

**COUNCIL TAX SETTING COMMITTEE
27 FEBRUARY 2020**

PUBLIC DOCUMENT

TITLE OF REPORT: COUNCIL TAX RESOLUTION 2020/21

REPORT OF: THE SERVICE DIRECTOR - RESOURCES

EXECUTIVE MEMBER: EXECUTIVE MEMBER FOR FINANCE AND IT

CURRENT COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

NEW COUNCIL PRIORITY: ENABLE AN ENTERPRISING AND CO-OPERATIVE ECONOMY

1. EXECUTIVE SUMMARY

1.1. The purpose of this report is to obtain approval for the Council Tax requirement and the overall Council Tax rates for the district of North Hertfordshire for 2020/21.

2. RECOMMENDATIONS

2.1. That it be noted that at its meeting on 14 January 2020 the Council Tax Setting Committee confirmed the amount 49,979.60 as its Council Tax base for the year 2020/2021 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations).

a) 49,979.60 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	861.10	Langley	91.90
Barkway	407.30	Lilley	172.40
Barley	328.30	Nuthampstead	69.90
Bygrave	127.80	Offley	617.40
Caldecote and Newnham	51.90	Pirton	623.00
Clothall	81.10	Preston	223.90
Codicote	1635.50	Radwell	58.10
Graveley	175.80	Reed	158.00
Great Ashby	2053.20	Royston	6555.80
Hexton	65.00	Rushden and Wallington	201.20
Hinxworth	161.80	St Ippolyts	896.80
Holwell	149.60	St Pauls Walden	551.80
Ickleford	768.90	Sandon	242.80
Kelshall	73.40	Therfield	262.90

Kimpton	1054.40	Weston	439.90
Kings Walden	450.50	Wymondley	421.60
Knebworth	2015.10		

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 6 February 2020 the Council calculated the Council Tax requirement for the Council's own purposes for 2020/21 (excluding Parish precepts) as £11,751,704 and hence the total Council Tax requirement (including Parish precepts) is £12,952,052.

2.2. 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) £70,158,900 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) £57,206,848 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act.
- c) £12,952,052 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) £259.15 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) £1,200,348 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- f) £235.13 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 Precept £	Total £
Ashwell	235.13	92.39	327.52
Barkway	235.13	88.87	324.00
Barley	235.13	65.45	300.58
Bygrave	235.13	50.86	285.99

Caldecote and Newnham	235.13	27.37	262.50
Clothall	235.13	35.34	270.47
Codicote	235.13	65.38	300.51
Graveley	235.13	46.59	281.72
Great Ashby	235.13	19.77	254.90
Hexton	235.13	0.00	235.13
Hinxworth	235.13	63.58	298.71
Holwell	235.13	60.02	295.15
Ickleford	235.13	66.07	301.20
Kelshall	235.13	38.82	273.95
Kimpton	235.13	71.89	307.02
Kings Walden	235.13	70.00	305.13
Knebworth	235.13	75.81	310.94
Langley	235.13	0.00	235.13
Lilley	235.13	72.29	307.42
Nuthampstead	235.13	0.00	235.13
Offley	235.13	65.49	300.62
Pirton	235.13	59.93	295.06
Preston	235.13	31.62	266.75
Radwell	235.13	18.93	254.06
Reed	235.13	30.63	265.76
Royston	235.13	48.49	283.62
Rushden and Wallington	235.13	21.82	256.95
St Ippolyts	235.13	29.70	264.83
St Pauls Walden	235.13	80.30	315.43
Sandon	235.13	34.31	269.44
Therfield	235.13	21.75	256.88
Weston	235.13	46.00	281.13
Wymondley	235.13	77.86	312.99

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	218.35	254.74	291.13	327.52	400.30	473.09	545.87	655.04
Baldock	156.75	182.88	209.00	235.13	287.38	339.63	391.88	470.26
Barkway	216.00	252.00	288.00	324.00	396.00	468.00	540.00	648.00
Barley	200.39	233.79	267.18	300.58	367.37	434.17	500.97	601.16
Bygrave	190.66	222.44	254.21	285.99	349.54	413.10	476.65	571.98
Caldecote and Newnham	175.00	204.17	233.33	262.50	320.83	379.17	437.50	525.00
Clothall	180.31	210.37	240.41	270.47	330.57	390.68	450.78	540.94
Codicote	200.34	233.73	267.12	300.51	367.29	434.07	500.85	601.02
Graveley	187.81	219.12	250.41	281.72	344.32	406.93	469.53	563.44
Great Ashby	169.93	198.26	226.57	254.90	311.54	368.19	424.83	509.80
Hexton	156.75	182.88	209.00	235.13	287.38	339.63	391.88	470.26
Hinxworth	199.14	232.33	265.52	298.71	365.09	431.47	497.85	597.42
Hitchin	156.75	182.88	209.00	235.13	287.38	339.63	391.88	470.26
Holwell	196.77	229.56	262.35	295.15	360.74	426.33	491.92	590.30

Ickleford	200.80	234.27	267.73	301.20	368.13	435.07	502.00	602.40
Kelshall	182.63	213.08	243.51	273.95	334.82	395.71	456.58	547.90
Kimpton	204.68	238.80	272.90	307.02	375.24	443.48	511.70	614.04
Kings Walden	203.42	237.33	271.22	305.13	372.93	440.75	508.55	610.26
Knebworth	207.29	241.85	276.39	310.94	380.03	449.14	518.23	621.88
Langley	156.75	182.88	209.00	235.13	287.38	339.63	391.88	470.26
Letchworth	156.75	182.88	209.00	235.13	287.38	339.63	391.88	470.26
Lilley	204.95	239.11	273.26	307.42	375.73	444.05	512.37	614.84
Nuthampstead	156.75	182.88	209.00	235.13	287.38	339.63	391.88	470.26
Offley	200.41	233.82	267.21	300.62	367.42	434.23	501.03	601.24
Pirton	196.71	229.49	262.27	295.06	360.63	426.20	491.77	590.12
Preston	177.83	207.48	237.11	266.75	326.02	385.31	444.58	533.50
Radwell	169.37	197.61	225.83	254.06	310.51	366.98	423.43	508.12
Reed	177.17	206.71	236.23	265.76	324.81	383.88	442.93	531.52
Royston	189.08	220.60	252.10	283.62	346.64	409.68	472.70	567.24
Rushden and Wallington	171.30	199.85	228.40	256.95	314.05	371.15	428.25	513.90
St Ippolyts	176.55	205.98	235.40	264.83	323.68	382.54	441.38	529.66
St Pauls Walden	210.29	245.34	280.38	315.43	385.52	455.62	525.72	630.86
Sandon	179.63	209.57	239.50	269.44	329.31	389.19	449.07	538.88
Therfield	171.25	199.80	228.33	256.88	313.96	371.05	428.13	513.76
Weston	187.42	218.66	249.89	281.13	343.60	406.08	468.55	562.26
Wymondley	208.66	243.44	278.21	312.99	382.54	452.10	521.65	625.98

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.

- 2.3. That it be noted that for 2020/2021 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 precept amounts for Hertfordshire County Council will be confirmed on 26 February 2020)*

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								
	132.00	154.00	176.00	198.00	242.00	286.00	330.00	396.00

- 2.4. 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 2020/2021 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								
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								

3. REASONS FOR RECOMMENDATIONS

- 3.1. 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.
- 3.2. The level of Council Tax Requirement has been considered necessary to meet the budgeting needs of the Council for 2020/21.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. Options for the appropriate level of Council Tax were considered at the meeting of Council on 6 February 2020.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. Consultation on the 2020/21 budget proposals has taken place with all Members throughout the Corporate Business Planning process.

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. At its meeting on 14 January 2020 the Council Tax Setting Committee calculated the amount 49,979.60 as its Council Tax base for the year 2020/2021 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations).
- 7.2. At its meeting on the 6 February 2020 the Council approved a net budget of £15.1 million and an increase in the relevant basic Council Tax amount of £5, or 2.17%, for 2020/21.

8. RELEVANT CONSIDERATIONS

- 8.1. The Local Government Finance Act 1992 sets out the calculations required for the Council Tax Requirement and the overall Council Tax levels. These calculations have been applied to the precept requirements of the District Council, County Council, Police and Crime Commissioner and Town and Parish Councils and the outcome is provided for Members' approval in section 2 of this report.
- 8.2. The Council has approved an increase in Council Tax of £5 for a Band D property, or 2.17%, on the level of Council Tax charged for 2019/20. The referendum threshold for 2020/21 is an increase of up to 2.0% or an increase of £5.00 in the charge on a Band D property (whichever is the greater amount), so a local referendum on the Council Tax level is not required.
- 8.3. The Town and Parish Councils have requested a total precept for 2020/21 of £1,200,348. This is an increase of £40,253, or 3.5%, on the precept demand levied on taxpayers for 2019/20. In addition, this Council will also provide a grant of £38,885 to the Town and Parish Councils to help mitigate the impact of the Council Tax Reduction Scheme. This means that the overall amount of precept-related funding provided to Town and Parish Councils for 2020/21 is £1,239,233, an increase of 3.4% on the equivalent total for 2019/20. Parish and Town Councils are not currently subject to any referendum requirements.
- 8.4. *Hertfordshire County Council will formally request their precept after their meeting on the 25 February 2020.*
- 8.5. The Police and Crime Commissioner has provided formal notification of the requested levy on the District of North Hertfordshire for 2020/21 of £9,895,961, which results in a Band D Council Tax of £198.00. This is an increase of £10.00 (equivalent to 5.32%) on the Band D Council Tax rate for 2019/20. This does not exceed the referendum threshold of £10.00, so a local referendum on the Council Tax level is not required.

- 8.6. The numbers requiring your approval in the recommendations correspond to what is required by the regulations. Appendix A provides more details of what these numbers mean.

9. LEGAL IMPLICATIONS

- 9.1. The provision for the Authority to levy and collect a Council Tax is provided in section 30 of the Local Government Finance Act 1992 (Aggregating Billing Authority and Preceptors Council Tax Charges).
- 9.2. The Referendums Relating to Council Tax Increases Principles Report for 2020/21 was published by the Government on the 6th February 2020. The Principles for Referendums were made pursuant to section 52ZD(1) of the Local Government Finance Act 1992 as inserted by Schedule 5 to the Localism Act 2011.
- 9.3. For Shire District councils like NHDC, for 2020/21 the relevant basic amount of council tax is deemed to be excessive if it exceeds the higher of 2% or £5.00 greater than its relevant basic amount of Council Tax for 2019/20.
- 9.4. For designated authorities with responsibility for Adult Social Care provision, which includes Hertfordshire County Council, for 2020/21 the relevant basic amount of Council Tax is deemed to be excessive if it exceeds the authority's relevant basic amount of Council Tax for 2019/20 by 4% (comprising 2% for expenditure on adult social care, and 2% for other expenditure) or more.
- 9.5. For Police and Crime Commissioner Authorities, for 2020/21 the relevant basic amount of Council Tax is deemed to be excessive if the authority's relevant basic amount of Council Tax for 2020/21 is more than £10 greater than its relevant basic amount of Council Tax for 2019/20.
- 9.6. Paragraph 10.2 of the Council's Constitution gives the Council Tax Setting Committee the responsibility for (a) setting the Council Tax Base in accordance with the regulations; and (b) setting the Council Tax in accordance with the relevant legislation. In accordance with paragraph 4.8.16(h) of the Constitution and the relevant legislation, the decisions must be by way of recorded vote.

10. FINANCIAL IMPLICATIONS

- 10.1. Council Tax is a key funding stream for the Council, which enables the provision of services to residents. The approval of the Council Tax resolution will authorise the Council Tax billing of the residents of North Hertfordshire for financial year 2020/21. The precept to be collected for the Council's purposes is £11,751,704.

11. RISK IMPLICATIONS

- 11.1. The risk of risk of non-collection of Council Tax is monitored in the Collection Fund. The tax base calculations have assumed a non-collection rate of 1%.

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 review and setting of Council Tax is a statutory responsibility of this Council. A balance must be considered and demonstrated by the Council when setting the level of Council Tax and any rise or fall in tax. This said balance is between the ability of the individual residents to pay the required Council Tax and the Council's need to have sufficient base budget to deliver key services across the District. The recommendation to provide a grant of £38,885 to the District's Town and Parish Councils will mitigate the impact of the Council Tax Reduction Scheme. This action reflects some of the considerations made in reaching this balance.

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 direct human resource implications.

15. APPENDICES

- 15.1. Appendix A: Guide to the Council Tax Resolution

16. CONTACT OFFICERS

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17. BACKGROUND PAPERS

- 17.1. None.