

NORTH HERTFORDSHIRE DISTRICT COUNCIL



5 January 2022

Our Ref Council Tax Setting Committee/13.01.22
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To: Members of the Committee: Councillor Ian Albert (Chair), Councillor Morgan Derbyshire, Councillor Sam North and Councillor Claire Strong

NOTICE IS HEREBY GIVEN OF A

MEETING OF THE COUNCIL TAX SETTING COMMITTEE

to be held in the

**COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERON
ROAD, LETCHWORTH GARDEN CITY**

On

THURSDAY, 13TH JANUARY, 2022 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

Item	Page
1. WELCOME	
2. APOLOGIES FOR ABSENCE Members are required to notify any substitutions by midday on the day of the meeting. Late substitutions will not be accepted and Members attending as a substitute without having given the due notice will not be able to take part in the meeting.	
3. MINUTES - 25 FEBRUARY 2021 To take as read and approve as a true record the minutes of the meeting of the Committee held on the 25 February 2021.	(Pages 5 - 12)
4. NOTIFICATION OF OTHER BUSINESS Members should notify the Chair 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. The Chair will decide whether any item(s) raised will be considered.	
5. CHAIR'S ANNOUNCEMENTS 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 Chair 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.	
6. PUBLIC PARTICIPATION To receive petitions, comments and questions from the public.	
7. COUNCIL TAX BASE 2022/2023 REPORT OF THE SERVICE DIRECTOR – CUSTOMERS To set the Council Tax Base for 2022/2023 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 13 - 22)

8. NATIONAL NON-DOMESTIC RATE RETURN 1 (NNDR1) - 2022/23
REPORT OF THE SERVICE DIRECTOR – CUSTOMERS

(Pages
25 - 30)

To inform Members of the reporting processes for the NNDR1 Return.

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NORTH HERTFORDSHIRE DISTRICT COUNCIL

COUNCIL TAX SETTING COMMITTEE

MEETING HELD AS A VIRTUAL MEETING
ON THURSDAY, 25TH FEBRUARY, 2021 AT 5.00 PM

MINUTES

Present: *Councillors: Ian Albert (Chair), David Levett, Sam North, Martin Stears-Handscomb and Claire Strong*

In Attendance: *Ian Couper (Service Director - Resources), Matthew Hepburn (Committee, Member and Scrutiny Officer) and William Edwards (Committee, Member and Scrutiny Officer)*

Also Present: *At the commencement of the meeting approximately 1 member of the public.*

9 WELCOME AND REMOTE/PARTLY REMOTE MEETINGS PROTOCOL SUMMARY

Audio Recording – 35 Seconds

The Chair welcomed everyone to the Council Tax Setting Committee meeting.

The Committee, Member and Scrutiny Officer undertook a roll call to ensure all those present could hear and be heard and drew attention to the Remote/Partly Remote Meetings Protocol which was noted.

10 APOLOGIES FOR ABSENCE

Audio Recording – 1 Minute 33 Seconds

There were no apologies for absence received.

11 MINUTES - 14 JANUARY 2021

Audio Recording – 1 Minute 39 Seconds

Councillor Ian Albert proposed and Councillor Sam North seconded the approval of the Minutes of 14 January 2021.

It was therefore:

RESOLVED:

- (1) That the Minutes of the Meeting of the Committee held on 14 January 2021 be approved as a true record of the proceedings and be signed by the Chair; and
- (2) That, with the authorisation of the Chair, his electronic signature and initials be attached to the Minutes approved in (1) above.

12 NOTIFICATION OF OTHER BUSINESS

Audio Recording – 3 Minutes 5 Seconds

There was no other business notified.

13 CHAIR'S ANNOUNCEMENTS

Audio Recording – 3 Minutes 10 Seconds

- (1) The Chair welcomed those present at the meeting;
- (2) The Chair announced that, in accordance with Council policy, this meeting was being audio recorded as well as filmed. The audio recordings would be available to view on Mod.gov and the film recording via the NHDC Youtube channel; and
- (3) Members were reminded to make declarations of interest before an item, the detailed reminder about this and speaking rights was set out under Chair's Announcements on the agenda.

14 PUBLIC PARTICIPATION

Audio Recording – 3 Minutes 35 Seconds

There was no public participation.

15 COUNCIL TAX RESOLUTION 2021/22

Audio Recording – 3 Minutes 39 Seconds

The Service Director – Resources presented the Addendum Report entitled Council Tax Resolution 2021/2022.

The Service Director – Resources advised that on 23 February 2021, Hertfordshire County Council and the Hertfordshire Police & Crime Commissioner formally requested their precept.

The Service Director – Resources affirmed that Council had approved an increase in Council Tax. However, a referendum on the Council Tax level was not required.

Prior to the vote, Councillor Claire Strong declared that she was a resident of Holwell which was one of the Parishes detailed in the recommendations.

The recommendations, as per the addendum report, were proposed by Councillor Ian Albert and seconded by Councillor Sam North.

In accordance with the Constitution, Standing Order 4.8.16 (h) (i), the Chair requested a Recorded Vote.

The result of the recorded vote was:

For: Councillors Ian Albert, David Levett, Sam North and Martin Stears-Handscomb. **Total 4**

Against: Total 0

Abstain: Councillor Claire Strong. **Total 1**

It was:

RESOLVED:

(1) That it be noted that at its meeting on 14 January 2021 the Council Tax Setting Committee confirmed the amount 49,396.90 as its Council Tax base for the year 2021/2022 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations).

a) 49,396.90 being the amount calculated by the Council, in accordance with Regulation 3 of the Regulations, as its Council Tax base for the year.

b)

Parish/Town	Council Tax Base	Parish/Town	Council Tax Base
Ashwell	850.40	Langley	89.60
Barkway	408.80	Lilley	166.20
Barley	323.90	Nuthampstead	69.10
Bygrave	128.10	Offley	614.80
Caldecote and Newnham	50.60	Pirton	612.40
Clothall	85.40	Preston	215.20
Codicote	1646.50	Radwell	55.50
Graveley	170.10	Reed	163.60
Great Ashby	2031.10	Royston	6511.70
Hexton	64.80	Rushden and Wallington	201.90
Hinxworth	162.50	St Ippolyts	900.00
Holwell	148.90	St Pauls Walden	550.30
Ickleford	763.10	Sandon	244.50
Kelshall	75.40	Therfield	263.80
Kimpton	1047.30	Weston	435.60
Kings Walden	404.10	Wymondley	418.80
Knebworth	1963.90		

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 11 February 2021 the Council calculated the Council Tax requirement for the Council's own purposes for 2021/22 (excluding Parish precepts) as £11,861,677. As detailed in 2.2 (e) below the sum of special items is £1,231,115 and hence the total Council Tax requirement (including Parish precepts) is £13,092,792.

1.1. That the following amounts be now calculated by the Council for 2020/2021 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance

Act 1992 (the Act):-

- a) £68,839,140 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) £55,746,348 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) £13,092,792 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) £265.05 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) £1,231,115 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- f) £240.13 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.

g)

Parish/Town	Basic	Parish	Total
	£	Precept	£
Ashwell	240.13	93.56	333.69
Barkway	240.13	96.34	336.47
Barley	240.13	66.26	306.39
Bygrave	240.13	50.89	291.02
Caldecote and Newnham	240.13	27.62	267.75
Clothall	240.13	33.57	273.70
Codicote	240.13	64.89	305.02
Graveley	240.13	59.00	299.13
Great Ashby	240.13	19.88	260.01
Hexton	240.13	0.00	240.13
Hinxworth	240.13	63.23	303.36
Holwell	240.13	60.14	300.27
Ickleford	240.13	68.04	308.17
Kelshall	240.13	37.76	277.89
Kimpton	240.13	72.35	312.48
Kings Walden	240.13	70.00	310.13
Knebworth	240.13	80.36	320.49
Langley	240.13	0.00	240.13
Lilley	240.13	90.01	330.14
Nuthampstead	240.13	0.00	240.13
Offley	240.13	66.29	306.42
Pirton	240.13	67.32	307.45

Preston	240.13	37.66	277.79
Radwell	240.13	19.35	259.48
Reed	240.13	30.58	270.71
Royston	240.13	50.90	291.03
Rushden and Wallington	240.13	21.67	261.80
St Ippolyts	240.13	29.60	269.73
St Pauls Walden	240.13	80.52	320.65
Sandon	240.13	34.36	274.49
Therfield	240.13	21.53	261.66
Weston	240.13	46.33	286.46
Wymondley	240.13	82.62	322.75

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.

h)

Parish/Town	Valuation Bands							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Ashwell	222.46	259.54	296.61	333.69	407.84	482.00	556.15	667.38
Baldock	160.09	186.77	213.45	240.13	293.49	346.85	400.22	480.26
Barkway	224.31	261.70	299.08	336.47	411.24	486.01	560.78	672.94
Barley	204.26	238.30	272.35	306.39	374.48	442.56	510.65	612.78
Bygrave	194.01	226.35	258.68	291.02	355.69	420.36	485.03	582.04
Caldecote and Newnham	178.50	208.25	238.00	267.75	327.25	386.75	446.25	535.50
Clothall	182.47	212.88	243.29	273.70	334.52	395.34	456.17	547.40
Codicote	203.35	237.24	271.13	305.02	372.80	440.58	508.37	610.04
Graveley	199.42	232.66	265.89	299.13	365.60	432.08	498.55	598.26
Great Ashby	173.34	202.23	231.12	260.01	317.79	375.57	433.35	520.02
Hexton	160.09	186.77	213.45	240.13	293.49	346.85	400.22	480.26
Hinxworth	202.24	235.95	269.65	303.36	370.77	438.19	505.60	606.72
Hitchin	160.09	186.77	213.45	240.13	293.49	346.85	400.22	480.26
Holwell	200.18	233.54	266.91	300.27	367.00	433.72	500.45	600.54
Ickleford	205.45	239.69	273.93	308.17	376.65	445.13	513.62	616.34
Kelshall	185.26	216.14	247.01	277.89	339.64	401.40	463.15	555.78
Kimpton	208.32	243.04	277.76	312.48	381.92	451.36	520.80	624.96
Kings Walden	206.75	241.21	275.67	310.13	379.05	447.97	516.88	620.26
Knebworth	213.66	249.27	284.88	320.49	391.71	462.93	534.15	640.98
Langley	160.09	186.77	213.45	240.13	293.49	346.85	400.22	480.26
Letchworth	160.09	186.77	213.45	240.13	293.49	346.85	400.22	480.26
Lilley	220.09	256.78	293.46	330.14	403.50	476.87	550.23	660.28
Nuthampstead	160.09	186.77	213.45	240.13	293.49	346.85	400.22	480.26
Offley	204.28	238.33	272.37	306.42	374.51	442.61	510.70	612.84
Pirton	204.97	239.13	273.29	307.45	375.77	444.09	512.42	614.90
Preston	185.19	216.06	246.92	277.79	339.52	401.25	462.98	555.58
Radwell	172.99	201.82	230.65	259.48	317.14	374.80	432.47	518.96
Reed	180.47	210.55	240.63	270.71	330.87	391.03	451.18	541.42
Royston	194.02	226.36	258.69	291.03	355.70	420.38	485.05	582.06
Rushden and Wallington	174.53	203.62	232.71	261.80	319.98	378.16	436.33	523.60
St Ippolyts	179.82	209.79	239.76	269.73	329.67	389.61	449.55	539.46
St Pauls Walden	213.77	249.39	285.02	320.65	391.91	463.16	534.42	641.30
Sandon	182.99	213.49	243.99	274.49	335.49	396.49	457.48	548.98
Therfield	174.44	203.51	232.59	261.66	319.81	377.95	436.10	523.32
Weston	190.97	222.80	254.63	286.46	350.12	413.78	477.43	572.92
Wymondley	215.17	251.03	286.89	322.75	394.47	466.19	537.92	645.50

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.

- 1.2. That it be noted that for 2021/2022 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 £	B £	C £	D £	E £	F £	G £	H £
Hertfordshire County Council								
COUNTY PRECEPT	879.57	1026.17	1172.76	1,319.36	1,612.55	1,905.74	2,198.93	2,638.72
SOCIAL CARE PRECEPT	100.85	117.65	134.46	151.27	184.89	218.50	252.12	302.54
Total Hertfordshire County Council	980.42	1,143.82	1,307.22	1,470.63	1,797.44	2,124.24	2,451.05	2,941.26
Hertfordshire Police & Crime Commissioner	142.00	165.67	189.33	213.00	260.33	307.67	355.00	426.00

- 1.3. That, having calculated the aggregate in each case of the amounts at 2.2(h) and 2.3 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 2021/2022 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 £	B £	C £	D £	E £	F £	G £	H £
Ashwell	1,344.88	1,569.03	1,793.17	2,017.32	2,465.61	2,913.91	3,362.20	4,034.64
Baldock	1,282.51	1,496.26	1,710.01	1,923.76	2,351.26	2,778.76	3,206.27	3,847.52
Barkway	1,346.73	1,571.19	1,795.64	2,020.10	2,469.01	2,917.92	3,366.83	4,040.20
Barley	1,326.68	1,547.79	1,768.91	1,990.02	2,432.25	2,874.47	3,316.70	3,980.04
Bygrave	1,316.43	1,535.84	1,755.24	1,974.65	2,413.46	2,852.27	3,291.08	3,949.30
Caldecote and Newnham	1,300.92	1,517.74	1,734.56	1,951.38	2,385.02	2,818.66	3,252.30	3,902.76
Clothall	1,304.89	1,522.37	1,739.85	1,957.33	2,392.29	2,827.25	3,262.22	3,914.66
Codicote	1,325.77	1,546.73	1,767.69	1,988.65	2,430.57	2,872.49	3,314.42	3,977.30
Graveley	1,321.84	1,542.15	1,762.45	1,982.76	2,423.37	2,863.99	3,304.60	3,965.52
Great Ashby	1,295.76	1,511.72	1,727.68	1,943.64	2,375.56	2,807.48	3,239.40	3,887.28
Hexton	1,282.51	1,496.26	1,710.01	1,923.76	2,351.26	2,778.76	3,206.27	3,847.52
Hinxworth	1,324.66	1,545.44	1,766.21	1,986.99	2,428.54	2,870.10	3,311.65	3,973.98
Hitchin	1,282.51	1,496.26	1,710.01	1,923.76	2,351.26	2,778.76	3,206.27	3,847.52
Holwell	1,322.60	1,543.03	1,763.47	1,983.90	2,424.77	2,865.63	3,306.50	3,967.80
Ickleford	1,327.87	1,549.18	1,770.49	1,991.80	2,434.42	2,877.04	3,319.67	3,983.60
Kelshall	1,307.68	1,525.63	1,743.57	1,961.52	2,397.41	2,833.31	3,269.20	3,923.04
Kimpton	1,330.74	1,552.53	1,774.32	1,996.11	2,439.69	2,883.27	3,326.85	3,992.22
Kings Walden	1,329.17	1,550.70	1,772.23	1,993.76	2,436.82	2,879.88	3,322.93	3,987.52
Knebworth	1,336.08	1,558.76	1,781.44	2,004.12	2,449.48	2,894.84	3,340.20	4,008.24
Langley	1,282.51	1,496.26	1,710.01	1,923.76	2,351.26	2,778.76	3,206.27	3,847.52
Letchworth	1,282.51	1,496.26	1,710.01	1,923.76	2,351.26	2,778.76	3,206.27	3,847.52
Lilley	1,342.51	1,566.27	1,790.02	2,013.77	2,461.27	2,908.78	3,356.28	4,027.54
Nuthampstead	1,282.51	1,496.26	1,710.01	1,923.76	2,351.26	2,778.76	3,206.27	3,847.52
Offley	1,326.70	1,547.82	1,768.93	1,990.05	2,432.28	2,874.52	3,316.75	3,980.10
Pirton	1,327.39	1,548.62	1,769.85	1,991.08	2,433.54	2,876.00	3,318.47	3,982.16
Preston	1,307.61	1,525.55	1,743.48	1,961.42	2,397.29	2,833.16	3,269.03	3,922.84
Radwell	1,295.41	1,511.31	1,727.21	1,943.11	2,374.91	2,806.71	3,238.52	3,886.22
Reed	1,302.89	1,520.04	1,737.19	1,954.34	2,388.64	2,822.94	3,257.23	3,908.68

Royston	1,316.44	1,535.85	1,755.25	1,974.66	2,413.47	2,852.29	3,291.10	3,949.32
Rushden and Wallington	1,296.95	1,513.11	1,729.27	1,945.43	2,377.75	2,810.07	3,242.38	3,890.86
St Ippolyts	1,302.24	1,519.28	1,736.32	1,953.36	2,387.44	2,821.52	3,255.60	3,906.72
St Pauls Walden	1,336.19	1,558.88	1,781.58	2,004.28	2,449.68	2,895.07	3,340.47	4,008.56
Sandon	1,305.41	1,522.98	1,740.55	1,958.12	2,393.26	2,828.40	3,263.53	3,916.24
Therfield	1,296.86	1,513.00	1,729.15	1,945.29	2,377.58	2,809.86	3,242.15	3,890.58
Weston	1,313.39	1,532.29	1,751.19	1,970.09	2,407.89	2,845.69	3,283.48	3,940.18
Wymondley	1,337.59	1,560.52	1,783.45	2,006.38	2,452.24	2,898.10	3,343.97	4,012.76

REASONS FOR DECISIONS:

- (1) The functions of the Council Tax Setting Committee are to set the Council Tax and to set the overall level of Council Tax for the following financial year, taking into account the precepts of all major and local precepting authorities.
- (2) The level of Council Tax Requirement has been considered necessary to meet the budgeting needs of the Council for 2021/22.

The meeting closed at 5.07 pm

Chair

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**COUNCIL TAX SETTING COMMITTEE
13 JANUARY 2021**

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: COUNCIL TAX BASE 2022/2023

REPORT OF: SERVICE DIRECTOR - CUSTOMERS

EXECUTIVE MEMBER: COUNCILLOR IAN ALBERT

NEW COUNCIL PRIORITY: BUILD THRIVING AND RESILIENT COMMUNITIES

1. EXECUTIVE SUMMARY

- 1.1 To set the Council Tax Base for 2022/2023 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 2022/2023.
- 2.2 That the Committee is recommended to set the Council Tax Base for 2022/2023 at 49,964.8 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 2022/2023.

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 (PCC) for Hertfordshire have been consulted on the proposal that there be no changes to the Council Tax Reduction Scheme for 2022/2023. There has been no formal response, other than an enquiry from PCC. As there are no changes proposed, there is 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.

8. RELEVANT CONSIDERATIONS

Council Tax Reduction Scheme

- 8.1 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

- 8.2 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 49,964.8, which is seen at Appendix A.
- 8.3 This is an increase in the Council Tax Base of 569.5 compared with 2021/2022 or 1.14%, this increase follows a reduction in the 2021/2022 Council Tax Base of 1.17%.
- 8.4 This increase is largely due to the increase in the number of properties in the district as well as signs that claims for the Council Tax Reduction scheme is starting to slow down as we start to see some recovery following the pandemic. Of course, this could change if there is a further wave that could have adverse effects on the economy.
- 8.5 In previous years an allowance has been made for properties expected to come into the list before the end of the financial year to which the tax base refers. As agreed for last year and for the foreseeable future these potential property completions are ignored in the tax base calculation and are only included once the property is either occupied or if the property is completed and we have served a completion notice.

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. 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 few 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 76.6%,10.7%,12.7% County/Police/District in 2021/2022). The surplus can only be used to reduce (or increase in the case of a deficit) Council Tax bills in 2022/2023; 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 2021/2022 is slightly lower than that of 2020/2021 (74.32% compared with 74.55% at the end of November 2020). Considering the collection problems associated with the COVID-19 pandemic, this represents a considerable achievement in maintaining collection rates at such a high level. The comparative collection rate is down by less than 1%, the value of instalments extended into February and March is 5.03% of the total collectable debit which is a slight increase compared to last year. This reflects the continued assistance that has been given to customers in extending their instalments beyond the standard ten instalments ending in January each year.
- 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 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, even with the continued unusual circumstances this year, the non-collection rate should remain at 1% for 2022/2023.

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. In accordance with the Local Government Finance

Act 1992 and related Statutory Instruments, the Authority is required to determine its Council Tax Base by no later than 31st January in the preceding financial year.

- 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 2022.
- 10.2 Based on the current Band D Council Tax of £240.13, the Council Tax Base of 49,964.8 will result in projected income from Council Tax of £11,998,047, compared to £11,614,693 in 2021/2022. The Medium-Term Financial Strategy and draft budget however assumes that there will be an increase in the Council Tax rate in 2022/2023, which will increase the projected income from Council Tax.

11. RISK IMPLICATIONS

- 11.1 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 The Council maintains a bad debt provision for Council Tax so the small percentage of income not collected would be provided for.

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. Those services may include those that have a protected characteristic so maintaining may be especially important in unprecedented times.

13. SOCIAL VALUE IMPLICATIONS

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

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

15.1 There are no Human Resource implications in this report

16. APPENDICES

16.1 Appendix A – Council Tax Base by Parish 2022/2023

16.2 Appendix B – Example of Council Tax Base calculation for Letchworth Garden City

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

18.1 None

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Council Tax Base by Parish 2022/2023

Appendix A

Ashwell	865.80
Barkway	421.90
Barley	329.10
Bygrave	129.50
Caldecote & Newnham	50.60
Clothall	84.80
Codicote	1,648.50
Graveley	173.30
Great Ashby	2041.70
Hexton	66.00
Hinxworth	159.30
Holwell	157.90
Ickleford	795.30
St Ippolyts	902.00
Kelshall	76.50
Kimpton	1,053.60
Kings Walden	404.10
Knebworth	2,006.80
Langley	91.10
Lilley	179.10
Nuthampstead	69.10
Offley	625.10
St Pauls Walden	550.30
Pirton	680.60
Preston	223.70
Radwell	57.70
Reed	163.70
Rushden & Wallington	201.90
Sandon	246.10
Therfield	262.70
Weston	438.20
Wymondley	418.80
Baldock	3,758.40
Hitchin	12,419.00
Letchworth	11,483.60
Royston	6,618.10
Total	49,964.80

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COUNCIL TAX BASE CALCULATION 2022/2023 - LETCHWORTH
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DESCRIPTION	DIS BAND	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL
NUMBER ON LIST		859	3,199	6,383	1,499	1,827	890	488	28	15,173
LESS NUMBER EXEMPT		27	66	65	19	14	8	7	0	206
LESS NUMBER DEMOLISHED		0	0	0	0	0	0	0	0	0
NUMBER OF CHARGEABLE DWELLINGS		832	3,133	6,318	1,480	1,813	882	481	28	14,967
LESS DISABLEMENT ADJUSTMENT		0	5	33	16	16	6	2	4	82
PLUS DISABLEMENT ADJUSTMENT	0	5	33	16	16	6	2	4		82
ADJUSTED CHARGEABLE DWELLINGS	0	837	3,161	6,301	1,480	1,803	878	483	24	14,967
SINGLE DISCOUNTS - SOLE OCCUPIERS	0	539	1,704	1,877	379	346	147	49	2	5,043
SINGLE DISCOUNTS - DISREGARDED OCCUPIERS	0	1	19	64	13	8	8	2	0	115
50% DISCOUNT - DISREGARDED OCCUPIERS	0	0	3	2	2	6	2	5	0	20
10% DISCOUNT - SECOND HOMES	0	3	15	20	2	9	3	2	1	55
ZERO DISCOUNT - LONG TERM EMPTY	0	22	39	37	12	17	6	2	0	135
50% DISCOUNT - LONG TERM EMPTY	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	0
100% DISCOUNT - LONG TERM EMPTY	0	4	16	25	1	4	2	1	0	53
EMPTY HOME PREMIUM	0	2	6	4	1	0	2	0	2	17
TOTAL EMPTY	0	28	61	66	14	21	10	3	2	205
DWELLINGS WITH 100% LIABILITY	0	288	1,398	4,309	1,082	1,430	714	424	19	9,664
DWELLINGS SUBJECT TO DISCOUNT	0	547	1,757	1,988	397	373	162	59	3	5,286
DWELLINGS SUBJECT TO PREMIUM	0	2	6	4	1	0	2	0	2	17
NUMBER TO ENTER LIST BEFORE 1 APRIL 2013										0
NUMBER TO ENTER LIST DURING THE YEAR										0
NUMBER ON LIST TO FALL OUT										0
TOTAL EFFECT OF DISCOUNTS										0.00
EFFECT OF ADJUSTMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AGGREGATE OF DWELLINGS	0.00	699.70	2,717.25	5,791.75	1,380.80	1,706.60	837.95	466.55	25.40	13,626.00
Less Council Tax Reduction Scheme	0.00	209.04	715.11	840.66	78.90	31.92	4.43	1.99	0.00	
Net Dwellings	0.00	490.66	2,002.14	4,951.09	1,301.90	1,674.68	833.52	464.56	25.40	
AGGREGATE x MULTIPLIER	0.0	327.1	1,557.2	4,401.0	1,301.9	2,046.8	1,204.0	774.3	50.8	11,663.1
EFFECT OF COLLECTION RATE X 99.0%	0.0	323.8	1,541.6	4,357.0	1,288.9	2,026.3	1,192.0	766.6	50.3	11,546.5

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Council Tax Base by Parish 2022/2023

Ashwell	865.80
Barkway	421.90
Barley	329.10
Bygrave	129.50
Caldecote & Newnham	50.70
Clothall	84.80
Codicote	1,648.50
Graveley	173.30
Great Ashby	2041.70
Hexton	66.00
Hinxworth	159.30
Holwell	157.90
Ickleford	795.30
St Ippolyts	902.00
Kelshall	76.50
Kimpton	1,053.60
Kings Walden	413.30
Knebworth	2,006.80
Langley	91.10
Lilley	179.10
Nuthampstead	67.60
Offley	625.10
St Pauls Walden	586.20
Pirton	680.60
Preston	223.70
Radwell	57.70
Reed	163.70
Rushden & Wallington	202.70
Sandon	246.10
Therfield	262.70
Weston	438.20
Wymondley	422.30
Baldock	3,758.40
Hitchin	12,419.00
Letchworth	11,546.50
Royston	6,618.10
Total	49,964.80

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COUNCIL TAX SETTING COMMITTEE
13th JANUARY 2022

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: NATIONAL NON-DOMESTIC RATE RETURN 1 (NNDR1) - 2022/23

REPORT OF THE SERVICE DIRECTOR – CUSTOMERS

EXECUTIVE MEMBER: COUNCILLOR IAN ALBERT

COUNCIL PRIORITY: BUILD THRIVING AND RESILIENT COMMUNITIES

1. EXECUTIVE SUMMARY

- 1.1 To inform Members of the reporting processes for the NNDR 1 Return
- 1.2 To approve the Draft NNDR 1 Return for 2022/23. This will be made available to Members as soon as possible ahead of the meeting.

2. RECOMMENDATIONS

- 2.1. That the Draft NNDR 1 (to be submitted) is approved.
- 2.2. That it be noted that a draft version of the NNDR was sent to Councils by the Department for Levelling Up Housing and Communities (DLUHC) at 17.09hrs on Friday 17th December 2021. The final version of the NNDR 1 will need to be returned to DLUHC by Monday 31st January 2022.
- 2.3. 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 Chair.

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 NNDR 1 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 based on 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 that are 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

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. 2022/2023 will be the ninth 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 on 31 March 2022, 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 2022/2023 non-domestic rating income.
- 8.4. The NNDR1 traditionally follows the Government's Autumn Statement and is amended each year to take into consideration any changes to Business Rates made in that Statement/Budget.
- 8.5. Due to Parliamentary time being taken up with the on-going Coronavirus Pandemic, the Chancellor presented a joint Autumn Budget & Spending Review on 27th October 2021.
- 8.6. The Spending Review announced by the Chancellor on the 27th October introduced the Local Government provisional finance settlement that included notice that the 2022/223 National Non-Domestic Multiplier would be frozen and remain at 51.2p. The Small Business Multiplier would remain at 49.9p.
- 8.7. The NNDR1 Form for 2022/2023 was circulated to Councils at 17.09hrs on Friday 17th December. 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.
- 8.8. Due to the on-going Coronavirus Pandemic and the substantial effect on business, 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.
- 8.9. Officers will be working to complete the form as soon as possible and it will be submitted to Members when completed.
- 8.10. The position is further complicated because we have been advised by the DLUHC of several policy intentions that will be included in the Budget for implementation in 2022/2023, but as these are not law at the moment, they are not reflected in the NNDR1. These policy intentions can be summarised as:
 - A new 50% relief for retail, hospitality & leisure properties up to £110,000 per business
 - One year extension to Transitional Relief
 - Introduction of a Small Business Support Scheme

The DLUHC has announced that new legislation will not be laid to accommodate the extension of Transitional Relief or Supporting Small Businesses. Both reliefs will be paid under S.47 of the Local Government Finance Act 1988 & reclaimed under s.31 Grant. Both schemes end on 31st March 2022 when the 2022 Revaluation was originally scheduled to take effect. The 2022 Revaluation was also a victim of the Pandemic as this was delayed by one year coming into effect on 1st April 2023. The estimate cost of

extending both these schemes will need to be manually calculated. The Council bases its budget calculations on this baseline level

- 8.11. The law requires that the NNDR1 has to be returned to DLUHC by 31 January 2022 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. The provisions for business rates retention were brought in under Schedule 1 of the Local Government Finance Act 2012. 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 2022, but DLUHC has made the proviso that further iterations of the Form may yet be issued. 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 this 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 2022/2023 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. The Council bases its budget calculations on this baseline level.

11. RISK IMPLICATIONS

- 11.1. The NNDR1 is an estimate of the amount of business rates that the Council will expect to collect in 2022/2023. 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 wherever possible and where assumptions have to be made, these will be made with a cautious view. However due to the exceptional circumstances created by the ongoing uncertainty of the Covid-19 Pandemic the reliance of trend data may not in this instance be of much use.
- 11.3. At the end of the 2021/2022 financial year, an NNDR 3 will be completed and audited, which will determine the final position in terms of Business Rates collected for 2021/2022. Therefore, the main risk is in relation to cash flow, as payments are made in year, based on the estimate. If an overpayment is made, it may be some time before the money is reimbursed. as payments are made in year, based on the estimate. If an overpayment is made, it may be some time before the money is reimbursed.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their 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. The submission of an NNDR1 return is a statutory one. This report 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 and would be considered in a separate environmental implications assessment.

13. SOCIAL VALUE IMPLICATIONS

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

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 There are no Human Resource implications.

16. APPENDICES

- 16.1 Appendix 1 – Draft NNDR1 Return to be submitted as soon as possible

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

18.1 None