

REPORT TO:	COUNCIL	AGENDA ITEM: 12
DATE OF MEETING:	26 <sup>th</sup> FEBRUARY 2020	CATEGORY:
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) <a href="mailto:kevin.stackhouse@southderbyshire.gov.uk">kevin.stackhouse@southderbyshire.gov.uk</a>	DOC: s/finance/committee/2019-20/Feb/Council/Council Tax setting report
SUBJECT:	COUNCIL TAX SETTING 2020/21	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

## **1.0 Recommendations**

- 1.1 That the formal Council Tax resolutions for 2020/21 at **Appendix 1** are approved.

## **2.0 Purpose of the Report**

- 2.1 To set out the statutory resolutions to enable the Council to calculate and set the Council Tax for 2020/21. This is in accordance with regulations under the Local Government Finance Act 1992, as amended by the Localism Act 2011.
- 2.2 The Council Tax for District (South Derbyshire) Services is based on budgeted spending levels for 2020/21, as recommended by the Finance & Management Committee on 13th February. The Finance and Management Committee have recommended a Council Tax increase of 1.95% for 2020/21, which has been reflected in the resolutions for approval.
- 2.3 The report is set out in the following sections / appendices:
- **Section 3: Executive Summary** – summarising the proposed Council Tax level for South Derbyshire residents including charges set by other precepting authorities, together with an explanation of the technical resolutions.
  - **Appendix 1:** The formal Council Tax resolution to meet statutory requirements.
  - **Appendix 2:** The detailed Tax Base, Precept and Band D rates for Parish Councils, together with the level of Council Tax Reduction Scheme (CTRS) Grant allocated to Parish Councils.

- **Schedules A to C:** These detail the level of Council Tax by Preceptor and by band, aggregated for each part of the District.

### **3.0 Executive Summary**

- 3.1 The Council is required to calculate a Council Tax Requirement (CTR) for the forthcoming financial year, 2020/21. Not only is this the basis for the local Council Tax rate, the CTR is used to test whether an increase in Council Tax from year to year is excessive in accordance with criteria laid down by the Secretary of State.

#### **Precepts**

- 3.2 The precept levels of other precepting bodies have been received and these are detailed below.

#### **Parish Councils**

- 3.3 Parish Council precepts for 2020/21 as notified to the Council under Section 41 of the Local Government Finance Act 1992 are detailed in **Appendix 2** and total £848,025.

#### **Derbyshire County Council**

- 3.6 Derbyshire County Council met on 5th February 2020 and set their precept at £46,517,064. This results in a Band D Council Tax of £1,349.34 for 2020/21 (£1,322.88 in 2019/20). *This includes a specific Precept to fund Adult Social Care.*

#### **Police and Crime Commissioner for Derbyshire**

- 3.7 The Derbyshire Police and Crime Commissioner confirmed their precept on 7th February 2020 at £7,811,808. This results in a Band D Council Tax of £226.60 (£216.60 in 2019/20).

#### **Derbyshire Fire and Rescue Service**

- 3.8 The Derbyshire Fire and Rescue Authority met on 13th February 2020 and set their precept at £2,679,664. This results in a Band D Council Tax of £77.73 (£76.22 in 2019/20).

#### **Overall Council Tax Level 2020/21**

- 3.9 The recommendations of the Finance and Management Committee for District Council services are set out in the formal Council Tax Resolution in **Appendix 1**. If this resolution is approved, the total Band D Council Tax for 2020/21 will be as follows:

Overall Band D Council Tax (per year)	2019/20 £:p	2020/21 £:p	Increase £:p	Increase %
South Derbyshire District Council	162.31	165.48	3.17	1.95%
Derbyshire County Council	1,322.88	1,349.34	26.46	2.00%
Police and Crime Commissioner for Derbyshire	216.60	226.60	10.00	4.62%
Derbyshire Fire and Rescue Service	76.22	77.73	1.51	1.98%
<b>TOTAL</b>	<b>1,778.01</b>	<b>1,819.15</b>	<b>41.14</b>	<b>2.31%</b>

3.10 An explanation of the resolutions in **Appendix 1** is provided below.

### **Resolution 1 - Council Tax Base**

3.11 This is the District Council's Tax Base, which was approved by the Finance and Management Committee at its meeting held on the 9th January 2020. The Tax Base was set at **34,474** and is known as **Item T**.

### **Resolution 2 – The Council Tax Requirement (CTR)**

3.12 This is the amount of revenue expenditure to be met from Council Tax. It is the Council's Band D rate (excluding Parishes) multiplied by its Council Tax Base, as follows:

$$£165.48 * 34,474 = \underline{\underline{£5,704,757}}$$

### **Resolution 3 (a)**

3.13 This is the Council's estimated gross expenditure for 2020/21 including the Housing Revenue Account and Parish Precepts and totals £45,295,904.

### **Resolution 3 (b)**

3.14 This is the Council's estimated income for 2020/21. It includes all fees and charges, together with housing rents, specific government grants, contributions from reserves and declared surpluses on the Collection Fund. The total is £38,743,121.

### **Resolution 3 (c)**

3.15 This is the difference between 3 (a) and 3 (b), i.e. £6,552,783 and is known as **Item R**. It represents the CTR for the year of £5,704,758 (Resolution 2) together with Parish Precepts of £848,025.

### **Resolution 3 (d)**

3.16 This is the basic amount of Council Tax for 2020/21, including Parish Precepts and is item R divided by item T. i.e.

$$£6,552,783 / 34,474 = \underline{\underline{£190.08}}$$

### **Resolution 3 (e)**

- 3.17 This is the total amount of Parish Precepts as detailed in **Appendix 2**, i.e. £848,025.

### **Resolution 3 (f)**

- 3.18 This is the basic amount of Council Tax for areas where no Parish Precept applies, i.e.

$$£190.08 - (£848,025 / 34,474) = \underline{\underline{£165.48}}$$

### **Resolutions 4 and 5**

- 3.19 These confirm the precepts levied by Parish Councils together with those notified to the Council by the County, Police/Crime Commissioner and Fire authorities. The equivalent tax rates by property band are shown in Schedules A and B.

### **Resolution 6**

- 3.20 This is the aggregate amount of Council Tax for South Derbyshire as detailed in **Schedule C**.

### **Resolution 7**

- 3.21 Schedule 5 of the Localism Act 2011, makes provision for a referendum to be held if an authority increases its Council Tax by an amount exceeding principles determined by the Secretary of State.
- 3.22 The Secretary has determined that for 2020/21, a Council Tax will be *deemed excessive* (and subject to a local Referendum) for shire district councils if the authority's relevant basic amount of Council Tax (i.e. Band D) for 2020/21 is:
- (a) *2% greater than its relevant basic amount of Council Tax for 2019/20; and*
  - (b) *£5 greater than its relevant basic amount of Council Tax for 2019/20.*
- 3.23 As shown in the table in **paragraph 3.9**, the District's Band D rate will increase following the recommendation of the Finance and Management Committee on 13th February 2020, by 1.95%. Therefore, under the principles set out by the Secretary of State, the Council's increase is not deemed excessive.

## Appendix 1

### **The Council is recommended to resolve as follows:**

1. It be noted that on 9th January 2020, the Finance and Management Committee calculated the Council Tax Base 2020/21:
  - (a) For the whole area as 34,474 (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by the Localism Act 2011).
  - (b) For dwellings in those parts of its area to which a Parish Precept relates as 23,536.
2. Calculate that the Council Tax Requirement for the Council's own purpose for 2020/21 (excluding Parish Precepts) is £5,704,758.
3. That the following amounts be calculated for the year 2020/21 in accordance with Sections 31 and 36 of the Localism Act 2011:
  - (a) £45,295,904

Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act taking into account all precepts issued to it by Parish Councils.
  - (b) £38,743,121

Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act.
  - (c) £6,552,783

Being the amount by which the aggregate of 3(a) above exceeds the aggregate of 3(b) above, calculated by the Council in accordance with Section 31A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act).
  - (d) £190.08

Being the amount at 3(c) above (Item R) all divided by Item T (1a above) calculated by the Council in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish Precepts).

(e) £848,025

Being the aggregate amount of all Parish Precepts referred to in Section 34 (1) of the Act.

(f) £165.48

Being the amount at 3 (d) above less the result given by dividing the amount at 3 (e) above by Item T (1a 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 Parish Precept relates.

4. To note that Parish Councils have issued precepts to the Council in accordance with Section 41 of Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in **Schedule A**
5. To note that the County Council, the Police and Crime Commissioner and the Fire and Rescue Service for Derbyshire, have issued Precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in **Schedule B**.
6. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in **Schedule C**, as the amounts of Council Tax for 2020/21 for each part of its area and for each of the categories of dwellings, this being the aggregate of Schedules A and B.
7. That in accordance with Section 52 (ZB) of the Local Government Finance Act 1992, the Council determines that the amount of council tax shown at 3 (f) of £165.48 **is not** excessive compared to 2019/20 and therefore there is no requirement for a local referendum.

## ANALYSIS OF PARISH PRECEPTS, TAX BASE AND BAND D RATES

Parish	Precept 2019/20 £	Precept 2020/21 £	Tax Base 2019/20	Tax Base 2020/21	Band D 2019/20 £	Band D 2020/21 £	LCTR Grant 2019/20 £	LCTR Grant 2020/21 £
Aston-on-Trent	33,400	34,068	753	724	44.36	47.06	1,317	1,317
Barrow-on-Trent	11,000	11,551	247	241	44.53	47.93	452	452
Bretby	3,516	3,586	403	407	8.72	8.81	73	73
Burnaston	8,533	8,770	690	690	12.37	12.71	148	148
Castle Gresley	23,369	25,309	578	626	40.43	40.43	2,876	2,876
Church Broughton	7,650	12,650	240	241	31.88	52.49	151	151
Coton-in-the-Elms	6,910	7,117	268	277	25.78	25.69	989	989
Dalbury Lees	1,600	1,600	130	125	12.31	12.80	102	102
Egginton	11,495	11,783	258	257	44.55	45.85	199	199
Elvaston	13,820	13,820	986	1,062	14.02	13.01	210	210
Etwall	40,758	47,286	1,090	1,131	37.39	41.81	2,751	2,751
Findern	29,205	35,682	956	1,168	30.55	30.55	1,135	1,135
Foston & Scropton	8,568	8,568	239	247	35.85	34.69	433	433
Hartshorne	8,200	8,200	1,081	1,079	7.59	7.60	1,783	1,783
Hatton	57,590	58,742	883	883	65.22	66.53	2,100	2,100
Hilton	172,900	172,900	2,685	2,735	64.39	63.22	5,484	5,484
Linton	35,638	44,407	722	748	49.36	59.37	3,325	3,325
Melbourne	75,914	79,709	1,941	1,996	39.11	39.93	2,568	2,568
Netherseal	9,950	10,242	325	328	30.62	31.23	1,141	1,141
Newton Solney	5,000	6,000	298	336	16.78	17.86	171	171
Overseal	31,000	31,930	853	864	36.34	36.96	2,801	2,801
Repton	41,443	42,272	1,157	1,172	35.82	36.07	693	693
Rosliston	7,725	10,000	268	290	28.82	34.48	378	378
Shardlow & Great Wilne	16,032	20,917	413	424	38.82	49.33	1,399	1,399
Smisby	5,213	5,213	125	127	41.70	41.05	164	164
Stenson	3,000	3,000	1,493	1,500	2.01	2.00	736	736
Ticknall	12,450	12,450	296	303	42.06	41.09	822	822
Walton-on-Trent	5,878	6,378	311	311	18.90	20.51	607	607
Weston-on-Trent	13,500	13,500	479	567	28.18	23.81	535	535
Willington	40,100	40,740	1,000	1,016	40.10	40.10	4,392	4,392
Woodville	57,067	59,635	1,642	1,661	34.75	35.90	3,692	3,692
<b>TOTAL PRECEPTS / AVERAGE BAND D</b>	<b>798,424</b>	<b>848,025</b>	<b>22,810</b>	<b>23,536</b>	<b>32.36</b>	<b>34.22</b>	<b>43,627</b>	<b>43,627</b>

## SCHEDULE A - DISTRICT COUNCIL TAX 2020/21

### Valuation Band and Proportion to Band D

<u>Part of Council's area:</u>	A	B	C	D	E	F	G	H
<u>Parish of</u>	6/9	7/9	8/9	1.00	11/9	13/9	15/9	18/9
	£:p	£:p	£:p	£:p	£:p	£:p	£:p	£:p

Aston-on-Trent	141.69	165.31	188.92	212.54	259.77	307.00	354.23	425.08
Barrow-on-Trent	142.27	165.99	189.70	213.41	260.83	308.26	355.68	426.82
Bretby	116.19	135.56	154.92	174.29	213.02	251.75	290.48	348.58
Burnaston	118.79	138.59	158.39	178.19	217.79	257.39	296.98	356.38
Castle Gresley	137.27	160.15	183.03	205.91	251.67	297.43	343.18	411.82
Church Broughton	145.31	169.53	193.75	217.97	266.41	314.85	363.28	435.94
Coton-in-the-Elms	127.45	148.69	169.93	191.17	233.65	276.13	318.62	382.34
Dalbury Lees	118.85	138.66	158.47	178.28	217.90	257.52	297.13	356.56
Egginton	140.89	164.37	187.85	211.33	258.29	305.25	352.22	422.66
Elvaston	118.99	138.83	158.66	178.49	218.15	257.82	297.48	356.98
Etwall	138.19	161.23	184.26	207.29	253.35	299.42	345.48	414.58
Findern	130.69	152.47	174.25	196.03	239.59	283.15	326.72	392.06
Foston & Scropton	133.45	155.69	177.93	200.17	244.65	289.13	333.62	400.34
Hartshorne	115.39	134.62	153.85	173.08	211.54	250.00	288.47	346.16
Hatton	154.67	180.45	206.23	232.01	283.57	335.13	386.68	464.02
Hilton	152.47	177.88	203.29	228.70	279.52	330.34	381.17	457.40
Linton	149.90	174.88	199.87	224.85	274.82	324.78	374.75	449.70
Melbourne	136.94	159.76	182.59	205.41	251.06	296.70	342.35	410.82
Netherseal	131.14	153.00	174.85	196.71	240.42	284.14	327.85	393.42
Newton Solney	122.23	142.60	162.97	183.34	224.08	264.82	305.57	366.68
Overseal	134.96	157.45	179.95	202.44	247.43	292.41	337.40	404.88
Repton	134.37	156.76	179.16	201.55	246.34	291.13	335.92	403.10
Rosliston	133.31	155.52	177.74	199.96	244.40	288.83	333.27	399.92
Shardlow & Great Wilne	143.21	167.07	190.94	214.81	262.55	310.28	358.02	429.62
Smisby	137.69	160.63	183.58	206.53	252.43	298.32	344.22	413.06

Stenson	111.65	130.26	148.87	167.48	204.70	241.92	279.13	334.96
Ticknall	137.71	160.67	183.62	206.57	252.47	298.38	344.28	413.14
Walton-on-Trent	123.99	144.66	165.32	185.99	227.32	268.65	309.98	371.98
Weston-on-Trent	126.19	147.23	168.26	189.29	231.35	273.42	315.48	378.58
Willington	137.05	159.90	182.74	205.58	251.26	296.95	342.63	411.16
Woodville	134.25	156.63	179.00	201.38	246.13	290.88	335.63	402.76
All other parts of the Council's area	110.32	128.71	147.09	165.48	202.25	239.03	275.80	330.96

## SCHEDULE B - MAJOR PRECEPTING AUTHORITIES COUNCIL TAX 2020/21

Precepting Authority	<u>Valuation Band and Proportion to Band D</u>							
	A	B	C	D	E	F	G	H
	6/9 £:p	7/9 £:p	8/9 £:p	1.00 £:p	11/9 £:p	13/9 £:p	15/9 £:p	18/9 £:p
Derbyshire County Council	899.56	1,049.49	1,199.41	1,349.34	1,649.19	1,949.05	2,248.90	2,698.68
Police and Crime Commissioner for Derbyshire	151.07	176.24	201.42	226.60	276.96	327.31	377.67	453.20
Derbyshire Fire and Rescue Service	51.82	60.46	69.09	77.73	95.00	112.28	129.55	155.46

## SCHEDULE C - AGGREGATED COUNCIL TAX FOR SOUTH DERYSHIRE 2020/21

Part of Council's area: <u>Parish of</u>	<u>Valuation Band and Proportion to Band D</u>							
	A	B	C	D	E	F	G	H
	£:p	£:p	£:p	£:p	£:p	£:p	£:p	£:p
Aston - on - Trent	1,244.14	1,451.50	1,658.85	1,866.21	2,280.92	2,695.64	3,110.35	3,732.42
Barrow - on - Trent	1,244.72	1,452.17	1,659.63	1,867.08	2,281.99	2,696.89	3,111.80	3,734.16
Bretby	1,218.64	1,421.75	1,624.85	1,827.96	2,234.17	2,640.39	3,046.60	3,655.92
Burnaston	1,221.24	1,424.78	1,628.32	1,831.86	2,238.94	2,646.02	3,053.10	3,663.72
Castle Gresley	1,239.72	1,446.34	1,652.96	1,859.58	2,272.82	2,686.06	3,099.30	3,719.16
Church Broughton	1,247.76	1,455.72	1,663.68	1,871.64	2,287.56	2,703.48	3,119.40	3,743.28
Coton - in - the - Elms	1,229.89	1,434.88	1,639.86	1,844.84	2,254.80	2,664.77	3,074.73	3,689.68
Dalbury Lees	1,221.30	1,424.85	1,628.40	1,831.95	2,239.05	2,646.15	3,053.25	3,663.90
Egginton	1,243.33	1,450.56	1,657.78	1,865.00	2,279.44	2,693.89	3,108.33	3,730.00
Elvaston	1,221.44	1,425.01	1,628.59	1,832.16	2,239.31	2,646.45	3,053.60	3,664.32
Etwall	1,240.64	1,447.41	1,654.19	1,860.96	2,274.51	2,688.05	3,101.60	3,721.92
Findern	1,233.13	1,438.66	1,644.18	1,849.70	2,260.74	2,671.79	3,082.83	3,699.40
Foston and Scropton	1,235.89	1,441.88	1,647.86	1,853.84	2,265.80	2,677.77	3,089.73	3,707.68
Hartshorne	1,217.83	1,420.81	1,623.78	1,826.75	2,232.69	2,638.64	3,044.58	3,653.50
Hatton	1,257.12	1,466.64	1,676.16	1,885.68	2,304.72	2,723.76	3,142.80	3,771.36
Hilton	1,254.91	1,464.07	1,673.22	1,882.37	2,300.67	2,718.98	3,137.28	3,764.74
Linton	1,252.35	1,461.07	1,669.80	1,878.52	2,295.97	2,713.42	3,130.87	3,757.04
Melbourne	1,239.39	1,445.95	1,652.52	1,859.08	2,272.21	2,685.34	3,098.47	3,718.16
Netherseal	1,233.59	1,439.18	1,644.78	1,850.38	2,261.58	2,672.77	3,083.97	3,700.76
Newton Solney	1,224.67	1,428.79	1,632.90	1,837.01	2,245.23	2,653.46	3,061.68	3,674.02
Overseal	1,237.41	1,443.64	1,649.88	1,856.11	2,268.58	2,681.05	3,093.52	3,712.22
Repton	1,236.81	1,442.95	1,649.08	1,855.22	2,267.49	2,679.76	3,092.03	3,710.44
Rosliston	1,235.75	1,441.71	1,647.67	1,853.63	2,265.55	2,677.47	3,089.38	3,707.26

Shardlow and Great Wilne	1,245.65	1,453.26	1,660.87	1,868.48	2,283.70	2,698.92	3,114.13	3,736.96
Smisby	1,240.13	1,446.82	1,653.51	1,860.20	2,273.58	2,686.96	3,100.33	3,720.40
Stenson Fields	1,214.10	1,416.45	1,618.80	1,821.15	2,225.85	2,630.55	3,035.25	3,642.30
Ticknall	1,240.16	1,446.85	1,653.55	1,860.24	2,273.63	2,687.01	3,100.40	3,720.48
Walton - on - Trent	1,226.44	1,430.85	1,635.25	1,839.66	2,248.47	2,657.29	3,066.10	3,679.32
Weston - on - Trent	1,228.64	1,433.41	1,638.19	1,842.96	2,252.51	2,662.05	3,071.60	3,685.92
Willington	1,239.50	1,446.08	1,652.67	1,859.25	2,272.42	2,685.58	3,098.75	3,718.50
Woodville	1,236.70	1,442.82	1,648.93	1,855.05	2,267.28	2,679.52	3,091.75	3,710.10
All other parts of the Council's area	1,212.77	1,414.89	1,617.02	1,819.15	2,223.41	2,627.66	3,031.92	3,638.30