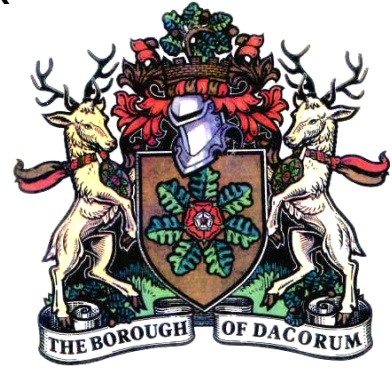


Public Document Pack



SUMMONS

MEETING OF THE COUNCIL

Wednesday 20 February 2019

DBC Council Chamber - The Forum

You are hereby summoned to a meeting of the Dacorum Borough Council in the County of Hertfordshire to be held in the DBC Council Chamber - The Forum on Wednesday 20 February 2019 at 7.30 pm to transact the business set out below.

A handwritten signature in black ink, appearing to read "Sally Marshall".

**SALLY MARSHALL
CHIEF EXECUTIVE**

TO ALL MEMBERS OF THE COUNCIL

**Contact: Corporate & Democratic Support
ext 2209**

AGENDA

13. COUNCIL TAX DECLARATION 2019/20 (Pages 3 - 13)

To be considered subsequent to agenda item 7.1



COUNCIL MEETING

20 FEBRUARY 2019

TO BE CONSIDERED SUBSEQUENT TO AGENDA ITEM 7.1

SUMMARY

Report for:	Council
Date of meeting:	20 February 2019
PART:	1
If Part II, reason:	

Title of report:	Council Tax Declaration 2019/20
Contact:	Cllr Graeme Elliot, Portfolio Holder for Finance & Resources James Deane, 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 2019/20 in accordance with statutory requirements. This report also seeks agreement on council tax charges for empty properties to take effect from 1 April 2019.
Recommendations	It is recommended that: 1) It be noted that the Cabinet, at its meeting on 11 December 2018, calculated the following amounts for the year 2019/20 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:- (a) 57,270.20 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

	<p>2012 as the amounts of its Council Tax base for the year for dwellings in such parts;</p> <p>2) the following amounts be now calculated by the Council for the year 2019/20 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) £143,789,041.64 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;</p> <p>(b) £131,441,000.00 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) £12,348,041.64 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) £215.61 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) £816,114.17 being the aggregate amount of all special items referred to in Section 34(1) of the Act;</p> <p>(f) £201.36 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>
--	---

(g)

Part of the Council's Area	Band D Equivalent Parish £	Band D Equivalent District £	Band D Equivalent Combined £
Hemel Hempstead	0.00	201.36	201.36
Aldbury	43.46	201.36	244.82
Berkhamsted	23.17	201.36	224.53
Bovingdon	29.13	201.36	230.49
Chipperfield	54.22	201.36	255.58
Flamstead	60.19	201.36	261.55
Flaunden	31.45	201.36	232.81
Great Gaddesden	19.84	201.36	221.20
Kings Langley	47.16	201.36	248.52
Little Gaddesden	34.80	201.36	236.16
Markyate	39.67	201.36	241.03
Nash Mills	23.00	201.36	224.36
Nettleden/Potten End	25.81	201.36	227.17
Northchurch	25.24	201.36	226.60
Tring Rural	39.97	201.36	241.33
Tring Town	26.70	201.36	228.06
Wigginton	21.16	201.36	222.52

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;

- 3) it be noted that for the year 2019/20 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;
- 4) That it be noted that for the year 2019/20 the Hertfordshire Police and Crime Commissioner has proposed 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;
- 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 3 of the report as the amounts of Council Tax for the year 2019/20 for each part of the area and for each of the categories of dwellings shown;

	<p>6) It be noted that in setting the Council Tax for 2019/20 the Council is required to have taken account of the report of the Chief Financial Officer on the robustness of the budget.</p> <p>7) Agree the following determinations in respect of council tax charges for empty properties under sections 11, 11A and 11B of the Local Government Finance Act 1992 (as amended), to remain in effect until varied or revoked by determination:</p> <ul style="list-style-type: none"> • From 1 April 2019 - for unoccupied and unfurnished properties undergoing major repairs or structural works (prescribed class D), a 100% discount for one month and then a full charge. • From 1 April 2019 - for unoccupied and unfurnished properties (prescribed class C), a 100% discount for one month, and then a full charge. • From 1 April 2019 – for unoccupied and unfurnished properties which have been empty for more than two years, a 100% premium (total of twice normal charge) • From 1 April 2020 – for unoccupied and unfurnished properties which have been empty for more than five years, a 200% premium (total of three times normal charge) • From 1 April 2021 – for unoccupied and unfurnished properties which have been empty for more than 10 years, a 300% premium (total of four times normal charge).
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 7 to Cabinet on 12 February 2019.
Risk Implications	Budget risk assessment undertaken.
Community Impact Assessment.	Group Managers are responsible for carrying out Equality Impact Assessments for individual budget proposals contained within the overall budget.
Health and Safety Implications	There are no direct health and safety implications arising from this report.
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 7, Cabinet on 12 February 2019 Council Tax Base - Agenda Item 127, Cabinet on 11 December 2018

COUNCIL TAX 2018/19

BACKGROUND REPORT

Summary

1. This report sets out the statutory information and recommendations necessary to determine the Council's Council Tax requirement for 2019/20, based on the Cabinet's recommendations from its meeting on 12 February 2019, which have been referred to Council for approval on this agenda.
2. In approving the budget for 2019/20 Members will be aware that they were required to have regard to the report of the Chief Finance Officer (as included in agenda item 7 for the Cabinet meeting of 12 February 2019, specifically section 10 and appendix N 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.

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 £12,348,041.64 as follows:

	£
Base net budget recommended by Cabinet	11,531,927.47
<u>Add Parish Precepts</u>	<u>816,114.17</u>
Council Tax Requirement	<u>12,348,041.64</u>

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 Baseline funding) 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 11 December 2018 Cabinet determined the Council Tax base (after collection rate adjustment of 99.4%) as 57,270.20 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 2019/20 includes the requirements of Hertfordshire County Council and the Hertfordshire Police and Crime Commissioner which 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 3a).

Precepts

9. Hertfordshire County Council determined its Council Tax requirement at a meeting held on 19 February 2019, at which a council tax increase of 2.99% was agreed. There was no increase in 2019/2020 for the Adult Social Care Precept.

The Police and Crime Commissioner determined its Council Tax requirement at a meeting held on 31 January 2019, at which an increase of 14.63% was agreed.

	2018/19	2019/20	Increase	
	£	£	£	%
Dacorum	195.51	201.36	5.85	2.99
County Council	1,320.46	1,359.94	39.48	2.99
Police and Crime Commissioner	164.00	188.00	24.00	14.63
TOTAL	1,679.97	1,749.30	69.33	4.13

Council Tax Charges for Empty Properties

10. Since April 2013, councils have had the flexibility to vary the Council Tax charge for properties that are unoccupied and unfurnished.

The current position for Dacorum is:

Unoccupied and unfurnished property	For empty period	Discount or premium level	Council tax charged
Undergoing (or completed) major repairs / structural work (class D discount)	Up to three months	100% discount	No charge
Undergoing (or completed) major repairs / structural work (class D discount)	From three to 12 months	0% discount	Normal charge
Empty (class C discount)	Up to three months	100% discount	No charge
Empty (class D discount)	From three months to two years	0% discount	Normal charge
Empty	For over two years	50% premium	1½ times normal charge

11. There remain a number of categories of empty property which are exempt from Council Tax, including those where the liable taxpayer is in hospital or a care home,

or has died and probate has yet to be granted or has been granted within the last six months.

12. In order to help encourage property owners to bring empty homes back into use, Government has passed the Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018. This act includes powers for councils to increase the premium charged on long-term empty properties.
13. As well as making full use of these new powers, it is also proposed that the Council reduces the length of time for which the 100% empty discount is awarded, in order to encourage shorter gaps between the occupation of homes.

Council Tax Charges for Empty Properties- Proposals

14. To reduce the period for which empty discounts are available to one month from 1 April 2019:

Unoccupied and unfurnished property	For empty period	Discount level	Council Tax charged
Undergoing (or completed) major repairs / structural work	Up to one month	100% discount	No charge
Undergoing (or completed) major repairs / structural work	From one to 12 months	0% discount	Normal charge
Empty	Up to one month	100% discount	No charge
Empty	From one month to two years	0% discount	Normal charge

15. To increase the premium charged for long-term empty properties:

Effective from	For empty period	Premium level	Council tax charged
1 April 2019			
	Over two years	100%	Twice normal charge
1 April 2020			
	Between two and five years	100%	Twice normal charge
	Over five years	200%	Three times normal charge
1 April 2021			
	Between two and five years	100%	Twice normal charge
	Between five and ten years	200%	Three times normal charge
	Over ten years	300%	Four times normal charge

16. Government has also stated that they do not intend the empty premium to penalise owners of property that is genuinely on the market for sale or rent, or in cases of hardship. It is therefore recommended that the authority to waive the premium is

delegated to the Group Manager (Revenues, Benefits & Fraud) in conjunction with the Deputy S151 officer, to consider applications in line with Government guidance.

Resolution

17. The Council Tax resolution is in a prescribed form, designed to satisfy legal requirements, and is set out at the beginning of this report.
18. Proposed changes to Council Tax charges for empty properties are set out at 14 and 15 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	30,167.90
Aldbury	461.70
Berkhamsted	8,507.90
Bovingdon	2,073.90
Chipperfield	854.60
Flamstead	633.60
Flaunden	172.50
Great Gaddesden	452.40
Kings Langley	2,288.20
Little Gaddesden	641.60
Markyate	1,340.40
Nash Mills	1,233.10
Nettleden/Potten End	797.20
Northchurch	1,272.80
Tring Rural	658.80
Tring Town	5,039.00
Wigginton	674.60
TOTAL TAXBASE	57,270.20

TABLE 2 BAND D CHARGE FOR PARISH AND DISTRICT COMBINED

Parish	Band D Parish £	Band D District £	Band D Combined £
Hemel Hempstead	0.00	201.36	201.36
Aldbury	43.46	201.36	244.82
Berkhamsted	23.17	201.36	224.53
Bovingdon	29.13	201.36	230.49
Chipperfield	54.22	201.36	255.58
Flamstead	60.19	201.36	261.55
Flaunden	31.45	201.36	232.81
Great Gaddesden	19.84	201.36	221.20
Kings Langley	47.16	201.36	248.52
Little Gaddesden	34.80	201.36	236.16
Markyate	39.67	201.36	241.03
Nash Mills	23.00	201.36	224.36
Nettleden/Potten End	25.81	201.36	227.17
Northchurch	25.24	201.36	226.60
Tring Rural	39.97	201.36	241.33
Tring Town	26.70	201.36	228.06
Wigginton	21.16	201.36	222.52

TABLE 3 COUNCIL TAX FOR EACH VALUATION BAND 2019/20

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

Hertfordshire County Council	906.63	1,057.73	1,208.84	1,359.94	1,662.15	1,964.36	2,266.57	2,719.88
Hertfordshire Police and Crime Commissioner	125.33	146.22	167.11	188.00	229.78	271.56	313.33	376.00
Dacorum Borough Council	134.24	156.61	178.99	201.36	246.11	290.85	335.60	402.72

Council Tax Rates Including All Precepts

Aldbury	1,195.17	1,394.36	1,593.57	1,792.76	2,191.16	2,589.55	2,987.93	3,585.52
Berkhamsted	1,181.65	1,378.58	1,575.54	1,772.47	2,166.36	2,560.24	2,954.12	3,544.94
Bovingdon	1,185.62	1,383.22	1,580.83	1,778.43	2,173.64	2,568.85	2,964.05	3,556.86
Chipperfield	1,202.35	1,402.73	1,603.14	1,803.52	2,204.31	2,605.09	3,005.87	3,607.04
Flamstead	1,206.33	1,407.37	1,608.44	1,809.49	2,211.61	2,613.71	3,015.82	3,618.98
Flaunden	1,187.17	1,385.02	1,582.90	1,780.75	2,176.48	2,572.20	2,967.92	3,561.50
Great Gaddesden	1,179.43	1,375.99	1,572.58	1,769.14	2,162.29	2,555.43	2,948.57	3,538.28
Kings Langley	1,197.64	1,397.24	1,596.86	1,796.46	2,195.68	2,594.89	2,994.10	3,592.92
Little Gaddesden	1,189.40	1,387.63	1,585.87	1,784.10	2,180.57	2,577.04	2,973.50	3,568.20
Markyate	1,192.65	1,391.41	1,590.20	1,788.97	2,186.53	2,584.07	2,981.62	3,577.94
Nash Mills	1,181.53	1,378.45	1,575.38	1,772.30	2,166.15	2,559.99	2,953.83	3,544.60
Nettleden/Potten End	1,183.41	1,380.63	1,577.88	1,775.11	2,169.59	2,564.05	2,958.52	3,550.22
Northchurch	1,183.03	1,380.19	1,577.38	1,774.54	2,168.89	2,563.23	2,957.57	3,549.08
Tring Rural	1,192.85	1,391.65	1,590.47	1,789.27	2,186.89	2,584.50	2,982.12	3,578.54
Tring Town	1,184.00	1,381.33	1,578.67	1,776.00	2,170.67	2,565.34	2,960.00	3,552.00
Wigginton	1,180.31	1,377.02	1,573.75	1,770.46	2,163.90	2,557.33	2,950.77	3,540.92
Unparished (Hemel Hempstead)	1,166.20	1,360.56	1,554.94	1,749.30	2,138.04	2,526.77	2,915.50	3,498.60

