

COUNCIL TAX SETTING COMMITTEE
28 FEBRUARY 2019

PUBLIC DOCUMENT

TITLE OF REPORT: COUNCIL TAX RESOLUTION 2019/20

REPORT OF : SERVICE DIRECTOR - RESOURCES

EXECUTIVE MEMBER : COUNCILLOR JULIAN CUNNINGHAM

COUNCIL PRIORITY : RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

- 1.1. To obtain approval for the Council Tax requirement and the overall Council Tax rates for the district of North Hertfordshire for 2019/20.

2. RECOMMENDATIONS

- 2.1. That it be noted that at its meeting on 10 January 2019 the Council Tax Setting Committee confirmed the amount 49,498.40 as its Council Tax base for the year 2019/2020 in accordance with regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 2012 (the Regulations).

- a) 49,498.40 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	862.40	Langley	90.00
Barkway	398.70	Lilley	171.40
Barley	321.30	Nuthampstead	68.60
Bygrave	126.10	Offley	610.00
Caldecote and Newnham	51.70	Pirton	561.00
Clothall	81.00	Preston	220.70
Codicote	1653.70	Radwell	58.10
Graveley	169.30	Reed	147.00
Great Ashby	2051.40	Royston	6469.80
Hexton	65.40	Rushden and Wallington	201.50
Hinxworth	160.90	St Ippolyts	896.00
Holwell	153.00	St Pauls Walden	549.30
Ickleford	771.80	Sandon	237.70
Kelshall	76.60	Therfield	263.40
Kimpton	1048.30	Weston	440.70
Kings Walden	414.70	Wymondley	424.10
Knebworth	1987.00		

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 7 February 2019 the Council calculated the Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish precepts) as £11,391,066 and hence the total Council Tax requirement (including Parish precepts) as £12,551,161.

2.2. That the following amounts be now calculated by the Council for 2019/2020 in accordance with Sections 31A, 31B and 34 to 36 of the Local Government and Finance Act 1992 (the Act):-

- a) £74,745,529 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) £62,194,368 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.

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|----|-------------|---|
| c) | £12,551,161 | 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) | £253.57 | 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) | £1,198,980 | being the aggregate amount of all special items referred to in Section 34(1) of the Act. |
| f) | £230.13 | 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	230.13	89.96	320.09
Barkway	230.13	90.86	320.99
Barley	230.13	66.69	296.82
Bygrave	230.13	51.55	281.68
Caldecote and Newnham	230.13	27.47	257.60
Clothall	230.13	10.89	241.02
Codicote	230.13	63.70	293.83
Graveley	230.13	35.44	265.57
Great Ashby	230.13	19.76	249.89
Hexton	230.13	0.00	230.13
Hinxworth	230.13	63.76	293.89
Holwell	230.13	57.37	287.50
Ickleford	230.13	62.68	292.81
Kelshall	230.13	37.21	267.34
Kimpton	230.13	70.59	300.72
Kings Walden	230.13	67.46	297.59
Knebworth	230.13	74.71	304.84
Langley	230.13	0.00	230.13
Lilley	230.13	61.18	291.31
Nuthampstead	230.13	0.00	230.13
Offley	230.13	65.85	295.98
Pirton	230.13	62.93	293.06
Preston	230.13	29.01	259.14
Radwell	230.13	18.19	248.32
Reed	230.13	32.83	262.96
Royston	230.13	47.29	277.42
Rushden and Wallington	230.13	20.62	250.75
St Ippolyts	230.13	28.53	258.66
St Pauls Walden	230.13	80.67	310.80
Sandon	230.13	33.68	263.81
Therfield	230.13	21.69	251.82
Weston	230.13	43.58	273.71
Wymondley	230.13	76.26	306.39

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	213.39	248.96	284.52	320.09	391.22	462.35	533.48	640.18
Baldock	153.42	178.99	204.56	230.13	281.27	332.41	383.55	460.26
Barkway	213.99	249.66	285.32	320.99	392.32	463.65	534.98	641.98
Barley	197.88	230.86	263.84	296.82	362.78	428.73	494.70	593.64
Bygrave	187.79	219.09	250.38	281.68	344.27	406.86	469.47	563.36
Caldecote and Newnham	171.73	200.36	228.97	257.60	314.84	372.08	429.33	515.20
Clothall	160.68	187.46	214.24	241.02	294.58	348.13	401.70	482.04
Codicote	195.89	228.54	261.18	293.83	359.12	424.41	489.72	587.66
Graveley	177.05	206.56	236.06	265.57	324.58	383.59	442.62	531.14
Great Ashby	166.59	194.36	222.12	249.89	305.42	360.95	416.48	499.78
Hexton	153.42	178.99	204.56	230.13	281.27	332.41	383.55	460.26
Hinxworth	195.93	228.58	261.23	293.89	359.20	424.50	489.82	587.78
Hitchin	153.42	178.99	204.56	230.13	281.27	332.41	383.55	460.26
Holwell	191.67	223.61	255.55	287.50	351.39	415.27	479.17	575.00
Ickleford	195.21	227.74	260.27	292.81	357.88	422.94	488.02	585.62
Kelshall	178.23	207.93	237.63	267.34	326.75	386.15	445.57	534.68
Kimpton	200.48	233.90	267.30	300.72	367.54	434.37	501.20	601.44
Kings Walden	198.39	231.46	264.52	297.59	363.72	429.85	495.98	595.18
Knebworth	203.23	237.10	270.97	304.84	372.58	440.32	508.07	609.68
Langley	153.42	178.99	204.56	230.13	281.27	332.41	383.55	460.26
Letchworth	153.42	178.99	204.56	230.13	281.27	332.41	383.55	460.26
Lilley	194.21	226.58	258.94	291.31	356.04	420.77	485.52	582.62
Nuthampstead	153.42	178.99	204.56	230.13	281.27	332.41	383.55	460.26
Offley	197.32	230.21	263.09	295.98	361.75	427.52	493.30	591.96
Pirton	195.37	227.94	260.49	293.06	358.18	423.30	488.43	586.12
Preston	172.76	201.56	230.34	259.14	316.72	374.31	431.90	518.28
Radwell	165.55	193.14	220.73	248.32	303.50	358.68	413.87	496.64
Reed	175.31	204.53	233.74	262.96	321.39	379.82	438.27	525.92
Royston	184.95	215.77	246.59	277.42	339.07	400.71	462.37	554.84
Rushden and Wallington	167.17	195.03	222.89	250.75	306.47	362.19	417.92	501.50
St Ippolyts	172.44	201.18	229.92	258.66	316.14	373.61	431.10	517.32
St Pauls Walden	207.20	241.74	276.26	310.80	379.86	448.93	518.00	621.60
Sandon	175.87	205.19	234.49	263.81	322.43	381.05	439.68	527.62
Therfield	167.88	195.86	223.84	251.82	307.78	363.73	419.70	503.64
Weston	182.47	212.89	243.29	273.71	334.53	395.35	456.18	547.42
Wymondley	204.26	238.31	272.34	306.39	374.47	442.56	510.65	612.78

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 2019/2020 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 20 February 2019)*

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	125.33	146.22	167.11	188.00	229.78	271.56	313.33	376.00

- 2.4. That, having calculated the aggregate in each case of the amounts at 2.3(h) and 2.4 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 2019/2020 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								

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 2019/20.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. Options for the appropriate level of Council Tax were considered at the meeting of Council on 7 February 2019.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. Consultation on the 2019/20 budget proposals has taken place with all Members throughout the Corporate Business Planning process.

6. FORWARD PLAN

- 6.1. This report contains a recommendation on a decision that was first notified to the public in the Forward Plan on the 18th January 2019.

7. BACKGROUND

- 7.1. At its meeting on 10 January 2019 the Council Tax Setting Committee calculated the amount 49,498.40 as its Council Tax base for the year 2019/2020 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 7 February 2019 the Council approved a net budget of £15.25 million and a Council Tax increase of 2.99% for 2019/20. It noted that, in addition to the Council passing on a grant of £38,885 to the Town and Parish Councils to help mitigate the impact of the Council Tax Reduction Scheme, a total precept demand of £1,160,095 would be levied on the relevant Council Tax base of the District. As a result the calculated Council Tax requirement for the Council's own purposes for 2019/20 (excluding Parish precepts) is £11,391,066, and hence the total District Council Tax requirement (including Parish precepts) is £12,551,161.

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 2.99% (equivalent to £6.68 for a Band D property) on the level of Council Tax charged for 2018/19. The referendum threshold for 2019/20 is an increase of up to 3.0% 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 2019/20 of £1,160,095. This is an increase of £64,564, or 5.9%, on the precept demand levied on taxpayers for 2018/19. In addition, this Council has agreed to 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 2019/20 is £1,198,980, an increase of 5.7% on the equivalent total for 2018/19. 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 19 February 2019.*
- 8.5. The Police and Crime Commissioner has provided formal notification of the requested levy on the District of North Hertfordshire for 2019/20 of £9,305,699, which results in a Band D Council Tax of £188.00. This is an increase of £24.00 on the Band D Council Tax rate for 2018/19. This does not exceed the referendum threshold of £24.00, 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 principles for Referendums relating to Council Tax increases for 2019/20 were published by the Government on the 29th January 2019.
- 9.3. For Shire District councils like NHDC, for 2019/20 the relevant basic amount of council tax is deemed to be excessive if it exceeds the higher of 3% or £5.00 greater than its relevant basic amount of Council Tax for 2018/19.
- 9.4. For designated authorities with responsibility for Adult Social Care provision, which includes Hertfordshire County Council, for 2019/20 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 2018/19 by a percentage greater than the total of 3% plus 'A%'. 'A%' is calculated by deducting from 6% the percentage increases relating to the Adult Social Care precept applied to Council Tax amounts in 2017/18 and 2018/19. For Hertfordshire County Council 'A%' equals zero, as the Adult Social Care precept accounted for a 3% increase in the Council Tax amount for each of 2017/18 and 2018/19. The Hertfordshire County Council Tax increase for 2019/20 would therefore be deemed excessive if it exceeds 3%.
- 9.5. For Police and Crime Commissioner Authorities, for 2019/20 the relevant basic amount of Council Tax is deemed to be excessive if the authority's relevant basic amount of Council Tax for 2019/20 is more than £24.00 greater than its relevant basic amount of Council Tax for 2018/19.
- 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 2019/20. The precept to be collected for the Council's purposes is £11,391,066.

11. RISK IMPLICATIONS

- 11.1. 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%.

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. 2019/20 Budget Report considered by Council on the 7 February 2019.

Appendix A

GUIDE TO THE 2019/2020 COUNCIL TAX RESOLUTION

Recommendation 2.1

These are the Council Tax Base figures for 2019/2020 approved by the Council Tax Setting Committee on 10 January 2019 with details for those Parishes which levy a precept.

Recommendation 2.2

- (a) Is Gross Expenditure on District Council services + Parish Precepts + the proposed contribution to the Funding Equalisation reserve in 2019/2020.
- (b) Is Gross Income from District Council services in 2019/20, including fees and charges, Housing Benefit Grant, New Homes Bonus grant and the Council's share of Business Rates.
- (c) Is (a) - (b) [District Council precept including Parish precepts]
- (d) Is (c) divided by the tax base i.e. the net District + Parish Charge. This assumes that the total Parish Charge is charged across the entire Council Tax base, so is a notional figure only (i.e. the actual precept for a household is not calculated on this basis).
- (e) Is the total of Parish Precepts
- (f) Is (d) - [(e) divided by the tax base] i.e. the net District Council charge. This is the amount that a Band D property would pay for the Council's own purposes in 2019/20.
- (g) Is the net District Council charge with the relevant Parish charges added for each area in which there is a Parish precept. This is the amount that a Band D property would pay in each parished area, incorporating the District and Parish charge.
- (h) Is the inclusive District and Parish (where applicable) charge for each property band in each area of the District. There are set weightings to apply to the Band D amount to get to the amounts for the other bands.

Recommendation 2.3

Is the addition for the County and Police precepts for each property band. For the County Council this includes the Social Care precept.

Recommendation 2.4

Is the inclusive District, Parish, County and Police charge for each property band for each area of the District.