

Meeting:	Council
Meeting date:	Friday 8 March 2019
Title of report:	Council tax setting – Supplementary Paper
Report by:	Cabinet member finance and corporate services

Following confirmation of Hereford City Councils precept for 2019/20, this supplementary paper and appendices confirm updates to the Council Tax Setting report, agenda item no. 7, as below :-

Recommendation(s) – *to replace those recommendations contained in the report to agenda item no. 7, Council Tax Setting, published on 28 February 2019.*

That:

- (a) The precepting authority details incorporated in appendices 1 to 5, relating to town and parishes, West Mercia Police and Hereford and Worcester Fire Authority be approved in accordance with sections 30(2), 34(3), 36(1) and section 40 of the Local Government Finance Act 1992 (as amended) and that the following amounts be approved for the year 2019/20 in accordance with sections 31 to 36 of the Local Government Finance Act 1992, regulation 6 (as amended by the Localism Act 2011):
- a. **£380,620,339** being the estimated aggregate expenditure of the council in accordance with section 31A (2) of the act, including all precepts issued to it by parish and town councils;
 - b. **£271,747,000** being the estimated aggregate income of the council for the items set out in section 31A (3) of the act (including revenue support grant);
 - c. **£108,873,339** being the amount by which the aggregate at (a)a. above exceeds the aggregate at (a)b. calculated by the council in accordance with section 31A(4) of the act, as its council tax requirement for the year (including parish and town precepts);
 - d. **£1,581.86** being the amount at (a)c. above divided by the amount of the council tax base calculated by the council, in accordance with section 31B of the act, as the basic amount of its council tax for the year (including town and parish precepts);
 - e. **£4,622,339** being the aggregate amount of all special items (parish and town precepts) referred to in section 34(1) of the act;

- f. **£1,514.70** being the amount at (a)d. above less the result given by dividing the amount at (a)e. above by the amount of council tax base 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 dwelling in those parts of its area to which no parish or town precept relates (Herefordshire Council band D council tax, excluding parishes).
- (b) It is agreed that the net tax base of band d equivalent properties (being the gross tax base adjusted for an assumed collection rate) used for setting the budget requirement for 2019/20;
- a. Is allocated to band D equivalent dwellings per precept area as shown in appendix 1; and
- b. The individual council tax allocations per valuation band of dwelling by parish (including police and fire precepts) as set out in appendix 5.

1. The parish and town precepts for 2019/20 total £4,622,339 amounting to an average band D council tax charge of £67.16 (an average increase of 7.4% over 2018/19) and are detailed in appendix 1.

Council tax calculations

2. The calculation of council tax involves several stages and the Local Government Finance Act 1992 requires figures to be calculated including and excluding parish precepts. The following table demonstrates this requirement is met:

	Herefordshire Council	Parish precepts	Herefordshire incl. parishes (average)
	£	£	£
Estimated gross expenditure	375,998,000	4,622,339	380,620,339
LESS estimated income	(224,906,000)	Not applicable	(224,906,000)
Net budget requirement	151,092,000	4,622,339	155,714,339
LESS retained business rates	(35,950,000)	Not applicable	(35,950,000)
LESS revenue support grant	(624,000)	Not applicable	(624,000)
LESS rural sparsity delivery grant	(5,101,000)	Not applicable	(5,101,000)
LESS new homes bonus	(2,176,000)	Not applicable	(2,176,000)

LESS adult social care grant	(2,385,000)	Not applicable	(2,385,000)
LESS collection fund surplus	(500,000)	Not applicable	(500,000)
LESS EU exit preparation grant	(105,000)	Not applicable	(105,000)
Council tax requirement	104,251,000	4,622,339	108,873,339
Divided by council net tax base (band D equivalent)	68,826.03	68,826.03	68,826.03
Council tax at band D	£1,514.70	£67.16	£1,581.86

Council tax amounts

- Appendices 1, 2 and 5 to this report contain the individual council tax amounts for each category of dwelling as required by the Local Government Finance Act 1992 and associated regulations.
- The parish precepts for 2019/20 total £4,622,339 amounting to an average band D council tax charge of £67.16. This represents an average increase of 7.4% over 2018/19. This is set out in detail in appendix 1 providing the parish precept requirement and the band D council tax charge for each parish. The charge by each property band, inclusive of the Herefordshire Council charge, is set out in appendix 2.
- Appendix 5 provides the impact of all precepts on the council tax bill by detailing the total amount of council tax payable in each parish by property band.

Appendices — *to replace those appendices 1,2 and 5 contained in the report to agenda item no. 7, Council Tax Setting, published on 28 February 2019.*

Appendix 1 - Herefordshire Council requirement by parish, including band D equivalent.

Appendix 2 - Council tax for each valuation band, by parish, without the police and fire precepts.

Appendix 5 - Council tax for each valuation band by parish, including the police and fire precepts.