



Derby City Council

COUNCIL CABINET
20 February 2013

DOCUMENT 9a

Report of the Cabinet Member for Business,
Finance and Democracy

Council Tax 2013/14

SUMMARY

- 1.1 At its meeting on 30 January 2013, the Council approved a net budget requirement of £223,064,543 for 2013/14 and agreed to increase the Council's council tax by 1.55%.
- 1.2 The Council is still awaiting the full details of its final financial settlement for 2013/14 from central government, specifically regarding figures for the Education Services Grant.
- 1.3 Under the Localism Act 2011 the Council, as a billing authority, is required to calculate its council tax requirement for the year. Derby City Council's council tax requirement has been calculated as £70,535,397.
- 1.4 This report sets out the Council's Council Tax requirement and the total Council Tax for Derby City residents for 2013/14 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 budget requirement for Derby City Council for 2013/14 of £223,064,543 as approved by Council in January 2013.
- 2.2 To recommend that Council approves the Council Tax requirement for Derby City Council for 2013/14 of £70,535,397 in line with the detailed calculation presented in Appendix 2.
- 2.3 To recommend that Council confirms the following amounts for the year 2013/14, which are consistent with the net budget requirement agreed by the Council at its meeting on 30 January, in accordance with Sections 31A (1) of the Local Government Finance Act 1992 as amended by the Localism Act 2011:
 - a. £579,221,543 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e).
 - b. (£356,157,000) being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) and

(c) of the Act.

c. £223,064,543 as its budget 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 32(4) of the Act.

d. £152,529,146 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed non-domestic rates, business rates top-up grant, revenue support grant, and additional corporate government grants

e. £1,144.63 as the basic amount of its Council Tax for the year, being the amount at (c) above, less the amount at (d) above, all divided by the amount at 4.1 below, calculated by the Council, in accordance with Section 33 of the Act.

f. for the following Valuation Bands:

	£		£
A	763.09	E	1,398.99
B	890.27	F	1,653.35
C	1,017.45	G	1,907.72
D	1,144.63	H	2,289.26

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 (e) 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.

- 2.4 To note that for the year 2013/14, 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	111.30	E	204.05
B	129.85	F	241.15
C	148.40	G	278.25
D	166.95	H	333.90

- 2.5 To note that for the year 2013/14, 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	44.78	E	82.10
B	52.24	F	97.02
C	59.71	G	111.95
D	67.17	H	134.34

- 2.6 To recommend that Council sets the following amounts as the amounts of Council Tax for the year 2013/14 for each of the categories of dwellings shown below, being the aggregate in each case of the amounts in 2.3, 2.4 and 2.5, in accordance with Section 30(2) of the Local Government Finance Act 1992,

All dwellings in Valuation Band:

	£		£
A	919.17	E	1,685.14
B	1,072.36	F	1,991.52
C	1,225.56	G	2,297.92
D	1,378.75	H	2,757.50

- 2.7 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, and associated Regulations.



Derby City Council

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Report of the Strategic Director for Resources

SUPPORTING INFORMATION

- 4.1 At its meeting on 30 January, the Council calculated the Council's Tax Base for the year 2013/14 as 61,622.88 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 30 January meeting, the Council agreed the calculation of its council tax amounts for 2013/14. 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 2.3(e) above.
- 4.3 Council approved the budget requirement for Derby City Council for 2013/14 of £223,064,543 on 30 January 2013, subject to confirmation of the final Local Government Settlement which was expected in February 2013. Full final settlement remains outstanding at the date of this report. However, any changes arising from final settlement will be dealt with within the Council's agreed Council Tax Requirement and will therefore not impact on the Council's anticipated Council Tax levels described in the January 2013 report.
- 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 issues 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 1.96% and 0% 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 paragraph 2.6 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 2013/14.

This report has been approved by the following officers:

Legal officer Financial officer Human Resources officer Estates/Property officer Service Director(s) Other(s)	Martyn Marples, Director of Finance and Procurement
For more information contact: Background papers: List of appendices:	Chloe Kenny, Head of Corporate Finance Tel: 01332 643369 Email: chloe.kenny@derby.gov.uk Reports Presented to Full Council 30 January 2013: <ul style="list-style-type: none">• General Fund Revenue Budget 2013/14• Council Tax Base for 2013/14• Capital Budget 2013/14• Report on the Robustness of Estimates and on the Adequacy of Reserves 2013/14 Appendix 1 – Implications Appendix 2 – Derby City Council council tax calculation 2013/14

IMPLICATIONS

Financial and Value for Money

- 1.1 As described in the report

Legal

- 2.1 Under the Local Government Finance Act 1992, the Council is required to set an amount of council tax for each financial year and each category of dwellings in its area. The amount of council tax is calculated in accordance with the detailed requirements set out in Section 30 of the Act.

Personnel

- 3.1 None directly arising

Equalities Impact

- 4.1 None directly arising

Health and Safety

- 5.1 None directly arising

Environmental Sustainability

- 6.1 None directly arising

Property and Asset Management

- 7.1 None directly arising

Risk Management

- 8.1 None directly arising

Corporate objectives and priorities for change

- 9.1 None directly arising

COUNCIL TAX STATUTORY CALCULATION 2013/14
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Derby City Council Budget Requirement 2013/14	R	£223,064,543
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Retained Business Rates		£37,757,126
Business Rates Top Up Grant		£12,667,147
Revenue Support Grant		£75,794,873
Collection Fund Deficit – Council Tax		(£473,000)
Other Specific Grants		£26,783,000
	P	£152,529,146

Council Tax Requirement	C= R-P	£70,535,397
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Tax Base for Tax Setting (Band D)	T	61,622.88
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Basic Amount of Council Tax	C / T	£1,144.63
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		Derby
Band A – (Disabled)	5/9	635.91
Band A	6/9	763.09
Band B	7/9	890.27
Band C	8/9	1,017.45
Band D	9/9	1,144.63
Band E	11/9	1,398.99
Band F	13/9	1,653.35
Band G	15/9	1,907.72
Band H	18/9	2,289.26

Council Tax 2012/13	£1,127.21
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Unadjusted Increase Band D	£17.42
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Unadjusted % Increase Band D	1.55%
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