



Derby City Council

COUNCIL
27 February 2019

Leader of the Council Chris Poulter

ITEM 14

Council Tax Setting 2019/20

Purpose

- 1.1 At its meeting on 13 February 2019, Cabinet agreed a net budget requirement of £220,609,129 for 2019/20 and agreed to increase the Council's council tax by 2.99%.
- 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 £97,322,992.
- 1.3 This report sets out the Council's council tax requirement and the total council tax for Derby City residents for 2019/20 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(s)

- 2.1 Based on the budget requirement for Derby City Council for 2019/20 of £220,609,129 as approved by Cabinet on 13 February 2019,

To recommend that Council approves the Council Tax requirement for Derby City Council for 2019/20 of £97,322,992 in line with the detailed calculation presented in Appendix 1.

- 2.2 To recommend that Council confirms the following amounts for the year 2019/20, 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. £684,967,517 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) (a) to (f).
 - b. (£587,644,525) 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. £97,322,992 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. £1,417.07 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	£944.71	E	£1,731.97
B	£1,102.17	F	£2,046.88
C	£1,259.62	G	£2,361.78
D	£1,417.07	H	£2,834.14

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.

- 2.3 To note that for the year 2019/20, 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	£144.40	E	£264.73
B	£168.47	F	£312.87
C	£192.53	G	£361.00
D	£216.60	H	£433.20

- 2.4 To note that for the year 2019/20, 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	£50.81	E	£93.16
B	£59.28	F	£110.10
C	£67.75	G	£127.03
D	£76.22	H	£152.44

- 2.5 To recommend that Council sets the following amounts as the amounts of council tax for the year 2019/20 for each of the categories of dwellings shown below, being the aggregate in each case of the amounts in 2.2, 2.3 and 2.4, in accordance with Section 30(2) of the Local Government Finance Act 1992:

All dwellings in valuation band:

A	£1,139.92	E	£2,089.86
B	£1,329.92	F	£2,469.85
C	£1,519.90	G	£2,849.81
D	£1,709.89	H	£3,419.78

- 2.6 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

- 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 16 January 2019, the Council calculated the Council's Tax Base for the year 2019/20 as 68,679 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 13 February 2019 meeting, Cabinet agreed the calculation of its council tax amounts for 2019/20. 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 2.2(e) above.
- 4.3 Cabinet recommended to Council the budget requirement for Derby City Council for 2019/20 of £220,609,129 on 13 February 2019.
- 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 12.5% and 1.98% 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 2.2 to 2.5 above.

Public/stakeholder engagement

- 5.1 The Council, Fire and Police Authority have previously carried out consultation processes on the Council Tax charges for 2019/20 and have been formally agreed within each authority.

Other options

- 6.1 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 2019/20.

Financial and value for money issues

7.1 None directly arising.

Legal implications

8.1 None directly arising.

Other Significant implications

9.1 None directly arising.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal		
Finance	Toni Nash	
Service Director(s)		
Report sponsor	Don McLure	
Other(s)		

For more information contact:	Elly Tomlinson, Principal Accountant, Corporate Resources Tel: 01332 642789 Email: elly.tomlinson@derby.gov.uk
Background papers:	Reports previously Presented to Council Cabinet: <ul style="list-style-type: none">• Council Tax Base for 2019/20 (16 January 2019 Cabinet)• General Fund Revenue and Capital Budget 2019/20 (13 February 2019 Cabinet)• Reserves Policy 2019/20 (13 February 2019 Cabinet)
List of appendices:	Appendix 1 – Derby City Council Tax calculation 2019/20

Appendix 1

COUNCIL TAX STATUTORY CALCULATION 2019/20
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Derby City Council Budget Requirement 2019/20	R	£220,609,129
Retained Business Rates		£47,630,863
Business Rates Top Up Grant		£16,286,990
Revenue Support Grant		£12,523,850,
Collection Fund Surplus		(5,485,865)
New Better Care Fund		£21,864,289
Other Specific Grants		£30,466,010
	P	£123,286,137
Council Tax Requirement	C= R-P	£97,322,992
Tax Base for Tax Setting (Band D)	T	68,679.00
Basic Amount of Council Tax	C / T	£1,417.07

		Derby
Band A – (Disabled)	5/9	787.26
Band A	6/9	944.71
Band B	7/9	1,102.17
Band C	8/9	1,259.62
Band D	9/9	1,417.07
Band E	11/9	1,731.98
Band F	13/9	2,046.88
Band G	15/9	2,361.78
Band H	18/9	2,834.14

Council Tax 2018/19	£1,375.93
Unadjusted Increase Band D	£41.14
Unadjusted % Increase Band D	2.99%