

COUNCIL
7 FEBRUARY 2019

PUBLIC DOCUMENT

ADDENDUM TO: REVENUE BUDGET 2019/20

REPORT OF: SERVICE DIRECTOR - RESOURCES
EXECUTIVE MEMBER: COUNCILLOR JULIAN CUNNINGHAM
COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

1 EXECUTIVE SUMMARY

- 1.1 To inform Council of the changes made by Cabinet to the Revenue Budget for 2019/20 onwards at their meeting on 29th January 2019. As with the rest of the budget, these changes will be subject to approval by Full Council.
- 1.2 To inform Council of the precepts demanded by all the local precepting authorities in the District and the resulting total District Council Tax Requirement.

2 RECOMMENDATIONS

- 2.1 That Council notes the changes detailed in this addendum report when approving a proposed net budget of £15.2m for 2019/20.
- 2.2 That Council approve the resultant increase in the level of Council Tax for the North Hertfordshire District Council element of 2.99%.
- 2.3 That Council notes, with two parish precept notifications currently outstanding, the Parish and Town Council precept requests received totalling £1,156,362.
- 2.4 That Council notes that, with two parish precept notifications currently outstanding, the total District Council Tax Requirement is £12,547,429 and approves this figure for inclusion in the Council Tax Resolution.

3 REASONS FOR RECOMMENDATIONS

- 3.1 To ensure that all relevant factors are taken into consideration when arriving at the proposed Council Tax precept for 2019/20.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 In relation to the changes recommended by Cabinet, these are subject to approval by Full Council.

5 CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 For the Parish and Town Council Precepts, the relevant Councils were asked to provide notice of their precept requirements in order that there could be consideration of the total District Council Tax Requirement at this meeting.

6 FORWARD PLAN

- 6.1 As main report.

7 BACKGROUND

- 7.1 The referral from Cabinet details the recommendation to increase Council Tax by 2.99% and the workings behind the North Hertfordshire District Council (NHDC) precept, for its own purposes, of £11,391,067.
- 7.2 Due to the timings of the Cabinet and Full Council meetings, Full Council were provided with a copy of the Cabinet report (29th January 2019).

8 RELEVANT CONSIDERATIONS

Cabinet changes

- 8.1 The referral from Cabinet reflects the changes that they agreed at their meeting on 29th January 2019. The following paragraphs detail these changes and the consequential changes to the report previously provided to Full Council.
- 8.2 The changes agreed by Cabinet were as follows:
- In relation to efficiency E2 (Appendix B) that the expenditure reduction of £65k only be applied in 2019/20. This would then provide budget of £65k in 2020/21 onwards to undertake reviews of the transport implications of town centre strategies.
 - That a new investment proposal (to be added as reference R14) be included in 2019/20 to engage suitable consultants in order to carry out a study in relation to Electric Vehicle Charging Points (EVCPs). This would cover what the Council should do with its existing EVCPs, opportunities to grow the EVCP network and the relevant elements of the action plan within the Parking Strategy. This would require a budget of £15k in 2019/20 only.
 - That a new investment proposal (to be added as reference R15) be included in 2019/20 to lead in establishing a Transport User Forum. The Forum would enable the community to have a voice and bring together all the different groups, service operators and local authorities in a cohesive way. The overall

ambition is that this will lead to better more integrated services which reduce the reliance on private cars. It is hoped that this then results in consequential reductions in congestion, air pollution, use of natural resources and the need for transport infrastructure. This would require a budget of £50k in 2019/20 only.

- That a new investment proposal (to be added as reference R16) be included in 2019/20 to provide additional funding to the North Herts Minority Ethnic Forum. The additional one-off funding would help sustain the Forum's programme of support services during 2019/20 and help develop sustainability strategies to secure external core funding for the foreseeable future. This would require a budget of £25k in 2019/20 only.

- 8.3 In addition to the above, Cabinet also noted an error in Appendix B in relation to PE10. The text is inconsistent in relation to the grant to Baldock Town Centre Partnership, as it says that the grant ceases at the end of 2020/21 but then shows amounts only up to 2019/20. The revised Appendix B shows the amounts up to 2020/21.
- 8.4 A revised appendix B is provided as an attachment to this addendum report.
- 8.5 The changes above also feed in to the totals in appendix A, and a revised version of this appendix is also attached. The overall target level of savings referenced in paragraph 8.6.2 of the Cabinet report is unchanged. However the forecast use of reserves over the 4 year period increases to around £870k. Also, there is a change to recommendation 2.9 as the estimated net expenditure for 2019/20 is £15.2m. This is reflected in recommendation 2.1 above.

Precepts

- 8.6 The Parish and Town Councils were asked to provide notification of the precepts they wish to levy for 2019/20 by the 18th January 2019. At the time of writing this addendum report, however, notification of the respective precept demands from Clothall Parish Council and Kelshall Parish Council is outstanding. An update will be provided at the meeting.
- 8.7 It was agreed at the 17th January 2019 meeting of this Council to distribute a total of £38,885 to the local precepting authorities as the amount of Council Tax Reduction Scheme Grant for 2019/20. This will be paid to each authority in addition to their precept demand.
- 8.8 Table 1 below details the relevant precept demand and grant amounts for each Town and Parish Council. The total precept demand is the amount that will be levied on the relevant Council Tax base of the District. The amount of £1,156,362 will be subject to change when the precept demands for Clothall and Kelshall are confirmed.

Table 1 - Parish and Town Council Precepts for 2019/20

North Hertfordshire Parish & Town Councils	2019/20					2018/2019	
	Total Precept and Grant	CTRS Grant	Precept Demand	Council Tax Base	Band D Tax	Band D Tax	Change on Band D
	£	£	£		£	£	£
Ashwell	79,000.00	1,416.47	77,583.53	862.40	89.96	74.20	15.76
Baldock	-	-	-	3,759.30	-	-	-
Barkway	36,720.00	493.10	36,226.90	398.70	90.86	95.78	-4.92
Barley	22,000.00	571.53	21,428.47	321.30	66.69	66.10	0.59
Bygrave	6,540.12	40.12	6,500.00	126.10	51.55	51.83	-0.28
Caldecote and Newnham	1,500.00	79.74	1,420.26	51.70	27.47	27.99	-0.52
Clothall	TBC	118.12	TBC	81.00	TBC	22.87	TBC
Codicote	108,500.00	3,154.04	105,345.96	1,653.70	63.70	64.02	-0.32
Graveley	6,665.26	665.26	6,000.00	169.30	35.44	34.84	0.60
Great Ashby	43,000.00	2,457.59	40,542.41	2,051.40	19.76	19.87	-0.11
Hexton	0.00	0.00	0.00	65.40	0.00	0.00	0.00
Hinxworth	10,370.00	110.56	10,259.44	160.90	63.76	64.05	-0.29
Hitchin	-	-	-	12,336.90	-	-	-
Holwell	9,187.20	410.24	8,776.96	153.00	57.37	53.28	4.09
Ickleford	50,799.00	2,425.82	48,373.18	771.80	62.68	62.46	0.22
Kelshall	TBC	149.55	TBC	76.60	TBC	36.68	TBC
Kimpton	75,660.92	1,660.92	74,000.00	1,048.30	70.59	68.06	2.53
Kings Walden	28,943.79	968.13	27,975.66	414.70	67.46	67.98	-0.52
Knebworth	151,740.00	3,281.85	148,458.15	1,987.00	74.71	73.44	1.27
Langley	0.00	0.00	0.00	90.00	0.00	0.00	0.00
Letchworth	-	-	-	11,599.60	-	-	-
Lilley	10,835.00	349.08	10,485.92	171.40	61.18	61.89	-0.71
Nuthampstead	0.00	0.00	0.00	68.60	0.00	0.00	0.00
Offley	42,342.41	2,171.41	40,171.00	610.00	65.85	51.16	14.69
Pirton	36,000.00	695.68	35,304.32	561.00	62.93	64.15	-1.22
Preston	6,600.00	196.52	6,403.48	220.70	29.01	28.75	0.26
Radwell	1,188.00	131.38	1,056.62	58.10	18.19	16.41	1.78
Reed	5,000.00	174.72	4,825.28	147.00	32.83	25.49	7.34
Royston	317,338.66	11,404.66	305,934.00	6,469.80	47.29	42.53	4.76
Rushden and Wallington	4,300.00	144.83	4,155.17	201.50	20.62	20.68	-0.06
St Ippolyts	27,000.00	1,439.85	25,560.15	896.00	28.53	26.23	2.30
St Pauls Walden	45,752.55	1,442.55	44,310.00	549.30	80.67	90.31	-9.64
Sandon	8,500.00	494.29	8,005.71	237.70	33.68	32.58	1.10

North Hertfordshire Parish & Town Councils	2019/20					2018/2019	
	Total Precept and Grant	CTRS Grant	Precept Demand	Council Tax Base	Band D Tax	Band D Tax	Change on Band D
	£	£	£		£	£	£
Therfield	6,002.44	289.29	5,713.15	263.40	21.69	21.47	0.22
Weston	20,000.00	793.55	19,206.45	440.70	43.58	43.55	0.03
Wyndley	33,494.13	1,154.13	32,340.00	424.10	76.26	74.58	1.68
TOTAL	1,195,247.15	38,884.98	1,156,362.17	49,498.40	-	-	-

LEGAL IMPLICATIONS

- 8.9 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).
- 8.10 The principles for referendums relating to Council Tax increases were published in the provisional Local Government finance settlement on 13th December 2018 and do not apply to the local precepting authorities.
- 8.11 Council is asked to note the precepts and approve the total District Council Tax Requirement for inclusion in the Council Tax resolution. It is the responsibility of the Council Tax Setting Committee to set the Council Tax Base and set the Council Tax in accordance with the relevant legislation (see paragraph 10.2 of the Council's Constitution).

9 FINANCIAL IMPLICATIONS

- 9.1 We are required to calculate and include in the formal council tax resolution the District Council Tax requirement, which comprises the District Council's budget requirement and that of any parishes in the area. This figure is then combined with the precept requirements from the major precepting bodies, Hertfordshire County Council and Hertfordshire Police and Crime Commissioner, to arrive at the total Council Tax amount due.
- 9.2 The approval of the formal Council Tax resolution by the Council Tax Setting Committee is scheduled to take place on the 28th February 2019 and will authorise the Council Tax billing of the residents of North Hertfordshire for financial year 2019/20.

10 RISK IMPLICATIONS

- 10.1 The 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%.

11 EQUALITIES IMPLICATIONS

- 11.1 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.
- 11.2 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 approximately £39,000 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.

12 SOCIAL VALUE IMPLICATIONS

- 12.1 The Social Value Act and "go local" policy do not apply to this report.

13 HUMAN RESOURCE IMPLICATIONS

- 13.1 There are no direct human resource implications arising.

14 APPENDICES

- 14.1 Appendix A- Budget Summary (General Fund Estimates 2019/20 – 2023/24), amended
- 14.2 Appendix B- Revenue Efficiencies and Investment Proposals, amended

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