

COUNCIL MEETING

27 FEBRUARY 2013

TO BE CONSIDERED SUBSEQUENT TO AGENDA ITEM 7.2

SUMMARY



Report for:	Council
Date of meeting:	27 February 2013
PART:	1
If Part II, reason:	

Title of report:	Council Tax Declaration 2013/14
Contact:	Cllr N Tiley, Portfolio Holder for Finance & Resources Sally Marshall, Corporate Director of Finance & Governance
Purpose of report:	As the billing authority for the borough of Dacorum, the Council is required to set the Council Tax annually. The purpose of this report is to set the Council Tax for 2013/14 in accordance with statutory requirements.
Recommendations	<p>It is recommended that:</p> <ol style="list-style-type: none">1) The Council set a Dacorum Borough Council General Fund Council Tax requirement of £9.245m which equates to £9.845m for the combined Borough Council and Parish Council's requirement for 2013/14 (inclusive of parish precepts of £600k) for the reasons set out in paragraph 6 of this report.2) It be noted that the Cabinet at its meeting on 8 January 2013, and at the meeting of 12 February 2013, calculated the following amounts for the year 2013/14 in accordance with regulations made under Section 31B (3) of the Local Government Finance Act 1992 (as amended), as inserted by Section 74 of the Localism Act 2011:-<ol style="list-style-type: none">(a) 53,252.2 being the figure calculated by the Council in accordance with regulation 3 of The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 as its Council Tax base for the year;

	<p>(b) the amounts in Table 1 of this report (Tax Base for each part of the Council's area to which one or more special items relate) being the amounts calculated by the Cabinet in accordance with regulation 6 The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 as the amounts of its Council Tax base for the year for dwellings in such parts.</p> <p>3) the following amounts be now calculated by the Council for the year 2013/14 in accordance with Sections 31A and 31B and Sections 34 and 36 of the Local Government Finance Act 1992 (as amended) (referred to as "the Act"):-</p> <p>(a) £164,376,524.18 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act, taking account of all precepts, and including the amount which the Council estimates as Council Tax deficit which will be transferred in the year from its General Fund to its Collection Fund;</p> <p>(b) £154,531,138.00 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act, including the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed Non-Domestic Rates and Revenue Support Grant ;</p> <p>(c) £9,845,386.18 being the amount by which the aggregate at 2)(a) above exceeds the aggregate at 2)(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year;</p> <p>(d) £184.88 being the amount at 2)(c) above, divided by 1)(a) above, calculated by the Council in accordance with Section 31B (1) of the Act as the basic amount of its Council Tax for the year;</p> <p>(e) £600,271.74 being the aggregate amount of all special items referred to in Section 34(1) of the Act;</p> <p>(f) £173.61 being the amount at 2)(d) above, less the result given by dividing the amount at 2)(e) above by the amount at 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;</p>
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(g) Part of the Council's Area **Band D
Equivalent
Combined
£**

Aldbury	184.74
Berkhamsted	192.79
Bovingdon	198.52
Chipperfield	207.79
Flamstead	220.02
Flauden	203.55
Great Gaddesden	191.76
Hemel Hempstead	173.61
Kings Langley	213.22
Little Gaddesden	198.70
Markyate	204.86
Nash Mills	197.41
Nettleden	195.62
Northchurch	184.40
Tring Rural	191.99
Tring Town	196.80
Wigginton	186.54

(Band D charge for Parish and District combined), being the amounts given by adding to the amount at 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 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 parts of its area to which special items relate;

- 4) it be noted that for the year 2013/14 Hertfordshire County Council have stated the amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings as set out below

Valuation Band

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
745.89	870.20	994.52	1,118.83	1,367.46	1,616.09	1,864.72	2,237.66

- 5) That it be noted that for the year 2013/14 the Police and Crime Commissioner for Hertfordshire has stated the amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings as set out below

Valuation Band

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
98.55	114.97	131.40	147.82	180.67	213.52	246.37	295.64

	<p>6) That having calculated the aggregate in each case of the amounts at 2)(g), 3) and 4) above the Council in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby set the amounts set out in Table 3 of the report as the amounts of Council Tax for the year 2013/14 for each part of the area and for each of the categories of dwellings shown;</p> <p>7) It be noted that in setting the Council Tax for 2013/14 the Council is required to have taken account of the report of the Chief Financial Officer on the robustness of the budget.</p> <p>8) The following determinations are made in relation to the prescribed classes of dwellings in accordance with the Local Government Finance Act 1992 (as amended). These determinations are to take effect from 1st April 2013 and to remain in effect until varied or revoked by determination.</p>								
	<table border="1"> <tr> <td data-bbox="587 734 1396 806">Class A</td> </tr> <tr> <td data-bbox="587 806 1396 907">Section 11(2) (a) (Local Government Finance Act 1992 (as amended) shall not apply and the discount shall be 0%</td> </tr> <tr> <td data-bbox="587 907 1396 978">Class B</td> </tr> <tr> <td data-bbox="587 978 1396 1079">Section 11(2) (a) (Local Government Finance Act 1992 (as amended) shall not apply and the discount shall be 0%</td> </tr> <tr> <td data-bbox="587 1079 1396 1151">Class C</td> </tr> <tr> <td data-bbox="587 1151 1396 1344">1. For any day on or after 1 April 2013 where any dwelling meets the conditions of prescribed Class C and has done so for a continuous period of less than 3 calendar months immediately preceding the day in question: 100% discount</td> </tr> <tr> <td data-bbox="587 1344 1396 1615">2. For any day on or after 1 April 2013 where any dwellings meets the conditions of prescribed Class C and has done so for a continuous period of 3 calendar months or more immediately preceding the day in question@ section 11(2) (a) (Local Government Finance Act 1992 (as amended)) shall not apply and the discount shall be 0%.</td> </tr> <tr> <td data-bbox="587 1615 1396 1740">3. In considering whether a dwelling has been vacant for any period, not exceeding six weeks, during which it was not vacant shall be disregarded.</td> </tr> </table>	Class A	Section 11(2) (a) (Local Government Finance Act 1992 (as amended) shall not apply and the discount shall be 0%	Class B	Section 11(2) (a) (Local Government Finance Act 1992 (as amended) shall not apply and the discount shall be 0%	Class C	1. For any day on or after 1 April 2013 where any dwelling meets the conditions of prescribed Class C and has done so for a continuous period of less than 3 calendar months immediately preceding the day in question: 100% discount	2. For any day on or after 1 April 2013 where any dwellings meets the conditions of prescribed Class C and has done so for a continuous period of 3 calendar months or more immediately preceding the day in question@ section 11(2) (a) (Local Government Finance Act 1992 (as amended)) shall not apply and the discount shall be 0%.	3. In considering whether a dwelling has been vacant for any period, not exceeding six weeks, during which it was not vacant shall be disregarded.
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Section 11(2) (a) (Local Government Finance Act 1992 (as amended) shall not apply and the discount shall be 0%									
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3. In considering whether a dwelling has been vacant for any period, not exceeding six weeks, during which it was not vacant shall be disregarded.									

		Class D	
		<p>1. For any day on or after 1 April 2013 where any dwellings meets the conditions of prescribed Class D and has done so for a continuous period of less than 3 calendar months immediately preceding the day in question: 100% discount</p>	
		<p>2. For any day on or after 1 April 2013 where any dwelling meets the conditions of prescribed Class D and has done so for a continuous period of 3 calendar months or more immediately preceding the day in question: section 11(2) (a) (Local Government Finance Act 1992 (as amended)) shall not apply and the discount shall be 0%.</p>	
Corporate objectives:	Setting an appropriate level of Council Tax supports all five of the Council's strategic objectives		
Implications: 'Value For Money Implications'	Contained within the body of Agenda Item 9 to Cabinet on 12 February 2013.		
Risk Implications	Budget risk assessment undertaken.		
Monitoring Officer/S.151 Officer Comments	Deputy Monitoring Officer has no additional comments. Section 151 Officer – This is a S151 Officer report.		
Consultees:	None		
Background papers:			

COUNCIL TAX 2013/14

BACKGROUND REPORT

Summary

1. This report sets out the statutory information and recommendations necessary to determine the Council's Council Tax requirement for 2013/14, based on the Cabinet's recommendations from its meeting on 12 February 2013, which have been referred to Council for approval on this agenda.
2. In approving the budget for 2013/14 Members will be aware that they were required to have regard to the report of the Chief Finance Officer (as included in agenda item 9 for the Cabinet meeting of 12 February 2013, specifically sections 8 and 14 of the report) when making a decision.
3. The Council's Council Tax requirement includes precepts from parishes. The Council Tax resolutions incorporate the parish precepts and those of the County Council and the Police and Crime Commissioner for Hertfordshire.

Council Tax Requirement

4. The Corporate Director (Finance and Governance) incorporated within the budget report to Cabinet a statement in compliance with the requirements of the Local Government Act 2003. This requires the Chief Finance Officer (in the Council's case, the Corporate Director (Finance and Governance)) to report on a) the robustness of the estimates made for the purpose of budget calculations and b) the adequacy of the proposed financial reserves.

5. The Council's Council Tax Requirement is £9,845,386.18 as follows:

	£
Base net budget recommended by Cabinet	9,245,114.44
<u>Add Parish Precepts</u>	<u>600,271.74</u>
Council Tax Requirement	<u>9,845,386.18</u>

6. The Council Tax requirements has been amended since the Cabinet report of 12 February to take account of the final parish precepts notifications received from local preceptors. A revised budget summary is attached at Appendix A. Therefore, recommendation a) of the budget report should be amended to read:

- a) set a Dacorum Borough Council General Fund Council Tax requirement of £9.245m which equates to £9.845m for the combined Borough Council and Parish Councils' requirement for 2013/14 (inclusive of parish precepts of £600k) for the reasons set out in paragraph 6 of the report.

Council Tax Recommendations

7. The statutory Council Tax calculations require the above amount to include the Revenue Support Grant, the retained Business Rates (collectively referred to as Formula Grant) and any surplus or deficit on the Collection Fund. The result is set as the Council Tax requirement and is divided by the Council Tax base to determine the "basic amount" of the Council Tax for the year. The Cabinet determined the Council Tax base (after collection rate adjustment of 99.3%) as 53,252.2, together with the amount for each parish, at its meeting on 8 January 2013. As this includes parish precepts (referred to as "special items"), these are then deducted (expressed as a Council Tax amount) from the "basic amount" to show the amount of Council Tax in any area where there is no parish precept (Hemel Hempstead only).

8. The amount of Council Tax in each parish (that is the total of the Council's amount and the parish amount) is then shown.
9. The Council Tax bill for 2013/14 includes the requirements of Hertfordshire County Council and the Police and Crime Commissioner for Hertfordshire who are responsible for setting their own Council Tax levels. The amount of the precepts from the County Council and the Police and Crime Commissioner for each Council Tax "band" (A to H) are then noted and the final total amount for each parish is then shown by each band (Table 3).

Precepts

10. Hertfordshire County Council determined its Council Tax requirement at a meeting held on 26 February 2013. There was no change in the level of requirement, as shown in the table below.

The Hertfordshire Police and Crime Commissioner determined its Council Tax requirement at a meeting held on 24 February 2013. There was no change in the level of requirement, as shown in the table below.

	2012/13	2013/14	Increase	
	£	£	£	%
Dacorum	170.37	173.61	3.24	1.90
County Council	1,118.83	1,118.83	0.00	0.00
Police and Crime Commissioner	147.82	147.82	0.00	0.00
TOTAL	1,437.02	1,440.26	3.24	0.23

Resolution

11. The Council Tax resolution is in a prescribed form, designed to satisfy legal requirements, and is set out at the beginning of this report.

Determination regarding Council Tax Discounts for Empty Properties

12. Under Section 11 of the Local Government Finance Act, the Council is required to make a determination relevant to its decisions with regard to the level of discounts for empty properties. The policy decisions were made at Council on 16 January 2013.
13. Prior to 1st April 2013 the exemption rules for unoccupied properties state that any period of occupation of 6 weeks or less is not counted when deciding if a person would be entitled to an exemption. A similar provision is included in the regulations effective from 1st April 2013 in relation to Class D discounts. This provision is not included in the regulations relevant to Class C discounts. DCLG are aware of this and have advised that they will review the current legislation. Advice has been received as to what action to take to ensure compliance with the policy intentions previously decided by Council.

TABLE 1

TAX BASE FOR EACH PART OF THE COUNCIL'S AREA

Parish	Tax Base (based on eventual 99.3% collection rate)
Aldbury	451.3
Berkhamsted	7,991.8
Bovingdon	2,014.9
Chipperfield	817.4
Flamstead	606.1
Flaunden	175.9
Great Gaddesden	421.4
Kings Langley	2,210.4
Little Gaddesden	625.3
Markyate	1,169.7
Nash Mills	950.0
Nettleden	796.1
Northchurch	1,261.4
Tring Rural	604.6
Tring	4,727.3
Wigginton	659.0
Hemel Hempstead	27,769.6
TOTAL TAXBASE	53,252.2

Table 2

BAND D CHARGE FOR PARISH AND DISTRICT COMBINED

Parish	Band D Parish	Band D District	Band D Combined
	£	£	£
Aldbury	11.13	173.61	184.74
Berkhamsted	19.18	173.61	192.79
Bovingdon	24.91	173.61	198.52
Chipperfield	34.18	173.61	207.79
Flamstead	46.41	173.61	220.02
Flaunden	29.94	173.61	203.55
Great Gaddesden	18.15	173.61	191.76
Kings Langley	39.61	173.61	213.22
Little Gaddesden	25.09	173.61	198.70
Markyate	31.25	173.61	204.86
Nash Mills	23.80	173.61	197.41
Nettleden	22.01	173.61	195.62
Northchurch	10.79	173.61	184.40
Tring Rural	18.38	173.61	191.99
Tring Town	23.19	173.61	196.80
Wigginton	12.93	173.61	186.54
Hemel Hempstead	-	173.61	173.61

Table 3

COUNCIL TAX FOR EACH VALUATION BAND 2013/14

Band	A	B	C	D	E	F	G	H
Band 'D' Equivalent Proportions	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

ANALYSIS OF MAJOR PRECEPTING AUTHORITIES

Table 3(a)

Herts County Council	745.89	870.20	994.52	1,118.83	1,367.46	1,616.09	1,864.72	2,237.66
Police and Crime Commissioner for Herts	98.55	114.97	131.40	147.82	180.67	213.52	246.37	295.64
Dacorum Borough Council	115.74	135.03	154.32	173.61	212.19	250.77	289.35	347.22

COUNCIL TAX RATES INCLUDING ALL PRECEPTS

Table 3(b)

Aldbury	967.60	1,128.86	1,290.13	1,451.39	1,773.92	2,096.46	2,418.99	2,902.78
Berkhamsted	972.97	1,135.12	1,297.29	1,459.44	1,783.76	2,108.08	2,432.41	2,918.88
Bovingdon	976.79	1,139.57	1,302.38	1,465.17	1,790.77	2,116.36	2,441.96	2,930.34
Chipperfield	982.97	1,146.78	1,310.62	1,474.44	1,802.10	2,129.75	2,457.41	2,948.88
Flamstead	991.12	1,156.30	1,321.49	1,486.67	1,817.04	2,147.42	2,477.79	2,973.34
Flaunden	980.14	1,143.49	1,306.85	1,470.20	1,796.91	2,123.63	2,450.34	2,940.40
Great Gaddesden	972.28	1,134.32	1,296.37	1,458.41	1,782.50	2,106.60	2,430.69	2,916.82
Kings Langley	986.59	1,151.01	1,315.45	1,479.87	1,808.73	2,137.59	2,466.46	2,959.74
Little Gaddesden	976.91	1,139.71	1,302.54	1,465.35	1,790.99	2,116.62	2,442.26	2,930.70
Markyate	981.01	1,144.51	1,308.02	1,471.51	1,798.51	2,125.52	2,452.52	2,943.02
Nash Mills	976.05	1,138.71	1,301.40	1,464.06	1,789.41	2,114.76	2,440.11	2,928.12
Nettleden/Potten End	974.85	1,137.32	1,299.80	1,462.27	1,787.22	2,112.17	2,437.12	2,924.54
Northchurch	967.37	1,128.59	1,289.83	1,451.05	1,773.51	2,095.97	2,418.42	2,902.10
Tring Rural	972.43	1,134.50	1,296.58	1,458.64	1,782.78	2,106.93	2,431.07	2,917.28
Tring Town	975.64	1,138.24	1,300.85	1,463.45	1,788.66	2,113.88	2,439.09	2,926.90
Wigginton	968.80	1,130.26	1,291.73	1,453.19	1,776.12	2,099.06	2,421.99	2,906.38
Hemel Hempstead	960.18	1,120.20	1,280.24	1,440.26	1,760.32	2,080.38	2,400.44	2,880.52