

COUNCIL MEETING

26 FEBRUARY 2014

TO BE CONSIDERED SUBSEQUENT TO AGENDA ITEM 7.6

SUMMARY



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| Report for: | Council |
| Date of meeting: | 26 February 2014 |
| PART: | 1 |
| If Part II, reason: | |

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| Title of report: | Council Tax Declaration 2014/15 |
| Contact: | Cllr Nick Tiley, Portfolio Holder for Finance & Resources Martin Hone, Corporate Director of Finance & Operations |
| 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 2014/15 in accordance with statutory requirements. |
| Recommendations | <p>It is recommended that:</p> <ol style="list-style-type: none">1) It be noted that the Cabinet, at its meeting on 17 December 2013, calculated the following amounts for the year 2014/15 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) 53,809.2 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;(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; |

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| | <p>2) the following amounts be now calculated by the Council for the year 2014/15 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) £146,129,931.63 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) £135,996,530.98 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) £10,133,400.65 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) £188.32 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) £628,005.47 being the aggregate amount of all special items referred to in Section 34(1) of the Act;</p> <p>(f) £176.65 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 £ |
|--|---|---|
| | Hemel Hempstead | 176.65 |
| | Aldbury | 187.78 |
| | Berkhamsted | 195.83 |
| | Bovingdon | 202.56 |
| | Chipperfield | 212.62 |
| | Flamstead | 230.21 |
| | Flauden | 206.59 |
| | Great Gaddesden | 195.42 |
| | Kings Langley | 217.36 |
| | Little Gaddesden | 202.26 |
| | Markyate | 207.99 |
| | Nash Mills | 199.81 |
| | Nettleden | 198.78 |
| | Northchurch | 187.60 |
| | Tring Rural | 205.12 |
| | Tring Town | 200.84 |
| | Wigginton | 189.80 |
| | <p>(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;</p> | |
| | <p>3) it be noted that for the year 2014/15 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 in table 3(a);</p> | |
| | <p>4) That it be noted that for the year 2014/15 Hertfordshire Police Authority 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 in table 3(a);</p> | |
| | <p>5) 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 3b of the report as the amounts of Council Tax for the year 2014/15 for each part of the area and for each of the categories of dwellings shown;</p> | |
| | <p>6) It be noted that in setting the Council Tax for 2014/15 the Council is required to have taken account of the report of the Chief Financial Officer on the robustness of the budget.</p> | |

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| 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 17 to Cabinet on 11 February 2014. |
| Risk Implications | Budget risk assessment undertaken. |
| Monitoring Officer/S.151 Officer Comments | Monitoring Officer has no additional comments. Section 151 Officer – This is a S151 Officer report. |
| Consultees: | None |
| Background papers: | Budget Report - Agenda Item 17, Cabinet on 11 February 2014 Council Tax Base - Agenda Item 13, Cabinet on 17 December 2013 |

COUNCIL TAX 2014/15

BACKGROUND REPORT

Summary

1. This report sets out the statutory information and recommendations necessary to determine the Council's Council Tax requirement for 2014/15, based on the Cabinet's recommendations from its meeting on 11 February 2014, which have been referred to Council for approval on this agenda.
2. In approving the budget for 2014/15 Members will be aware that they were required to have regard to the report of the Chief Finance Officer (as included in agenda item 17 for the Cabinet meeting of 11 February 2014, specifically sections 8 and appendix O 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 Authority.

Council Tax Requirement

4. The Corporate Director (Finance and Operations) 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 Operations)) 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 £10,133,400.65 as follows:

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| | £ |
| Base net budget recommended by Cabinet | 9,505,395.18 |
| Add Parish Precepts | 628,005.47 |
| Council Tax Requirement | 10,133,400.65 |

Council Tax Recommendations

6. 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. At its meeting on 17 December 2013 Cabinet determined the Council Tax base (after collection rate adjustment of 99.4%) as 53,809.2, together with the amount for each parish. 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).
7. The amount of Council Tax in each parish (that is the total of the Council's amount and the parish amount) is then shown.
8. The Council Tax bill for 2014/15 includes the requirements of Hertfordshire County Council and the Hertfordshire Police Authority which are responsible for setting their own Council Tax levels. The amount of the precepts from the County Council and the Police Authority 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 3a).

Precepts

9. Hertfordshire County Council determined its Council Tax requirement at a meeting held on 25 February 2014. There was no change in the level of requirement, as shown in the table below.

The Police Authority determined its Council Tax requirement at a meeting held on 24 February 2014. There was no change in the level of requirement, as shown in the table below.

| | 2012/13 | 2013/14 | Increase | |
|------------------|-----------------|-----------------|-----------------|-------------|
| | £ | £ | £ | % |
| Dacorum | 173.61 | 176.65 | 3.04 | 1.75 |
| County Council | 1,118.83 | 1,118.83 | 0.00 | 0.00 |
| Police Authority | 147.82 | 147.82 | 0.00 | 0.00 |
| TOTAL | 1,440.26 | 1,443.30 | 3.04 | 0.21 |

Resolution

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

TABLE 1

TAX BASE FOR EACH PART OF THE COUNCIL'S AREA

| Parish | Tax Base (based on eventual 99.4% collection rate) |
|----------------------|--|
| Hemel Hempstead | 28,087.8 |
| Aldbury | 448.2 |
| Berkhamsted | 8,071.8 |
| Bovingdon | 2,008.4 |
| Chipperfield | 816.0 |
| Flamstead | 597.5 |
| Flaunden | 174.3 |
| Great Gaddesden | 427.6 |
| Kings Langley | 2,216.4 |
| Little Gaddesden | 626.7 |
| Markyate | 1,269.7 |
| Nash Mills | 992.4 |
| Nettleden | 790.2 |
| Northchurch | 1,240.3 |
| Tring Rural | 613.2 |
| Tring | 4,764.5 |
| Wigginton | 664.2 |
| TOTAL TAXBASE | 53,809.2 |

Table 2

BAND D CHARGE FOR PARISH AND DISTRICT COMBINED

| Parish | Band D Parish £ | Band D District £ | Band D Combined £ |
|------------------|-----------------------|-------------------------|-------------------------|
| Hemel Hempstead | - | 176.65 | 176.65 |
| Aldbury | 11.13 | 176.65 | 187.78 |
| Berkhamsted | 19.18 | 176.65 | 195.83 |
| Bovingdon | 25.91 | 176.65 | 202.56 |
| Chipperfield | 35.97 | 176.65 | 212.62 |
| Flamstead | 53.56 | 176.65 | 230.21 |
| Flaunden | 29.94 | 176.65 | 206.59 |
| Great Gaddesden | 18.77 | 176.65 | 195.42 |
| Kings Langley | 40.71 | 176.65 | 217.36 |
| Little Gaddesden | 25.61 | 176.65 | 202.26 |
| Markyate | 31.34 | 176.65 | 207.99 |
| Nash Mills | 23.16 | 176.65 | 199.81 |
| Nettleden | 22.13 | 176.65 | 198.78 |
| Northchurch | 10.95 | 176.65 | 187.60 |
| Tring Rural | 28.47 | 176.65 | 205.12 |
| Tring Town | 24.19 | 176.65 | 200.84 |
| Wigginton | 13.15 | 176.65 | 189.80 |

COUNCIL TAX FOR EACH VALUATION BAND 2014/15

Council Tax For Each Valuation Band

Table 3

| 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 | 1118.83 | 1367.46 | 1616.09 | 1864.72 | 2237.66 |
| Herts Police Authority | 98.55 | 114.97 | 131.40 | 147.82 | 180.67 | 213.52 | 246.37 | 295.64 |
| Dacorum Borough Council | 117.77 | 137.39 | 157.02 | 176.65 | 215.91 | 255.16 | 294.42 | 353.30 |

Council Tax Rates Including All Precepts

Table 3(b)

| | | | | | | | | |
|----------------------|--------|----------|----------|----------|----------|----------|----------|----------|
| Hemel Hempstead | 962.21 | 1,122.56 | 1,282.94 | 1,443.30 | 1,764.04 | 2,084.77 | 2,405.51 | 2,886.60 |
| Aldbury | 969.63 | 1,131.22 | 1,292.83 | 1,454.43 | 1,777.64 | 2,100.85 | 2,424.06 | 2,908.86 |
| Berkhamsted | 975.00 | 1,137.48 | 1,299.99 | 1,462.48 | 1,787.48 | 2,112.47 | 2,437.48 | 2,924.96 |
| Bovingdon | 979.48 | 1,142.71 | 1,305.97 | 1,469.21 | 1,795.71 | 2,122.20 | 2,448.69 | 2,938.42 |
| Chipperfield | 986.19 | 1,150.54 | 1,314.91 | 1,479.27 | 1,808.00 | 2,136.73 | 2,465.46 | 2,958.54 |
| Flamstead | 997.92 | 1,164.22 | 1,330.55 | 1,496.86 | 1,829.50 | 2,162.13 | 2,494.78 | 2,993.72 |
| Flaunden | 982.17 | 1,145.85 | 1,309.55 | 1,473.24 | 1,800.63 | 2,128.02 | 2,455.41 | 2,946.48 |
| Great Gaddesden | 974.72 | 1,137.16 | 1,299.62 | 1,462.07 | 1,786.98 | 2,111.88 | 2,436.79 | 2,924.14 |
| Kings Langley | 989.35 | 1,154.22 | 1,319.13 | 1,484.01 | 1,813.80 | 2,143.57 | 2,473.36 | 2,968.02 |
| Little Gaddesden | 979.28 | 1,142.48 | 1,305.70 | 1,468.91 | 1,795.34 | 2,121.76 | 2,448.19 | 2,937.82 |
| Markyate | 983.10 | 1,146.94 | 1,310.80 | 1,474.64 | 1,802.34 | 2,130.04 | 2,457.74 | 2,949.28 |
| Nash Mills | 977.65 | 1,140.57 | 1,303.53 | 1,466.46 | 1,792.35 | 2,118.22 | 2,444.11 | 2,932.92 |
| Nettleden/Potten End | 976.96 | 1,139.77 | 1,302.61 | 1,465.43 | 1,791.09 | 2,116.74 | 2,442.39 | 2,930.86 |
| Northchurch | 969.51 | 1,131.08 | 1,292.67 | 1,454.25 | 1,777.42 | 2,100.59 | 2,423.76 | 2,908.50 |
| Tring Rural | 981.19 | 1,144.70 | 1,308.25 | 1,471.77 | 1,798.84 | 2,125.89 | 2,452.96 | 2,943.54 |
| Tring Town | 978.34 | 1,141.37 | 1,304.44 | 1,467.49 | 1,793.61 | 2,119.71 | 2,445.83 | 2,934.98 |
| Wiggington | 970.98 | 1,132.79 | 1,294.63 | 1,456.45 | 1,780.11 | 2,103.76 | 2,427.43 | 2,912.90 |