

FOR PUBLICATION
COUNCIL TAX 2016/17

MEETING: COUNCIL
DATE: 25 FEBRUARY 2016
REPORT BY: CHIEF FINANCE OFFICER
WARD: ALL
COMMUNITY FORUM: ALL

FOR PUBLICATION

BACKGROUND PAPERS:

<u>Title</u>	<u>Location</u>
(i) Budget Working Papers	Accountancy Services

1.0 PURPOSE OF REPORT

- 1.1 To set the Council's own Council Tax for 2016/17.
- 1.2 To set the aggregate amounts of Council Tax for 2016/17, including all of the precepting authorities, for each area/category of dwelling within the Borough in accordance with requirements of the Local Government Finance Act 1992.

2.0 BACKGROUND

- 2.1 The suite of budget setting reports (Medium Term Financial Plan, Capital Budget and Treasury Management) are included as separate items on the agenda. The detailed Portfolio budgets are available on the Councils website (in Your Council / Your Chesterfield / Publication Scheme / What We Spend and How We Spend It). The budget reports form the basis of the Council Tax recommendation in this report.
- 2.2 The Borough Council, as the Tax Collecting Authority, is required by the Local Government Finance Act, 1992 to set the Council Tax for its area by

adding its own tax to those of the Major Precepting Authorities (in this case Derbyshire County Council, Derbyshire Fire & Rescue Service and Derbyshire Police and Crime Commissioner) and the local Precepting Authorities (in this case Staveley Town Council and Brimington Parish Council).

- 2.3 Under section 52ZB of the Local Government Act 1992 the Council is required to determine whether its relevant basic amount of council tax for a financial year is excessive. Where the increase exceeds the principles determined by the Secretary of State the authority is required to hold a council tax referendum. For 2016/17 an increase is deemed to be excessive for a shire district council if it 2% or more above the 2015/16 level and more than £5 above the 2015/16 level.

3.0 **RECOMMENDATIONS**

- 3.1 That it be noted that at its meeting on 25th January 2016 the Employment and General Committee calculated the following tax base amounts for the year 2016/17 in accordance with regulation made under Section 31B of the Local Government Finance Act 1992 as:

(a) **28,271.58** being the amount calculated for the whole Council area.

(b) For those areas to which a parish precept applies:

Staveley Town Council	4,019.61
Brimington Parish Council	2,243.44

- 3.2 That the Council approves the calculation of the Council Tax requirement for the Council's own purposes for 2016/17 (excluding parish precepts) as **£4,237,627**.

- 3.3 That the following amounts be calculated for the year 2016/17 in accordance with Sections 31 to 36 of the Act:

(a) **£116,080,655** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act (gross expenditure) taking into account all precepts issued to it by Parish Councils;

(b) **£113,222,348** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act (gross income including grants and the use of reserves);

- (c) **£68,221** being the surplus on the Council tax elements of the Collection Fund and **£1,851,506** being the deficit on the Business Rate elements
- (d) **£4,641,592** being the amount by which the aggregate at 3.3(a) above exceeds the aggregate at 3.3(b) above plus 3.3(c), calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year. Please note that this is the total of the Borough's requirement of **£4,237,627** plus the total parish precepts of **£403,965**.
- (e) **£164.18** being the amount at 3.3(d) above divided by 3.1(a) 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).
- (f) **£403,965** being the aggregate amount of all special items (parish precepts) referred to in Section 34(1) of the Act.
- (g) **£149.89** being the amount at 3(e) above less the result given by dividing the amount at 3(f) above by the amount at 3.1(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 Parish precept relates. The tax does not exceed the principles set by the Secretary of State for determining excessive tax increases and triggering a referendum.

Parts of the Council's area:

- (h) The following being the amounts calculated by adding the amount at 3.3(g) to the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned in 3.3(f) divided in each case by the amount at 3.1(b), 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 items relate.

Parish	Band 'D' Tax £
Staveley	238.53
Brimington	171.14

- (i) The amounts given by multiplying the amounts at 3.3(g) and 3.3(h) 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(1) 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:

Part of the Council's area	Valuation Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Staveley Town Council	159.02	185.52	212.03	238.53	291.54	344.54	397.55	477.06
Brimington Parish Council	114.09	133.11	152.12	171.14	209.17	247.20	285.23	342.28
All other parts of the Borough	99.93	116.58	133.24	149.89	183.20	216.51	249.82	299.78

- 3.4 That it be noted that for the year 2016/17 the Derbyshire County Council, the Derbyshire Fire and Rescue Service and the Derbyshire Police & Crime Commissioner have stated the following 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 shown below:

Precepting Authority	Valuation Band							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Derbyshire County Council	776.78	906.24	1,035.71	1,165.17*	1,424.10	1,683.02	1,941.95	2,330.34
Derbyshire Fire & Rescue Service	47.45	55.36	63.27	71.18	87.00	102.82	118.63	142.36
Derbyshire Police & Crime Commissioner	118.05	137.72	157.40	177.07	216.42	255.77	295.12	354.14

*The Derbyshire County Council Tax increase of 3.99% includes 2.00% to support the delivery of adult social care duties and responsibilities in 2016/17, equivalent to an additional £22.41 for dwellings in Council Tax Valuation Band 'D', which is included in the £1,165.17 in the table above.

3.5 That, having calculated the aggregate in each case of the amounts at 3.3(i) and 3.4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2016/17 for each of the categories of dwellings shown below:

Part of the Council's area	Valuation Band							
	A 6/9	B 7/9	C 8/9	D 9/9	E 11/9	F 13/9	G 15/9	H 18/9
	£	£	£	£	£	£	£	£
Staveley Town Council	1,101.30	1,284.84	1,468.41	1,651.95	2,019.06	2,386.15	2,753.25	3,303.90
Brimington Parish Council	1,056.37	1,232.43	1,408.50	1,584.56	1,936.69	2,288.81	2,640.93	3,169.12
All other parts of the Borough	1,042.21	1,215.90	1,389.62	1,563.31	1,910.72	2,258.12	2,605.52	3,126.62

4.0 REASON FOR RECOMMENDATIONS

4.1 There is a statutory requirement for the Council to set a balanced budget and a Council Tax for each financial year. The format of the Council Tax resolution is based on the model recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA).

B. DAWSON
CHIEF FINANCE OFFICER