

- 10.1 The Council Tax Base agreed will be used to determine the actual level of Council Tax levied by the Council at its meeting in February 2020.
- 10.2 Using a Council Tax Base of 49,979.6 and the current Band D Council Tax of £230.13 will result in projected income from Council Tax of £11,501,805, compared to £11,060,417 in 2019/2020. The Medium Term Financial Strategy and draft budgets propose that there will be an increase in the Council Tax rate in 2020/2021 which will further increase the projected income.

## **11. RISK IMPLICATIONS**

- 11.1 The introduction of the Council Tax Reduction Scheme and the changes to the way that the Council Tax Base is calculated has introduced a significant financial risk to all the Major Precepting Authorities. As explained at 8.8, any shortfall in the Collection Fund would have to be made up by the Major Precepting Authorities in proportion to the level of Precept, either directly or through increased Council Taxes in subsequent years.
- 11.2 Because of the uncertainty, this financial risk will be included in the financial risks for the Authority as part of the budget setting process.

## **12. EQUALITIES IMPLICATIONS**

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give **due regard** to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not
- 12.2 There are no direct equality implications arising from this report. Ensuring that the Council has sufficient income to deliver the services that residents rely on whilst keeping Council Tax Levels at an appropriate level is important.

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1 The Social Value Act and “go local” policy do not apply to this report.

## **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1. There are no Human Resource implications in this report

## **15. APPENDICES**

- 15.1 Appendix A – Council Tax Base by Parish 2020/2021
- 15.2 Appendix B – Example of Council Tax Base calculation for Letchworth Garden City

## **16. CONTACT OFFICERS**

- 16.1 Howard Crompton, Service Director - Customers  
[howard.crompton@north-herts.gov.uk](mailto:howard.crompton@north-herts.gov.uk); ext 4247
- 16.2 Antonio Ciampa, Accountancy Manager  
[antonio.ciampa@north-herts.gov.uk](mailto:antonio.ciampa@north-herts.gov.uk); ext 4566
- 16.3 Jeanette Thompson, Service Director – Legal & Community  
[jeanette.thompson@north-herts.gov.uk](mailto:jeanette.thompson@north-herts.gov.uk); ext 4370
- 16.4 Reuben Ayavoo, Policy and Community Engagement Manager  
[reuben.ayavoo@north-herts.gov.uk](mailto:reuben.ayavoo@north-herts.gov.uk); ext 4212
- 16.5 Geraldine Goodwin, Revenues Manager  
[geraldine.goodwin@north-herts.gov.uk](mailto:geraldine.goodwin@north-herts.gov.uk); ext. 4277

## **17. BACKGROUND PAPERS**

- 17.1. None

This page is intentionally left blank



## Council Tax Base by Parish 2020/2021

## Appendix A

|                      |                 |
|----------------------|-----------------|
| Ashwell              | 861.1           |
| Barkway              | 407.3           |
| Barley               | 328.3           |
| Bygrave              | 127.8           |
| Caldecote & Newnham  | 51.9            |
| Clothall             | 81.1            |
| Codicote             | 1,635.5         |
| Graveley             | 175.8           |
| Great Ashby          | 2,053.2         |
| Hexton               | 65.0            |
| Hinxworth            | 161.8           |
| Holwell              | 149.6           |
| Ickleford            | 768.9           |
| St Ippolyts          | 896.8           |
| Kelshall             | 73.4            |
| Kimpton              | 1,054.4         |
| Kings Walden         | 450.5           |
| Knebworth            | 2,015.1         |
| Langley              | 91.9            |
| Lilley               | 172.4           |
| Nuthampstead         | 69.9            |
| Offley               | 617.4           |
| St Pauls Walden      | 551.8           |
| Pirton               | 623.0           |
| Preston              | 223.9           |
| Radwell              | 58.1            |
| Reed                 | 158.0           |
| Rushden & Wallington | 201.2           |
| Sandon               | 242.8           |
| Therfield            | 262.9           |
| Weston               | 439.9           |
| Wymondley            | 421.6           |
| Baldock              | 3,821.9         |
| Hitchin              | 12,390.8        |
| Letchworth           | 11,718.8        |
| Royston              | 6,555.8         |
| <b>Total</b>         | <b>49,979.6</b> |

This page is intentionally left blank

**COUNCIL TAX BASE CALCULATION 2020/2021 - LETCHWORTH**

| DESCRIPTION                              | DIS BAND    | BAND A        | BAND B          | BAND C          | BAND D          | BAND E          | BAND F         | BAND G        | BAND H       | TOTAL            |
|--|-------------|---------------|-----------------|-----------------|-----------------|-----------------|----------------|---------------|--------------|------------------|
| NUMBER ON LIST                           |             | 860           | 3,150           | 6,361           | 1,464           | 1,832           | 882            | 479           | 27           | 15,055           |
| LESS NUMBER EXEMPT                       |             | 22            | 56              | 56              | 18              | 15              | 8              | 2             | 0            | 177              |
| LESS NUMBER DEMOLISHED                   |             | 0             | 0               | 0               | 0               | 0               | 0              | 0             | 0            | 0                |
| <b>NUMBER OF CHARGEABLE DWELLINGS</b>    |             | <b>838</b>    | <b>3,094</b>    | <b>6,305</b>    | <b>1,446</b>    | <b>1,817</b>    | <b>874</b>     | <b>477</b>    | <b>27</b>    | <b>14,878</b>    |
| LESS DISABLEMENT ADJUSTMENT              |             | 1             | 3               | 25              | 16              | 13              | 6              | 2             | 5            | 71               |
| PLUS DISABLEMENT ADJUSTMENT              | 1           | 3             | 25              | 16              | 13              | 6               | 2              | 5             |              | 71               |
| <b>ADJUSTED CHARGEABLE DWELLINGS</b>     | <b>1</b>    | <b>840</b>    | <b>3,116</b>    | <b>6,296</b>    | <b>1,443</b>    | <b>1,810</b>    | <b>870</b>     | <b>480</b>    | <b>22</b>    | <b>14,878</b>    |
| SINGLE DISCOUNTS - SOLE OCCUPIERS        | 1           | 547           | 1,642           | 1,889           | 349             | 343             | 138            | 53            | 1            | 4,963            |
| SINGLE DISCOUNTS - DISREGARDED OCCUPIERS | 0           | 3             | 23              | 76              | 14              | 9               | 8              | 4             | 0            | 137              |
| 50% DISCOUNT - DISREGARDED OCCUPIERS     | 0           | 0             | 2               | 2               | 2               | 6               | 2              | 6             | 0            | 20               |
| 10% DISCOUNT - SECOND HOMES              | 0           | 7             | 14              | 20              | 2               | 10              | 3              | 2             | 1            | 59               |
| ZERO DISCOUNT - LONG TERM EMPTY          | 0           | 8             | 38              | 34              | 14              | 8               | 7              | 3             | 0            | 112              |
| 50% DISCOUNT - LONG TERM EMPTY           | NIL         | NIL           | NIL             | NIL             | NIL             | NIL             | NIL            | NIL           | NIL          | 0                |
| 100% DISCOUNT - LONG TERM EMPTY          | 0           | 2             | 9               | 8               | 2               | 1               | 0              | 1             | 0            | 23               |
| EMPTY HOME PREMIUM                       | 0           | 2             | 3               | 9               | 1               | 1               | 1              | 1             | 2            | 20               |
| <b>TOTAL EMPTY</b>                       | <b>0</b>    | <b>12</b>     | <b>50</b>       | <b>51</b>       | <b>17</b>       | <b>10</b>       | <b>8</b>       | <b>5</b>      | <b>2</b>     | <b>155</b>       |
| DWELLINGS WITH 100% LIABILITY            | 0           | 281           | 1,426           | 4,301           | 1,074           | 1,441           | 719            | 414           | 20           | 9,676            |
| DWELLINGS SUBJECT TO DISCOUNT            | 1           | 559           | 1,690           | 1,995           | 369             | 369             | 151            | 66            | 2            | 5,202            |
| NUMBER TO ENTER LIST BEFORE 1 APRIL 2020 | 0           | 45            | 118             | 0               | 6               | 17              | 6              | 0             | 0            | 192              |
| NUMBER TO ENTER LIST DURING THE YEAR     | 0           | 0             | 0               | 0               | 0               | 0               | 0              | 0             | 0            | 0                |
| NUMBER ON LIST TO FALL OUT               | 0           | 0             | 0               | 0               | 0               | 0               | 0              | 0             | 0            | 0                |
| <b>TOTAL EFFECT OF DISCOUNTS</b>         | <b>0.00</b> | <b>11.25</b>  | <b>13.75</b>    | <b>0.00</b>     | <b>0.50</b>     | <b>0.50</b>     | <b>0.00</b>    | <b>0.00</b>   | <b>0.00</b>  | <b>26.00</b>     |
| <b>EFFECT OF ADJUSTMENTS</b>             | <b>0.00</b> | <b>33.75</b>  | <b>104.25</b>   | <b>0.00</b>     | <b>5.50</b>     | <b>16.50</b>    | <b>6.00</b>    | <b>0.00</b>   | <b>0.00</b>  | <b>166.00</b>    |
| <b>AGGREGATE OF DWELLINGS</b>            | <b>0.75</b> | <b>734.55</b> | <b>2,794.10</b> | <b>5,798.25</b> | <b>1,355.05</b> | <b>1,734.00</b> | <b>838.70</b>  | <b>462.05</b> | <b>22.65</b> | <b>13,740.10</b> |
| Less Council Tax Reduction Scheme        | 0.00        | 200.20        | 660.40          | 825.05          | 50.51           | 32.60           | 6.20           | 0.83          | 0.00         |                  |
| Net Dwellings                            | 0.75        | 534.35        | 2,133.70        | 4,973.20        | 1,304.54        | 1,701.40        | 832.50         | 461.22        | 22.65        |                  |
| <b>AGGREGATE x MULTIPLIER</b>            | <b>0.4</b>  | <b>356.2</b>  | <b>1,659.5</b>  | <b>4,420.6</b>  | <b>1,304.5</b>  | <b>2,079.5</b>  | <b>1,202.5</b> | <b>768.7</b>  | <b>45.3</b>  | <b>11,837.2</b>  |
| <b>EFFECT OF COLLECTION RATE X 99.0%</b> | <b>0.4</b>  | <b>352.6</b>  | <b>1,642.9</b>  | <b>4,376.4</b>  | <b>1,291.5</b>  | <b>2,058.7</b>  | <b>1,190.5</b> | <b>761.0</b>  | <b>44.8</b>  | <b>11,718.8</b>  |

This page is intentionally left blank

**COUNCIL TAX SETTING COMMITTEE  
14 JANUARY 2020**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: NATIONAL NON-DOMESTIC RATE RETURN 1 (NNDR1) – 2020/2021**

REPORT OF THE SERVICE DIRECTOR - CUSTOMERS

EXECUTIVE MEMBER: COUNCILLOR IAN ALBERT

CURRENT COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

NEW COUNCIL PRIORITY: BUILD THRIVING AND RESILIENT COMMUNITIES

**1. EXECUTIVE SUMMARY**

- 1.1 To inform Members of the reporting processes for the NNDR1 Return
- 1.2. To approve the Draft NNDR1 Return for 2020/2021. This will be made available to Members as soon as possible ahead of the meeting

**2. RECOMMENDATIONS**

- 2.1 That the Draft NNDR1 to be submitted be approved.
- 2.2 That it be noted that a draft version of the NNDR1 has not been sent to Councils by the Ministry for Housing, Communities and Local Government (MHCLG) and a version has been posted on the MHCLG website on Friday 27 December 2019. The final version of the NNDR1 will need to be returned to MHCLG by Friday 31 January 2020
- 2.1. That the Committee delegates any amendments to the Return resulting from changes to the form and any additional guidance, to the Service Director – Customers in consultation with the Service Director – Resources and the Committee Chairman

**3. REASONS FOR RECOMMENDATIONS**

- 3.1. To comply with statutory requirements.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1. The provision to provide information contained within the NNDR1 is a statutory requirement.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

5.1 This is a statutory return and not subject to consultation.

## **6. FORWARD PLAN**

6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

## **7. BACKGROUND**

7.1 The Council has always had a requirement to make an NNDR1 Return to the Secretary of State each year, which has been the Council's estimate of the likely income from Non-Domestic Rates for the following financial year.

7.2 In December 2011 the Government published its proposals for a Business Rates Retention Scheme alongside the introduction of the Local Government Finance Bill, which became an Act in November 2012. The intention of this proposal was to ensure that a proportion of Non-Domestic Rates was locally retained.

7.3 In November 2012 the Government issued a Policy Statement reflecting its desire to see the Business Rates Retention Scheme at the heart of its reform agenda aimed at achieving two of its key priorities: economic growth and localism.

7.4 The amount to be retained by Billing Authorities and the amount to be paid to Central Government and Major Precepting Authorities is to be fixed at the start of the financial year on the basis of the Billing Authority's estimate of its Non-Domestic Rating income for the year (the NNDR1 Return). For this reason, the Government has decided that this return should now be subject to approval by Members. There are subsequent adjustments to reflect the amounts actually collected.

7.5 The basis on which a Billing Authority is to make that estimate was set out in regulations made under the provisions of the Local Government Act 1988.

7.6 The existing requirements for the calculation of Non-Domestic Rating income for the year are found in Schedule 1 of the Non-Domestic Rating (Rates Retention) Regulations (the Retention Regulations).

7.7 The Regulations require Billing Authorities to calculate the sum due, for that year, and inform;

a) The Secretary of State in respect of the "central share" of their Non-Domestic Rating income;

b) Their Major Precepting Authorities

7.8 In the autumn Budget 2018 the Chancellor announced further support for small businesses' by providing a Retail Discount for two years from 1 April 2019. The value of the discount will be one third of the net rates payable. This is the net amount of rates payable after all Mandatory and Discretionary Reliefs have been applied and only applies to occupied properties.

- 7.9 Business Rates Local Newspaper Discount was extended to include the 2019/20 financial year
- 7.10 Business Rates Public Lavatories Relief was due to take effect from 1 April 2019. This required a change to primary legislation and therefore the implementation date was revised to 2020/21.
- 7.11 Pub Relief ceased on 31 March 2019.
- 7.12 Supporting Small Business Relief. This relief applies to properties that received Small Business Rate Relief in the 2010 Rating List and as a result of the 2017 Valuation have lost all or part of this relief. This Relief restricts annual increases to £600 for each consecutive year of the 2017 Rating List.
- 7.13 Discretionary Valuation Relief. This Relief is intended to assist those businesses that faced the steepest rate increases as a result of the 2017 revaluation. Each Local Authority needed to adopt its own qualifying criteria that included properties with a rateable value below £200,000 and had incurred a rate rise of at least 12.5%
- 7.14 The total Discretionary Valuation Relief fund available was £300m over four years. The Government determined the amount of funds available to North Hertfordshire District Council under this scheme is as follows

| <b>Year</b>  | <b>Amount of Funding</b> |
|--------------|--------------------------|
| 2017/2018    | £320,000                 |
| 2018/2019    | £155,000                 |
| 2019/2020    | £64,000                  |
| 2020/2021    | £9,000                   |
| <b>Total</b> | <b>£548,000</b>          |

- 7.15 2020/2021 will be the last year of this Relief.
- 7.16 Cabinet approved the Council's Discretionary Valuation Scheme at its meeting on 25 July 2017.
- 7.17 All Reliefs are subject to State Aid
- 7.18 Local Authorities will be refunded for the loss in Business Rates receipts as a result of the above measure. Refunds will be made through Section 31 grants.

#### **Revised MHCLG Policy on Rates Retention Scheme**

- 7.19 In 2019/2020 the Council was part of a Hertfordshire Business Rate Pilot, which enabled the retention in the pilot area of 75% of net NNDR collected. In 2020/2021 the Council is part of a Business Rate Pool with the County Council and four other Districts. This allows some extra Business Rate funding to be retained. From 2021/2022 it is expected that there will be a new Business Rates funding scheme based on 75% rate retention. It is anticipated that this will be less generous than the pilot arrangements.

## **8. RELEVANT CONSIDERATIONS**

### **The Financial Information Required In The NNDR1**

- 8.1 The Business Rates Retention Regulations require a Billing Authority to calculate its Non-Domestic Rating income by estimating the net payments from ratepayers that will be credited to its collection fund (after having taken account of any rate relief provided to ratepayers and any repayments made to ratepayers).
- 8.2 2020/2021 will be the seventh year for which Authorities will be required, in accordance with Regulation 13 of the Non-Domestic Rating (Rates Retention) Regulations 2013 (SI 2013/452) (as amended), to estimate the likely non-domestic rating surplus, or deficit on the Collection Fund for the current year.
- 8.3 Regulation 13 requires an Authority to estimate the surplus/deficit that it believes will exist at 31 March 2020, on the basis of a statutory calculation set out in Schedule 4 to the Regulations (as amended). The estimated amount will be shared between the authority, its major preceptors and central Government and will be added (or subtracted) from each party's share of 2020/2021 non-domestic rating income.
- 8.5 The NNDR1 traditionally follows the Government's Autumn Statement, now Budget and is amended each year to take into consideration any changes to Business Rates made in that Statement/Budget.
- 8.6 Members will be aware that due to Parliamentary time being taken up with Brexit and the ensuing General Election, there has not been an Autumn Budget in 2019 and this is now expected to be delivered at the end of February/beginning of March.
- 8.7 The NNDR1 Form for 2020/2021 has not been circulated to Councils. The Council's Systems & Technical Manager found a version posted on the MHCLG web site on 27 December 2019. The lateness of this has made it impossible to carry out the work required to complete the form in time for the deadline of submission of reports for this Committee. Because the NNDR1 Form has not been circulated to Councils, there is considerable doubt as to whether this is the version to be submitted, but in the absence of any further advice, the Council is working on the basis that this is the most up-to-date version.
- 8.8 Officers are working to complete the form as soon as possible and it will be submitted to Members in advance of the meeting.
- 8.9 The position is further complicated because we have been advised by MHCLG of a number of policy intentions that will be included in the Budget for implementation in 2020/2021, but as these are not law at the moment, they are not reflected in the NNDR1. These policy intentions align to the points made at 7.8 to 7.11 above and can be summarised as:
- Retail Rate Relief to be extended to half the rates payable not one third and to include premises such as cinemas and music venues
  - Continuation of Local Newspaper Relief
  - Re-introduction of Pub Relief



8.10 In addition, also because of other Parliamentary requirements, the primary legislation was not put in place to implement the Public Lavatories Relief, and it is not certain whether this will be included in the Budget legislation.

8.11 The law requires that the NNDR1 has to be returned to MHCLG by 31 January 2020 and consequently, the Council will have to comply with this, in the knowledge that when the Budget implications become law, the NNDR1 will be inaccurate and the Council may be required to submit a revised version.

## **9. LEGAL IMPLICATIONS**

9.1 Approval of the NNDR1 Return is delegated through the Constitution to this Committee.

9.2 The Council is aware that it has an obligation to submit its NNDR1 Return by 31 January 2020, but MHCLG has made the proviso that further iterations of the Form may yet be issued. This is especially relevant this year due to the expectations that changes will be made when the Budget is announced. This has resulted in the recommendation at paragraph 2.3 that any necessary amendments to the Return resulting from future legislation or guidance be delegated to the Service Director - Customers in consultation with the Service Director – Resources and Chairman of the Committee.

## **10. FINANCIAL IMPLICATIONS**

10.1 Under the Business Rates Retention element of local government funding, the provisional settlement no longer provides guaranteed funding levels, but rather the starting point for Authorities within the scheme. Ultimately, the level of Non-Domestic Rates collected by Authorities in 2020/2021<sup>19</sup> will determine the amount received for this element of their funding. In the provisional funding settlement each Authority is set a Business Rate baseline, which is based on a MHCLG determination of funding need.

## **11. RISK IMPLICATIONS**

11.1 The NNDR1 is an estimate of the amount of rates that the Council will expect to collect in 2020/2021. As with any estimate, there is always the risk that it will prove to be inaccurate.

11.2 To mitigate against this, trend data for previous years will be used whenever possible and where assumptions have had to be made, these will be made with a cautious view.

11.3 At the end of the 2020/2021 financial year, an NNDR 3 will be completed and audited, which will determine the final position in terms of Business Rates collected for 2020/2021. Therefore the main risk is in relation to cash flow.

## **12. EQUALITIES IMPLICATIONS**

12.1 The Equality Act 2010 came into force on the 1<sup>st</sup> October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into force on the 5<sup>th</sup> April 2011. There is a General duty, described in 12.2, that public bodies must meet, underpinned by more specific duties which are designed to help meet them.

12.2 In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give **due regard** to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.3 The submission of an NNDR1 return is a statutory one. This reports highlights the reporting process and now requires the approval of Members. This does not impact on those that share a protected characteristic as the only change is one of process. If the manner in which business rates was collected changed then this may affect those sections of the community.

### **13. SOCIAL VALUE IMPLICATIONS**

13.1. The Social Value Act and “go local” requirements do not apply to this report.

### **14. HUMAN RESOURCE IMPLICATIONS**

14.1. Summarise any impacts on staff and how they will be addressed, or state there will be no impact.

### **15. APPENDICES**

15.1. Appendix 1 – Draft NNDR1 Return to be submitted as soon as possible.

### **16. CONTACT OFFICERS**

16.1 Howard Crompton, Service Director - Customers  
[howard.crompton@north-herts.gov.uk](mailto:howard.crompton@north-herts.gov.uk); ext. 4247

16.2 Ian Couper, Service Director – Resources  
[ian.couper@north-herts.gov.uk](mailto:ian.couper@north-herts.gov.uk); ext. 4243

16.3 Mark Scanes, Systems & Technical Manager  
[mark.scanes@north-herts.gov.uk](mailto:mark.scanes@north-herts.gov.uk); ext. 4440

### **17. BACKGROUND PAPERS**

17.1. None