

NORTH HERTFORDSHIRE DISTRICT COUNCIL



20 January 2023

Our Ref Council Tax Setting Committee/30
 January 2023
Contact. Committee Services
Direct Dial. (01462) 474655
Email. committee.services@north-herts.gov.uk

To: Members of the Committee: Councillors Ian Albert (Chair), Ian Albert, Claire Strong,
 Elizabeth Dennis-Harburg, Morgan Derbyshire and Sam North

Substitutes: Councillors Adam Compton, Ian Moody, Kay Tart, Ruth Brown and Sean Nolan

NOTICE IS HEREBY GIVEN OF A

MEETING OF THE COUNCIL TAX SETTING COMMITTEE

to be held in the

**COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERNON
ROAD, LETCHWORTH**

On

MONDAY, 30TH JANUARY, 2023 AT 5.00 PM

Yours sincerely,

Jeanette Thompson
Service Director – Legal and Community

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Agenda **Part I**

Item		Page
1. 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.	
2. MINUTES - 28 FEBRUARY 2022	To take as read and approve as a true record the minutes of the meeting of the Committee held on the 28 February 2022.	(Pages 5 - 10)
3. 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.	
4. 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.	
5. PUBLIC PARTICIPATION	To receive petitions, comments and questions from the public.	
6. COUNCIL TAX BASE 2023/2024	REPORT OF THE SERVICE DIRECTOR – CUSTOMERS To set the Council Tax Base for 2023/2024 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 11 - 20)

7. NATIONAL NON-DOMESTIC RATE RETURN 1 (NNDR1) - 2023/24
REPORT OF THE SERVICE DIRECTOR – CUSTOMERS

(Pages
21 - 26)

To inform Members of the reporting processes for the NNDR 1 Return

To approve the Draft NNDR 1 Return for 2023/24. This will be made available to Members as soon as possible ahead of the meeting.

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Public Document Pack Agenda Item 2

ORTH HERTFORDSHIRE DISTRICT COUNCIL

COUNCIL TAX SETTING COMMITTEE

MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES,
LETCWORTH GARDEN CITY

ON MONDAY, 28TH FEBRUARY, 2022 AT 5.00 PM

MINUTES

Present: *Councillors: Councillor Ian Albert (Chair), Morgan Derbyshire, Sam North and Claire Strong*

In Attendance: *Ian Couper (Service Director – Resources), Louis Mutter (Committee, Member and Scrutiny Officer)*

Also Present:

At the commencement of the meeting there were no members of the public present.

24 APOLOGIES FOR ABSENCE

Audio recording – 2:12

Apologies for absence were received from Councillor Elizabeth Dennis-Harburg.

25 MINUTES - 13 JANUARY 2022

Audio Recording – 2:20

Councillor Ian Albert proposed and Councillor Sam North seconded, and it was:

RESOLVED: That the Minutes of the Meeting of the Committee held on 13 January 2022 be approved as a true record of the proceedings and be signed by the Chair.

26 NOTIFICATION OF OTHER BUSINESS

Audio recording – 3:04

There was no other business notified.

27 CHAIR'S ANNOUNCEMENTS

Audio recording – 3:09

- (1) The Chair welcomed those present at the meeting, especially those who had attended to give a presentation;
- (2) The Chair advised that, in accordance with Council Policy, the meeting would be audio recorded;
- (3) The Chair drew attention to the item on the agenda front pages regarding Declarations of Interest and reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question.

28 PUBLIC PARTICIPATION*Audio recording – 3:32*

There was no public participation at this meeting.

29 COUNCIL TAX RESOLUTION 2022/23*Audio Recording: 3:35*

The Service Director – Resources presented the report entitled Council Tax Resolution 2022/23 along with Appendix A: Guide to the Council Tax Resolution.

The Service Director – Resources drew attention to points including:

- The Addendum report attached to the agenda has been updated to include the Council Tax for Hertfordshire County Council;
- The Committee is being asked to approve the various Council Tax rates as set out in subsections g and h of the attached report.

Councillor Ian Albert proposed, Councillor Claire Strong seconded and the vote was as follows:

VOTE TOTALS:

YES:	4
ABSTAIN:	0
NO:	0
TOTAL:	4

NUMBER OF DELEGATES PRESENT: 4

THE INDIVIDUAL RESULTS WERE AS FOLLOWS:

Cllr Claire Strong:	YES
Cllr Ian Albert:	YES
Cllr Morgan Derbyshire:	YES
Cllr Sam North:	YES

Therefore it was:

RESOLVED: That the Committee:

1. That it be noted that at its meeting on 13 January 2022 the Council Tax Setting Committee confirmed the amount 49,964.80 as its Council Tax base for the year 2022/2023 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations).

- a) 49,964.80 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	865.80	Langley	91.10
Barkway	421.90	Lilley	179.10

Barley	329.10	Nuthampstead	67.60
Bygrave	129.50	Offley	625.10
Caldecote and Newnham	50.70	Pirton	680.60
Clothall	84.80	Preston	223.70
Codicote	1648.50	Radwell	57.70
Graveley	173.30	Reed	163.70
Great Ashby	2041.70	Royston	6618.10
Hexton	66.00	Rushden and Wallington	202.70
Hinxworth	159.30	St Ippolyts	902.00
Holwell	157.90	St Pauls Walden	586.20
Ickleford	795.30	Sandon	246.10
Kelshall	76.50	Therfield	262.70
Kimpton	1053.60	Weston	438.20
Kings Walden	413.30	Wymondley	422.30
Knebworth	2006.80		

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 10 February 2022 the Council calculated the Council Tax requirement for the Council's own purposes for 2022/23 (excluding Parish precepts) as £12,247,871. As detailed in 2.2 (e) below the sum of special items is £1,277,296 and hence the total Council Tax requirement (including Parish precepts) is £13,525,167.
2. That the following amounts be now calculated by the Council for 2022/2023 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 (the Act):-
- a) £70,550,915 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) £57,025,748 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) £13,525,167 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) £270.69 being the amount at (c) above divided by the amount at 2.1(a) above calculated by the Council in accordance with Section 31B(1) as the basic amount of its Council Tax for the year.
 - e) £1,277,296 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
 - f) £245.13 being the amount at (d) above less the result given by dividing the amount at (e) above by the amount at 2.1(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 Precept £	Total £
Ashwell	245.13	93.47	338.60
Barkway	245.13	93.42	338.55
Barley	245.13	83.47	328.60
Bygrave	245.13	54.35	299.48
Caldecote and Newnham	245.13	27.30	272.43
Clothall	245.13	22.15	267.28
Codicote	245.13	64.50	309.63
Graveley	245.13	57.78	302.91
Great Ashby	245.13	19.81	264.94
Hexton	245.13	0.00	245.13
Hinxworth	245.13	64.31	309.44
Holwell	245.13	59.16	304.29
Ickleford	245.13	68.85	313.98
Kelshall	245.13	37.35	282.48
Kimpton	245.13	74.51	319.64
Kings Walden	245.13	72.69	317.82
Knebworth	245.13	81.84	326.97
Langley	245.13	0.00	245.13
Lilley	245.13	88.20	333.33
Nuthampstead	245.13	0.00	245.13
Offley	245.13	65.18	310.31
Pirton	245.13	63.59	308.72
Preston	245.13	45.13	290.26
Radwell	245.13	20.83	265.96
Reed	245.13	50.01	295.14
Royston	245.13	52.15	297.28
Rushden and Wallington	245.13	21.49	266.62
St Ippolyts	245.13	29.52	274.65
St Pauls Walden	245.13	75.59	320.72
Sandon	245.13	34.08	279.21
Therfield	245.13	21.56	266.69
Weston	245.13	46.26	291.39
Wymondley	245.13	90.84	335.97

being the amounts given by adding to the amount at 2.2(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 2.1(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	225.73	263.36	300.98	338.60	413.84	489.09	564.33	677.20
Baldock	163.42	190.66	217.89	245.13	299.60	354.08	408.55	490.26
Barkway	225.70	263.32	300.93	338.55	413.78	489.02	564.25	677.10
Barley	219.06	255.59	292.09	328.60	401.61	474.65	547.66	657.20
Bygrave	199.65	232.94	266.20	299.48	366.02	432.59	499.13	598.96
Caldecote and Newnham	181.62	211.90	242.16	272.43	332.96	393.51	454.05	544.86
Clothall	178.18	207.89	237.58	267.28	326.67	386.08	445.46	534.56
Codicote	206.42	240.83	275.23	309.63	378.43	447.25	516.05	619.26

Graveley	201.94	235.60	269.25	302.91	370.22	437.54	504.85	605.82
Great Ashby	176.62	206.07	235.50	264.94	323.81	382.70	441.56	529.88
Hexton	163.42	190.66	217.89	245.13	299.60	354.08	408.55	490.26
Hinxworth	206.29	240.68	275.06	309.44	378.20	446.97	515.73	618.88
Hitchin	163.42	190.66	217.89	245.13	299.60	354.08	408.55	490.26
Holwell	202.86	236.68	270.48	304.29	371.90	439.53	507.15	608.58
Ickleford	209.32	244.21	279.09	313.98	383.75	453.53	523.30	627.96
Kelshall	188.32	219.71	251.09	282.48	345.25	408.03	470.80	564.96
Kimpton	213.09	248.62	284.12	319.64	390.66	461.71	532.73	639.28
Kings Walden	211.88	247.20	282.51	317.82	388.44	459.08	529.70	635.64
Knebworth	217.98	254.32	290.64	326.97	399.62	472.29	544.95	653.94
Langley	163.42	190.66	217.89	245.13	299.60	354.08	408.55	490.26
Letchworth	163.42	190.66	217.89	245.13	299.60	354.08	408.55	490.26
Lilley	222.22	259.26	296.29	333.33	407.40	481.48	555.55	666.66
Nuthampstead	163.42	190.66	217.89	245.13	299.60	354.08	408.55	490.26
Offley	206.87	241.36	275.83	310.31	379.26	448.23	517.18	620.62
Pirton	205.81	240.12	274.42	308.72	377.32	445.93	514.53	617.44
Preston	193.50	225.77	258.01	290.26	354.75	419.27	483.76	580.52
Radwell	177.30	206.87	236.41	265.96	325.05	384.17	443.26	531.92
Reed	196.76	229.56	262.35	295.14	360.72	426.32	491.90	590.28
Royston	198.18	231.23	264.25	297.28	363.33	429.41	495.46	594.56
Rushden and Wallington	177.74	207.38	236.99	266.62	325.86	385.12	444.36	533.24
St Ippolyts	183.10	213.62	244.13	274.65	335.68	396.72	457.75	549.30
St Pauls Walden	213.81	249.46	285.08	320.72	391.98	463.27	534.53	641.44
Sandon	186.14	217.17	248.19	279.21	341.25	403.31	465.35	558.42
Therfield	177.79	207.43	237.06	266.69	325.95	385.22	444.48	533.38
Weston	194.26	226.64	259.01	291.39	356.14	420.90	485.65	582.78
Wymondley	223.98	261.32	298.64	335.97	410.62	485.29	559.95	671.94

being the amounts given by multiplying the amounts at 2.2(f) and 2.2(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.

3. That it be noted that for 2022/2023 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:- *(note that confirmation of precept amounts for Hertfordshire County Council is currently outstanding)*

Precepting Authority	Valuation Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
Hertfordshire County Council								
COUNTY PRECEPT								
SOCIAL CARE PRECEPT								
Total Hertfordshire County Council								
Hertfordshire Police & Crime Commissioner	148.67	173.44	198.22	223.00	272.56	322.11	371.67	446.00

4. 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 2022/2023 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								
Baldock								
Barkway								
Barley								
Bygrave								
Caldecote and Newnham								
Clothall								
Codicote								
Graveley								
Great Ashby								
Hexton								
Hinxworth								
Hitchin								
Holwell								
Ickleford								
Kelshall								
Kimpton								
Kings Walden								
Knebworth								
Langley								
Letchworth								
Lilley								
Nuthampstead								
Offley								
Pirton								
Preston								
Radwell								
Reed								
Royston								
Rushden and Wallington								
St Ippolyts								
St Pauls Walden								
Sandon								
Therfield								
Weston								
Wymondley								

REASON 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 2022/23.

The meeting closed at 5:09 pm

Chair

COUNCIL TAX SETTING COMMITTEE 30 January 2023
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*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: COUNCIL TAX BASE 2023/2024

REPORT OF: SERVICE DIRECTOR - CUSTOMERS

EXECUTIVE MEMBER: COUNCILLOR IAN ALBERT

NEW COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

- 1.1 To set the Council Tax Base for 2023/2024 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 2023/2024.
- 2.2 That the Committee is recommended to set the Council Tax Base for 2023/2024 at 50,663.6 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 2023/2024.

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 in relation to the changes to the Council Tax Reduction Scheme for 2022/2023. There has been no formal response. The proposed changes to the new scheme have been agreed during the Cabinet meeting held on 13th December and this is due to be considered by full Council at its meeting on 19th January 2023.

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 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 50,663.6, which is seen at Appendix A.
- 8.3 This is an increase in the Council Tax Base of 698.8 compared with 2022/2023 or 1.40%
- 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 as the cost-of-living crisis could have further 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, 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 77%,11%,12% County/Police/District in 2022/2023). The surplus can only be used to reduce (or increase in the case of a deficit) Council Tax bills in 2023/2024; 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 in-year collection performance in 2022/2023 is slightly lower than that of 2021/2022 (73.93% compared with 74.32% at the end of November 2021). 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 value of instalments extended into February and March is 5.64% 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 2023/2024.

9. LEGAL IMPLICATIONS

- 9.1 The Council's Constitution provides at 10.2 the Council Tax Setting Committee Terms of Reference and specifically at 10.2.1 (a) states that the Committee will have the responsibility to "Set the Council Tax Base in accordance with the Local Authority (Calculation of Council Tax Base) Regulations 2012."

- 9.2 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.
- 9.3 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 2023.
- 10.2 Based on the current Band D Council Tax of £245.13, the Council Tax Base of 50,663.6 will result in projected income from Council Tax of £12,419,168, compared to £12,247,871 in 2022/2023. The Medium-Term Financial Strategy and draft budget however assumes that there will be an increase in the Council Tax rate in 2023/2024, 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.

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. 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 2023/2024

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

16. CONTACT OFFICERS

16.1 Geraldine Goodwin, Revenues Manager
Geraldine.goodwin@north-herts.gov.uk; ext 4277

16.2 Johanne Dufficy, Service Director - Customers
Johanne.dufficy@north-herts.gov.uk; ext 4555

16.3 Ian Couper, Service Director – Resources
ian.couper@north-herts.gov.uk; ext 4243

16.4 Antonio Ciampa, Accountancy Manager
Antonio.ciampa@north-herts.gov.uk; ext 4566

16.5 Isabelle Alajooz, Legal Commercial Team Manager and Deputy Monitoring Officer
Isabelle.alajooz@north-herts.gov.uk; ext 4346

16.6 Rebecca Webb, HR Services Manager
Rebecca.webb@north-herts.gov.uk; ext 4481

16.7 Reuben Ayavoo, Policy & Communities Manager
Reuben.ayavoo@north-herts.gov.uk; ext 4212

17. BACKGROUND PAPERS

17.1. None

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Ashwell	910.90
Barkway	419.80
Barley	327.90
Bygrave	129.60
Caldecote & Newnham	47.90
Clothall	82.40
Codicote	1,665.30
Graveley	172.40
Great Ashby	2,032.80
Hexton	65.10
Hinxworth	159.40
Holwell	159.20
Ickleford	885.30
St Ippolyts	941.10
Kelshall	76.00
Kimpton	1,059.10
Kings Walden	419.40
Knebworth	2,042.30
Langley	90.70
Lilley	174.80
Nuthampstead	67.30
Offley	620.10
St Pauls Walden	586.00
Pirton	705.30
Preston	224.80
Radwell	56.20
Reed	165.20
Rushden & Wallington	205.10
Sandon	242.40
Therfield	265.70
Weston	439.40
Wymondley	428.40
Baldock	3,779.10
Hitchin	12,576.80
Letchworth	11,667.40
Royston	6,773.00
Total	50,663.60

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COUNCIL TAX BASE CALCULATION 2023/2024 - 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	3,265	6,415	1,458	1,832	894	496	28	15,247
LESS NUMBER EXEMPT		35	81	83	16	22	14	5	0	256
LESS NUMBER DEMOLISHED		0	0	0	0	0	0	0	0	0
NUMBER OF CHARGEABLE DWELLINGS		824	3,184	6,332	1,442	1,810	880	491	28	14,991
LESS DISABLEMENT ADJUSTMENT		0	7	35	19	17	6	4	4	92
PLUS DISABLEMENT ADJUSTMENT	0	7	35	19	17	6	4	4		92
ADJUSTED CHARGEABLE DWELLINGS	0	831	3,212	6,316	1,440	1,799	878	491	24	14,991
SINGLE DISCOUNTS - SOLE OCCUPIERS	0	527	1,738	1,896	352	343	139	49	2	5,046
SINGLE DISCOUNTS - DISREGARDED OCCUPIERS	0	1	19	73	11	13	14	4	0	135
50% DISCOUNT - DISREGARDED OCCUPIERS	0	0	4	1	3	5	1	4	0	18
10% DISCOUNT - SECOND HOMES	0	6	10	16	4	9	1	2	1	49
ZERO DISCOUNT - LONG TERM EMPTY	0	25	36	41	10	7	10	2	1	132
EFFECT OF FAMILY ANNEXE DISCOUNTS	0	1	1	0	0	0	0	0	0	2
100% DISCOUNT - LONG TERM EMPTY	0	9	9	18	2	5	1	0	0	44
EMPTY HOME PREMIUM	0	3	12	7	3	2	2	0	2	31
TOTAL EMPTY	0	38	58	66	15	14	13	2	3	209
DWELLINGS WITH 100% LIABILITY	0	285	1,420	4,305	1,065	1,422	720	432	19	9,668
DWELLINGS SUBJECT TO DISCOUNT	0	543	1,780	2,004	372	375	156	59	3	5,292
DWELLINGS SUBJECT TO PREMIUM	0	3	12	7	3	2	2	0	2	31
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	691.40	2,771.75	5,810.65	1,348.35	1,703.60	840.15	475.55	25.40	13,666.85
Less Council Tax Reduction Scheme	0.00	190.36	702.33	796.92	55.84	28.96	5.81	1.67	0.00	
Net Dwellings	0.00	501.04	2,069.42	5,013.73	1,292.51	1,674.64	834.34	473.88	25.40	
AGGREGATE x MULTIPLIER	0.0	334.0	1,609.6	4,456.6	1,292.5	2,046.8	1,205.2	789.8	50.8	11,785.3
EFFECT OF COLLECTION RATE X 99.0%	0.0	330.7	1,593.5	4,412.0	1,279.6	2,026.3	1,193.1	781.9	50.3	11,667.4

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**COUNCIL TAX SETTING COMMITTEE
30th JANUARY 2022**

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: NATIONAL NON-DOMESTIC RATE RETURN 1 (NNDR1) - 2023/24

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 2023/24. 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 2nd draft version of the NNDR1 form was sent to Councils by the Department for Levelling Up Housing and Communities (DLUHC) on Wednesday 4th January 2023. The final version of the NNDR 1 will need to be returned to DLUHC by Monday 31st January 2023.
- 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 expected 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. 2023/2024 will be the tenth 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 2023, 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 2023/2024 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. From 1st April 2023 a new Local Rating List with revised Rateable Values will take effect.
- 8.5. In 2016 the Government announced a Consultation and then its intention to reduce the period between the revaluation of Business Rate hereditaments from 5years to 3years. The intention is to provide greater stability in rental evidence used as part of the reassessment of individual or groups of hereditaments. Further legislation was required to introduce this change. The change was effective from 1st April 2022.
- 8.6. However, the introduction of a new Local Rating in 2022 was further delayed by 1 year due to the continuing economic effects of the pandemic.
- 8.7. From 1st April 2023 a new Local Rating List (Valuation List) with an antecedent Valuation date of 1st April 2021 will take effect.
- 8.8. The Draft Valuation List was issued to Local Authorities on Monday 9th January and work is on-going to match the new data against the existing hereditaments.
- 8.9. Moving forward the next revaluation will take effect from 1st April 2026 with an Antecedent Valuation Date of 1st April 2024.
- 8.10. The Spending Review announced by the Chancellor on the 17th November 2022 introduced the Local Government provisional finance settlement that included notice that the 2023/2024 National Non-Domestic Multiplier would be frozen and remain at 51.2p. The Small Business Multiplier would remain at 49.9p.
- 8.11. The NNDR1 Form for 2023/2024 was circulated to Councils at 14:01hrs on Wednesday 21ST December. A revised form was received on Wednesday 4th January 2023. The lateness of this and the introduction of a new Rating List 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.
- 8.12. Officers will be working to complete the form as soon as possible and it will be submitted to Members (as an addendum appendix to this report) when completed.
- 8.13. 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 2023/2024. These policy intentions can be summarised as:

- Introduction of a Government funded 3-year Transitional scheme
- A new 75% relief for retail, hospitality & leisure properties up to £110,000 per business
- Introduction of a Supporting Small Business Relief (SSBR)

8.14. The law requires that the NNDR1 has to be returned to DLUHC by 31 January 2023 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 (in line with all other Councils).

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 2023, 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 2023/2024 will determine the final amount that can be retained for this element of their funding. In the provisional funding settlement, each Authority is set a Business Rate baseline, which is based on a DLUHC 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 2023/2024. 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 introduction of the 2023 Rating List the reliance of trend data may not in this instance be of much use.

11.3. At the end of the 2023/2024 financial year, an NNDR 3 will be completed and audited, which will determine the final position in terms of Business Rates collected for 2023/2024. 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