

Council Tax Setting 2018/19

SUMMARY

- 1.1 At its meeting on 24 January 2018, Council agreed a net budget requirement of £217,782,285 for 2018/19 and agreed to increase the Council's council tax by 5.99%, including a 3% increase for the new Adult Social Care precept.
- 1.2 Under the Localism Act 2011 the Council, as a billing authority is also required to calculate its council tax requirement for the year. Derby City Council's council tax requirement has been calculated as £93,027,221.
- 1.3 This report sets out the Council's council tax requirement and the total council tax for Derby City residents for 2018/19 including the precepts for Derbyshire Police and Crime Commissioner and Derbyshire Fire Authority. Details of the changes in council tax levels set by these two organisations are set out in paragraph 4.4.

RECOMMENDATION

- 2.1 To note the final funding settlement and revenue support grant confirmation.
- 2.2 To note the budget requirement for Derby City Council for 2018/19 of £217,782,285 approved at Council on 24 January 2018.
- 2.3 To recommend that Council approves the Council Tax requirement for Derby City Council for 2018/19 of £93,027,221 in line with the detailed calculation presented in Appendix 2.
- 2.4 To recommend that Council confirms the following amounts for the year 2018/19, which are consistent with the revised net budget requirement, in accordance with Sections 31A (1) of the Local Government Finance Act 1992 as amended by the Localism Act 2011:
 - a. £664,786,777 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) (a) to (f).
 - b. (£571,759,556) being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) and (d) of the Act.

- c. £93,027,221 as Council Tax requirement for the year, being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 31A(4) of the Act.
- d. £1,375.93 as the basic amount of its Council Tax for the year, being the amount at (c) above, divided by the amount at 4.1 below, calculated by the Council, in accordance with Section 31B of the act.

e. for the following Valuation Bands:

	£		£
A	£917.29	E	£1,681.69
B	£1,070.17	F	£1,987.45
C	£1,223.05	G	£2,293.22
D	£1,375.93	H	£2,751.86

as the amounts to be taken into account for the year, under Section 30(2)(a) of the Act, in respect of categories of dwellings listed in different valuation bands, being the amounts given by multiplying the amount at (d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to all dwellings listed in each 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.

2.5 To note that for the year 2018/19, Derbyshire Police and Crime Commissioner has stated the following in a precept to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

All dwellings in valuation band:

A	£128.40	E	£235.40
B	£149.80	F	£278.20
C	£171.20	G	£321.00
D	£192.60	H	£385.20

- 2.6 To note that for the year 2018/19, Derbyshire Fire Authority has stated the following in a precept to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

All dwellings in valuation band:

A	£49.83	E	£91.35
B	£58.13	F	£107.96
C	£66.44	G	£124.57
D	£74.74	H	£149.48

- 2.7 To recommend that Council sets the following amounts as the amounts of council tax for the year 2018/19 for each of the categories of dwellings shown below, being the aggregate in each case of the amounts in 2.4, 2.5 and 2.6, in accordance with Section 30(2) of the Local Government Finance Act 1992:

All dwellings in valuation band:

A	£1,095.52	E	£2,008.44
B	£1,278.10	F	£2,373.61
C	£1,460.69	G	£2,738.79
D	£1,643.27	H	£3,286.54

- 2.8 To authorise the publication of the requisite notices in accordance with the provisions of Section 38(2) of the Local Government Finance Act 1992.

REASONS FOR RECOMMENDATION

- 3.1 As a billing authority, the Council has a legal obligation to set an amount of council tax for each financial year and each category of dwellings in its area, as prescribed in the Local Government Finance Act 1992, as amended by the Localism Act 2011.

SUPPORTING INFORMATION

- 4.1 At its meeting on 24 January, the Council calculated the Council's Tax Base for the year 2018/19 as 67,610.42 equivalent band D properties, in accordance with the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) Regulations 2003 (SI 2003/3012).

- 4.2 At the 24 January meeting, the Council agreed the calculation of its council tax amounts for 2018/19. These amounts have been calculated in accordance with the Local Government Finance Act 1992 as amended by the Localism Act 2011, and are set out for confirmation in paragraph 2.4(e) above.
- 4.3 Cabinet recommended to Council the budget requirement for Derby City Council for 2018/19 of £217,782,285 on 24 January 2018.
- 4.4 Under the Local Government Finance Act 1992, the Council must set an amount of council tax by taking the aggregate of the amount which has been calculated for the Council and any amounts that have been calculated in precepts issued to the Council by major precepting authorities. The Council has two major precepting authorities, Derbyshire Police and Crime Commissioner and Derbyshire Fire Authority. Changes to Council Tax levels of 6.6% and 2.98% have been applied by these two organisations respectively.
- 4.5 The aggregate council tax amounts by valuation band, including that of the Council and both major precepting bodies, are set out for approval in paragraphs 2.4 to 2.7 above.

OTHER OPTIONS CONSIDERED

- 5.1 No other options considered. The Council has a statutory duty under the Local Government Finance Act 1992 to set an amount of council tax for the year 2018/19.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Don McLure, Strategic Director of Finance and Section 151 Officer
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For more information contact: Background papers: List of appendices:	Elly Tomlinson, Principal Accountant, Organisation and Governance Tel: 01332 642789 Email: elly.tomlinson@derby.gov.uk Reports Presented to Council Cabinet 24 January 2018: <ul style="list-style-type: none"> • General Fund Revenue and Capital Budget 2018/19 • Council Tax Base for 2018/19 • Reserves Policy 2018/19 Appendix 1 – Implications Appendix 2 – Derby City Council Tax calculation 2018/19
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IMPLICATIONS

Financial and Value for Money

1.1 As described in the report

Legal

2.1 Under the Local Government Finance Act 1992 as revised by the Localism Act 2011, the Council is required to set an amount of council tax for each financial year and each category of dwellings in its area.

Personnel

3.1 None directly arising

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4.1 None directly arising.

Equalities Impact

5.1 None directly arising

Health and Safety

6.1 None directly arising

Environmental Sustainability

7.1 None directly arising

Property and Asset Management

8.1 None directly arising

Risk Management

9.1 None directly arising

Corporate objectives and priorities for change

10.1 None directly arising

COUNCIL TAX STATUTORY CALCULATION 2018/19
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Derby City Council Budget Requirement 2018/19	R	£217,782,285
Retained Business Rates		£48,223,860
Business Rates Top Up Grant		£15,782,968
Revenue Support Grant		£18,897,621
Collection Fund Surplus		(£3,025,000)
Other Specific Grants		£44,875,615
	P	£124,755,064
Council Tax Requirement	C= R-P	£93,027,221
Tax Base for Tax Setting (Band D)	T	67,610.42
Basic Amount of Council Tax	C / T	£1,375.93
		Derby
Band A – (Disabled)	5/9	764.41
Band A	6/9	917.29
Band B	7/9	1,070.17
Band C	8/9	1,223.05
Band D	9/9	1,375.93
Band E	11/9	1,681.69
Band F	13/9	1,987.45
Band G	15/9	2,293.22
Band H	18/9	2,751.86
Council Tax 2017/18		£1,298.17
Unadjusted Increase Band D		£77.76
Unadjusted % Increase Band D		5.99%