

19 January 2024

Our Ref Council Tax Setting Committee 29
January 2024
Contact. Committee Services
Direct Dial. (01462) 474655
Email. committee.services@north-herts.gov.uk

To: Members of the Committee: Councillors Ian Albert (Chair), Ruth Brown (Vice-Chair),
Matt Barnes, Elizabeth Dennis and Terry Hone

Substitutes: Councillors Sean Nolan, Richard Thake and Tamsin Thomas

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

MONDAY, 29TH JANUARY, 2024 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. 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 2023	To take as read and approve as a true record the minutes of the meeting of the Committee held on the 28 February 2023.	(Pages 5 - 12)
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 2024/25	REPORT OF THE SERVICE DIRECTOR – CUSTOMERS To set the Council Tax Base for 2024/2025 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)

7. NATIONAL NON-DOMESTIC RATE RETURN 1 (NNDR1) 2024/25
REPORT OF THE SERVICE DIRECTOR – CUSTOMERS

(Pages
23 - 28)

To approve the Draft NNDR 1 Return for 2024/25.

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Public Document Pack Agenda Item 2

NORTH HERTFORDSHIRE DISTRICT COUNCIL

COUNCIL TAX SETTING COMMITTEE

MEETING HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERONON ROAD, LETCHWORTH
ON TUESDAY, 28TH FEBRUARY, 2023 AT 5.00 PM

MINUTES

Present: *Councillors: Councillor Ian Albert (Chair), Claire Strong and Elizabeth Dennis-Harburg*

In Attendance: *Ian Couper (Service Director - Resources) and James Lovegrove (Committee, Member and Scrutiny Manager)*

Also Present: *There were no public present for the duration of the meeting.*

37 APOLOGIES FOR ABSENCE

Audio recording – 1 minute 15 seconds

Apologies for absence were received from Councillor Morgan Derbyshire.

Councillor Sam North was absent.

38 MINUTES - 30 JANUARY 2023

Audio Recording – 1 minute 25 seconds

Councillor Ian Albert, as Chair, proposed and Councillor Elizabeth Dennis-Harburg seconded and, following a vote, it was:

RESOLVED: That the Minutes of the Meeting of the Committee held on 30 January 2023 be approved as a true record of the proceedings and be signed by the Chair.

39 NOTIFICATION OF OTHER BUSINESS

Audio recording – 2 minutes 03 seconds

There was no other business notified.

40 CHAIR'S ANNOUNCEMENTS

Audio recording – 2 minutes 07 seconds

- (1) The Chair advised that, in accordance with Council Policy, the meeting would be audio recorded;
- (2) 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.

41 PUBLIC PARTICIPATION

Audio recording – 2 minutes 29 seconds

There was no public participation at this meeting.

42 COUNCIL TAX RESOLUTION 2023/24

Audio recording – 2 minutes 33 seconds

The Service Director – Resources presented the report entitled ‘Council Tax Resolution 2023/24’, including the addendum circulated following the agenda publication, and advised that:

- The update provided in the addendum was required as neither the district nor county Council had approved their budgets by agenda publication date.
- The calculations at 2.2 in the report were required by law.
- The amounts include the precepts approved by Herts County Council, the Herts Police and Crime Commissioner, and Town and Parish Councils, as well as the District Council Tax requirement.
- The table at 2.4 in the report detailed the valuation bands in each area of the district.

Councillor Ian Albert proposed, as Chair, and Councillor Elizabeth Dennis-Harburg seconded and the vote was as follows:

VOTE TOTALS:

YES:	2
ABSTAIN:	1
NO:	0
TOTAL:	3

NUMBER OF DELEGATES PRESENT: 3

THE INDIVIDUAL RESULTS WERE AS FOLLOWS:

<i>Cllr Ian Albert</i>	YES
<i>Cllr Claire Strong</i>	ABSTAIN
<i>Cllr Elizabeth Dennis-Harburg</i>	YES

Therefore, it was:

RESOLVED:

- (1) That it was noted that at its meeting on 30 January 2023 the Council Tax Setting Committee confirmed the amount 50,663.60 as its Council Tax base for the year 2023/2024 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations).
 - a) 50,663.60 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	910.90	Knebworth	2,042.30
Barkway	419.80	Lilley	174.80
Barley	327.90	Offley	620.10
Bygrave	129.60	Pirton	705.30
Caldecote and Newnham	47.90	Preston	224.80
Clothall	82.40	Radwell	56.20
Codicote	1,665.30	Reed	165.20
Graveley	172.40	Royston	6,773.00
Great Ashby	2,032.80	Rushden and Wallington	205.10
Hinxworth	159.40	St Ippolyts	941.10
Holwell	159.20	St Pauls Walden	586.00
Ickleford	885.30	Sandon	242.40
Kelshall	76.00	Therfield	265.70
Kimpton	1,059.10	Weston	439.40
Kings Walden	419.40	Wymondley	428.40

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 was noted that at its meeting on the 23 February 2023 the Council calculated the Council Tax requirement for the Council's own purposes for 2023/24 (excluding Parish precepts) as £12,790,533. As detailed in 2.2 (e) below the sum of special items is £1,388,250 and hence the total Council Tax requirement (including Parish precepts) is £14,178,783.
- (2) That the following amounts be now calculated by the Council for 2023/2024 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 (the Act) :-

- a) £76,861,049 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) £62,682,266 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) £14,178,783 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) £279.86 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) £1,388,250 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- f) £252.46 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	252.46	104.21	356.67
Barkway	252.46	98.67	351.13
Barley	252.46	89.66	342.12
Bygrave	252.46	62.47	314.93
Caldecote and Newnham	252.46	50.13	302.59
Clothall	252.46	22.22	274.68
Codicote	252.46	65.52	317.98
Graveley	252.46	58.02	310.48
Great Ashby	252.46	21.15	273.61
Hinxworth	252.46	66.36	318.82
Holwell	252.46	64.55	317.01
Ickleford	252.46	65.51	317.97
Kelshall	252.46	37.59	290.05
Kimpton	252.46	77.83	330.29
Kings Walden	252.46	81.48	333.94
Knebworth	252.46	84.42	336.88
Lilley	252.46	109.03	361.49
Offley	252.46	65.76	318.22
Pirton	252.46	76.85	329.31
Preston	252.46	58.65	311.11
Radwell	252.46	23.59	276.05
Reed	252.46	50.01	302.47
Royston	252.46	57.12	309.58
Rushden and Wallington	252.46	23.09	275.55
St Ippolyts	252.46	30.53	282.99
St Pauls Walden	252.46	78.50	330.96
Sandon	252.46	36.10	288.56
Therfield	252.46	22.96	275.42
Weston	252.46	47.79	300.25
Wymondley	252.46	89.55	342.01

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)

Valuation Bands								
Parish/Town	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Ashwell	237.78	277.41	317.03	356.67	435.93	515.18	594.45	713.34
Baldock	168.31	196.36	224.41	252.46	308.56	364.66	420.77	504.92
Barkway	234.08	273.11	312.11	351.13	429.15	507.18	585.21	702.26
Barley	228.08	266.10	304.10	342.12	418.14	494.16	570.20	684.24
Bygrave	209.95	244.95	279.93	314.93	384.91	454.89	524.88	629.86
Caldecote and Newnham	201.72	235.35	268.96	302.59	369.83	437.07	504.31	605.18
Clothall	183.12	213.64	244.15	274.68	335.72	396.75	457.80	549.36
Codicote	211.98	247.32	282.64	317.98	388.64	459.30	529.96	635.96
Graveley	206.98	241.49	275.97	310.48	379.47	448.46	517.46	620.96
Great Ashby	182.40	212.81	243.20	273.61	334.41	395.21	456.01	547.22
Hexton	168.31	196.36	224.41	252.46	308.56	364.66	420.77	504.92
Hinxworth	212.54	247.98	283.39	318.82	389.66	460.51	531.36	637.64
Hitchin	168.31	196.36	224.41	252.46	308.56	364.66	420.77	504.92
Holwell	211.34	246.57	281.78	317.01	387.45	457.89	528.35	634.02
Ickleford	211.98	247.31	282.63	317.97	388.63	459.28	529.95	635.94
Kelshall	193.36	225.60	257.81	290.05	354.50	418.95	483.41	580.10
Kimpton	220.19	256.90	293.58	330.29	403.68	477.08	550.48	660.58
Kings Walden	222.62	259.74	296.83	333.94	408.14	482.35	556.56	667.88
Knebworth	224.58	262.02	299.44	336.88	411.74	486.60	561.46	673.76
Langley	168.31	196.36	224.41	252.46	308.56	364.66	420.77	504.92
Letchworth	168.31	196.36	224.41	252.46	308.56	364.66	420.77	504.92
Lilley	240.99	281.16	321.32	361.49	441.82	522.14	602.48	722.98
Nuthampstead	168.31	196.36	224.41	252.46	308.56	364.66	420.77	504.92
Offley	212.14	247.51	282.85	318.22	388.93	459.64	530.36	636.44
Pirton	219.54	256.13	292.71	329.31	402.49	475.66	548.85	658.62
Preston	207.40	241.98	276.53	311.11	380.24	449.37	518.51	622.22
Radwell	184.03	214.71	245.37	276.05	337.39	398.73	460.08	552.10
Reed	201.64	235.26	268.85	302.47	369.68	436.89	504.11	604.94
Royston	206.38	240.79	275.17	309.58	378.37	447.16	515.96	619.16
Rushden and Wallington	183.70	214.32	244.93	275.55	336.78	398.01	459.25	551.10
St Ippolyts	188.66	220.11	251.54	282.99	345.87	408.75	471.65	565.98
St Pauls Walden	220.64	257.42	294.18	330.96	404.50	478.04	551.60	661.92
Sandon	192.37	224.44	256.49	288.56	352.68	416.80	480.93	577.12
Therfield	183.61	214.22	244.81	275.42	336.62	397.82	459.03	550.84
Weston	200.16	233.53	266.88	300.25	366.97	433.69	500.41	600.50
Wymondley	228.00	266.01	304.00	342.01	418.01	494.01	570.01	684.02

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 was noted that for 2023/2024 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:-

Valuation Bands

Precepting Authority	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Hertfordshire County Council								
COUNTY PRECEPT	929.57	1,084.50	1,239.43	1,394.36	1,704.22	2,014.08	2,323.93	2,788.72
SOCIAL CARE PRECEPT	140.85	164.32	187.80	211.27	258.22	305.17	352.12	422.54
Total Hertfordshire County Council	1,070.42	1,248.82	1,427.23	1,605.63	1,962.44	2,319.25	2,676.05	3,211.26
Hertfordshire Police & Crime Commissioner	158.67	185.11	211.56	238.00	290.89	343.78	396.67	476.00

- (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 approved the following provisional amounts as the amounts of Council Tax for 2023/2024 for each of the categories of dwellings shown below:-

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

Valuation Bands								
Parish/Town	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Ashwell	1,466.87	1,711.34	1,955.82	2,200.30	2,689.26	3,178.21	3,667.17	4,400.60
Baldock	1,397.40	1,630.29	1,863.20	2,096.09	2,561.89	3,027.69	3,493.49	4,192.18
Barkway	1,463.17	1,707.04	1,950.90	2,194.76	2,682.48	3,170.21	3,657.93	4,389.52
Barley	1,457.17	1,700.03	1,942.89	2,185.75	2,671.47	3,157.19	3,642.92	4,371.50
Bygrave	1,439.04	1,678.88	1,918.72	2,158.56	2,638.24	3,117.92	3,597.60	4,317.12
Caldecote and Newnham	1,430.81	1,669.28	1,907.75	2,146.22	2,623.16	3,100.10	3,577.03	4,292.44
Clothall	1,412.21	1,647.57	1,882.94	2,118.31	2,589.05	3,059.78	3,530.52	4,236.62
Codicote	1,441.07	1,681.25	1,921.43	2,161.61	2,641.97	3,122.33	3,602.68	4,323.22
Graveley	1,436.07	1,675.42	1,914.76	2,154.11	2,632.80	3,111.49	3,590.18	4,308.22
Great Ashby	1,411.49	1,646.74	1,881.99	2,117.24	2,587.74	3,058.24	3,528.73	4,234.48
Hexton	1,397.40	1,630.29	1,863.20	2,096.09	2,561.89	3,027.69	3,493.49	4,192.18
Hinxworth	1,441.63	1,681.91	1,922.18	2,162.45	2,642.99	3,123.54	3,604.08	4,324.90
Hitchin	1,397.40	1,630.29	1,863.20	2,096.09	2,561.89	3,027.69	3,493.49	4,192.18
Holwell	1,440.43	1,680.50	1,920.57	2,160.64	2,640.78	3,120.92	3,601.07	4,321.28
Ickleford	1,441.07	1,681.24	1,921.42	2,161.60	2,641.96	3,122.31	3,602.67	4,323.20
Kelshall	1,422.45	1,659.53	1,896.60	2,133.68	2,607.83	3,081.98	3,556.13	4,267.36
Kimpton	1,449.28	1,690.83	1,932.37	2,173.92	2,657.01	3,140.11	3,623.20	4,347.84
Kings Walden	1,451.71	1,693.67	1,935.62	2,177.57	2,661.47	3,145.38	3,629.28	4,355.14
Knebworth	1,453.67	1,695.95	1,938.23	2,180.51	2,665.07	3,149.63	3,634.18	4,361.02
Langley	1,397.40	1,630.29	1,863.20	2,096.09	2,561.89	3,027.69	3,493.49	4,192.18
Letchworth	1,397.40	1,630.29	1,863.20	2,096.09	2,561.89	3,027.69	3,493.49	4,192.18
Lilley	1,470.08	1,715.09	1,960.11	2,205.12	2,695.15	3,185.17	3,675.20	4,410.24

Nuthampstead	1,397.40	1,630.29	1,863.20	2,096.09	2,561.89	3,027.69	3,493.49	4,192.18
Offley	1,441.23	1,681.44	1,921.64	2,161.85	2,642.26	3,122.67	3,603.08	4,323.70
Pirton	1,448.63	1,690.06	1,931.50	2,172.94	2,655.82	3,138.69	3,621.57	4,345.88
Preston	1,436.49	1,675.91	1,915.32	2,154.74	2,633.57	3,112.40	3,591.23	4,309.48
Radwell	1,413.12	1,648.64	1,884.16	2,119.68	2,590.72	3,061.76	3,532.80	4,239.36
Reed	1,430.73	1,669.19	1,907.64	2,146.10	2,623.01	3,099.92	3,576.83	4,292.20
Royston	1,435.47	1,674.72	1,913.96	2,153.21	2,631.70	3,110.19	3,588.68	4,306.42
Rushden and Wallington	1,412.79	1,648.25	1,883.72	2,119.18	2,590.11	3,061.04	3,531.97	4,238.36
St Ippolyts	1,417.75	1,654.04	1,890.33	2,126.62	2,599.20	3,071.78	3,544.37	4,253.24
St Pauls Walden	1,449.73	1,691.35	1,932.97	2,174.59	2,657.83	3,141.07	3,624.32	4,349.18
Sandon	1,421.46	1,658.37	1,895.28	2,132.19	2,606.01	3,079.83	3,553.65	4,264.38
Therfield	1,412.70	1,648.15	1,883.60	2,119.05	2,589.95	3,060.85	3,531.75	4,238.10
Weston	1,429.25	1,667.46	1,905.67	2,143.88	2,620.30	3,096.72	3,573.13	4,287.76
Wymondley	1,457.09	1,699.94	1,942.79	2,185.64	2,671.34	3,157.04	3,642.73	4,371.28

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 2023/24.

The meeting closed at 5.04 pm

Chair

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COUNCIL TAX SETTING COMMITTEE
29th January 2024

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: COUNCIL TAX BASE 2024/2025

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 2024/2025 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 2024/2025.
- 2.2 That the Committee is recommended to set the Council Tax Base for 2024/2025 at 50,562.6 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 2024/2025.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. As set out in paragraph 8.5, the Council can assume that there will be growth in the tax base, either prior to the relevant year or during the year. However, for 2024/25 this is not considered to be a prudent approach.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 There is no requirement to consult regarding the setting of the tax base as it is a legislative requirement to calculate the tax base each year and is based on actual data which cannot be amended.

- 5.2 The tax base calculation is impacted by the number of properties in receipt of council tax reduction (CTR). As we set our CTR scheme locally (for working age claimants) we do consult on the CTR scheme each year, regardless of whether there are changes proposed or not.
- 5.3 The County Council, the Police & Crime Commissioner (PCC) for Hertfordshire and the public have been consulted in relation to the Council Tax Reduction Scheme for 2024/2025, albeit that there are no changes. There have been no formal responses or comments received.

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's tax base.

The Calculation

- 8.2 Appendix B gives an illustrative example of the council's tax base calculation for Letchworth Garden City. This is replicated amongst all areas of the district to give a final total of 50,562.6, which is seen at Appendix A.
- 8.3 This is a decrease in the Council Tax Base of 101.0 compared with 2023/2024 or minus 0.2%
- 8.4 This decrease is largely due to the changes that have been made to the Council Tax Reduction scheme. As a result of the scheme providing greater support for those on lower incomes, the value of council tax reduction awards has increased, which in turn has increased the cost of the scheme.
- 8.5 For the years prior to 2021/22 an allowance had 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 the years since 2021/22, the tax base is based on the assumption that

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. This is a prudent approach when there is high uncertainty over any growth in the tax base.

Non-Collection Rate

- 8.6 In setting its 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 total value of Council Tax that is collected, and these are as follows:
- (i) The level of successful appeals against banding valuations
 - (ii) The impact of new properties coming into tax either before the start of the year or during the year
 - (iii) The number of disablement applications, premiums, Discounts and Exemptions, such as single persons discount and student 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 (expected to be approximately 77%, 11%, 12% County/Police/District in 2024/2025).
- 8.9 The in-year collection performance in 2023/2024 is slightly higher than that of 2022/2023 (81.47% compared with 81.25% at the end of December 2022). Considering the collection challenges associated with the cost-of-living crisis, this represents a considerable achievement in maintaining collection rates at such a high level. The value of instalments extended into February and March is 5.67% of the total collectable debit which is comparable to last year. This continues to reflect the assistance that has been given to customers in extending their instalments beyond the standard ten instalments ending in January each year. The new CTRS scheme removes the requirement for everyone to pay something to pay Council Tax and is also currently providing significantly more support than the previous scheme. This should also help achieve higher collection rates.
- 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 had 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 2024/2025.

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 total actual level of council tax levied by the council at its meeting in February 2024.
- 10.2 Based on the current Band D council tax of £252.46, the council tax base of 50,562.6 will result in projected income from council tax of £12,765,034, compared to £12,790,532 in 2023/2024. The Medium-Term Financial Strategy and draft budget however assumes that there will be an increase in the council tax rate in 2024/2025, 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. Due to the pressures on Council finances, increases in Council Tax are expected to be at the limits imposed by Government. Therefore, any shortfalls need to be met through reserves and/or reductions in spend.

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 2024/2025

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 Rachel Cooper, Controls, Risk and Performance, Manager
Rachel.cooper@north-herts.gov.uk ext.4606

16.5 Jo Keshishian, HR Operations Manager
Jo.keshishian@north-herts.gov.uk ext.4314

16.6 Isabelle Alajooz, Acting Legal Manager and Deputy Monitoring Officer
Isabelle.alajooz@north-herts.gov.uk ext.4346

16.7 Ellie Hollingsworth, Policy and Strategy Trainee
Ellie.hollingsworth@north-herts.gov.uk ext. 4220

17. BACKGROUND PAPERS

17.1. None

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Appendix A

Ashwell	911.30
Barkway	421.20
Barley	330.30
Bygrave	133.00
Caldecote & Newnham	54.90
Clothall	82.20
Codicote	1663.10
Graveley	173.40
Great Asby	2017.40
Hexton	64.60
Hinxworth	162.50
Holwell	158.20
Ickleford	905.60
St Ippolyts	936.00
Kelshall	79.10
Kimpton	1059.20
Kings Walden	425.00
Knebworth	2018.80
Langley	90.30
Lilley	175.00
Nuthampstead	69.70
Offley	612.40
St Pauls Walden	582.80
Pirton	699.20
Preston	226.90
Radwell	57.90
Reed	165.80
Rushden & Wallington	207.40
Sandon	242.90
Therfield	266.00
Weston	438.20
Wymondley	427.60
Baldock	3803.00
Hitchin	12584.80
Letchworth	11493.30
Royston	6823.60
Total	50562.60

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COUNCIL TAX BASE CALCULATION 2024/2025 - LETCHWORTH

DESCRIPTION	DIS BAND	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	TOTAL
NUMBER ON LIST		865	3,285	6,410	1,468	1,831	896	499	27	15,281
LESS NUMBER EXEMPT		28	90	85	20	25	14	2	1	265
LESS NUMBER DEMOLISHED		0	0	0	0	0	0	0	0	0
NUMBER OF CHARGEABLE DWELLINGS		837	3,195	6,325	1,448	1,806	882	497	26	15,016
LESS DISABLEMENT ADJUSTMENT		0	8	35	17	20	4	5	5	94
PLUS DISABLEMENT ADJUSTMENT		0	8	35	17	20	4	5	5	94
ADJUSTED CHARGEABLE DWELLINGS	0	845	3,222	6,307	1,451	1,790	883	497	21	15,016
SINGLE DISCOUNTS - SOLE OCCUPIERS	0	553	1,764	1,861	362	362	147	51	5	5,105
SINGLE DISCOUNTS - DISREGARDED OCCUPIERS	0	3	22	62	4	12	6	3	0	112
50% DISCOUNT - DISREGARDED OCCUPIERS	0	0	4	2	3	6	1	5	0	21
10% DISCOUNT - SECOND HOMES	0	3	12	23	2	11	0	2	1	54
ZERO DISCOUNT - LONG TERM EMPTY	0	33	28	45	12	15	15	6	0	154
EFFECT OF FAMILY ANNEXE DISCOUNTS	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	1
100% DISCOUNT - LONG TERM EMPTY	0	6	9	13	3	4	1	3	0	39
EMPTY HOME PREMIUM	0	8	10	8	0	2	1	0	0	29
TOTAL EMPTY	0	47	47	67	15	21	17	9	0	223
DWELLINGS WITH 100% LIABILITY	0	272	1,401	4,338	1,077	1,393	727	433	15	9,656
DWELLINGS SUBJECT TO DISCOUNT	0	565	1,811	1,961	374	395	155	64	6	5,331
DWELLINGS SUBJECT TO PREMIUM	0	8	10	8	0	2	1	0	0	29
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	707.70	2,773.30	5,816.95	1,354.80	1,690.40	844.25	477.80	19.65	13,684.85
Less Council Tax Reduction Scheme	0.00	208.98	805.50	884.21	64.51	29.64	7.98	1.23	0.00	
Net Dwellings	0.00	498.72	1,967.80	4,932.74	1,290.29	1,660.76	836.27	476.57	19.65	
AGGREGATE x MULTIPLIER	0.0	332.5	1,530.5	4,384.7	1,290.3	2,029.8	1,207.9	794.3	39.3	11,609.3
EFFECT OF COLLECTION RATE X 99.0%	0.0	329.2	1,515.2	4,340.9	1,277.4	2,009.5	1,195.8	786.4	38.9	11,493.3

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COUNCIL TAX SETTING COMMITTEE
29th JANUARY 2024

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: NATIONAL NON-DOMESTIC RATE RETURN 1 (NNDR1) - 2024/25

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 2024/25. 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 NNDR was sent to Councils by the Department for Levelling Up Housing and Communities (DLUHC) on Monday 8th January 2024. The final version of the NNDR 1 will need to be returned to DLUHC by Wednesday 31st January 2024.
- 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 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 Non-Domestic Rating (Rates Retention) Regulations 2013 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. 2024/2025 will be the eleventh 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 2024, based on 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 2024/2025 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. From 1st April 2024 Billing authorities are required to show gross rates payable for the 2024/2025 financial year split between the the Small Business Rate (SBR) multiplier and the National Non-Domestic Rate (NNDR) multiplier. In the autumn budget statement, the Chancellor announced that the SBR multiplier will be frozen for 2024/2025 at 49.9p whereas the NDDR multiplier will be uplifted in line with the September CPI to 54.6p.
- 8.6. From 1st April 2023 a new Local Rating List (Valuation List) with an antecedent Valuation date of 1st April 2021 took effect. The next Revaluation will be effective from 1st April 2026 with an Antecedent Valuation date of 1st April 2024.
- 8.7. The NNDR1 Form for 2024/2025 was circulated to Councils on Friday 22nd December. A revised form was received on Monday 8th January 2024. The lateness of this and the introduction of the separation of the multiplier has made software changes impossible to be implemented in time for the deadline of submission of reports for this Committee.
- 8.8. Officers will be working to complete the form as soon as possible and it will be submitted to Members when completed.
- 8.9. The position is further complicated because we have been advised by the DLUHC of several policy intentions that were included in the 2023 Budget for implementation in 2024/2025. These policy intentions can be summarised as:
 - The 2nd year of Exchequer funded 3-year Transitional scheme for upward increase only.
 - Continuation of the 75% relief for retail, hospitality & leisure properties up to £110,000 per business
 - Introduction that gross rates payable for all properties with an RV below £51,000 will be calculated using the Small Business Rate multiplier.
- 8.10. The law requires that the NNDR1 must be returned to DLUHC by 31 January 2024 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 pursuant to its terms of reference at 10.2.1(c) and 10.2.2 of the Constitution.
- 9.2. The Council is aware that it has an obligation to submit its NNDR1 Return by 31 January 2024 pursuant to regulation 13 of the Non-Domestic Rating (Rates Retention) Regulations 2013/452, 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 Chair 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 2024/2025 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 2024/2025. 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.

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

17.1 Mark Scanes, Systems & Technical Manager
Mark.scanes@north-herts.gov.uk; ext.4440

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

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

17.4 Alina Preda, Trainee Solicitor
Alina.preda@north-herts.gov.uk ext. 4406

18. BACKGROUND PAPERS

18.1 None

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