

Report sponsor: Alison Parkin, Director of
Financial Services
Report author: Toni Nash, Head of Finance
Corporate

Council Tax Setting 2023/24

Purpose

- 1.1 This report sets out the Council's Council Tax requirement and the total Council Tax for Derby City residents for 2023/24 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 section 4.3.
- 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 £117,687,808.

Recommendations

- 2.1 To approve:
 - a) The Council Tax requirement for Derby City Council for 2023/24 of £117,687,808 in line with the detailed calculation presented in Appendix 1
 - b) The amounts of Council Tax for the year 2023/24 for each of the categories of dwellings detailed in section 4, being the aggregate in each case of the amounts detailed in sections 4.2, 4.3 and 4.4, in accordance with Section 30(2) of the Local Government Finance Act 1992
 - c) The publication of the requisite notices in accordance with the provisions of Section 38(2) of the Local Government Finance Act 1992.
- 2.2 To note:
 - a) Council Cabinet is recommending to Council the net budget requirement for Derby City Council for 2023/24 of £284,106,000 at this Council meeting
 - b) For the year 2023/24, Derbyshire Police and Crime Commissioner have stated their authority's precept to the Council, in accordance with section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings detailed in section 4.3.

Reason

- 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 11th January 2023, the Council calculated the Council's Tax Base for the year 2023/24 as 71,038.69 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 15th February 2023 meeting, Cabinet agreed to a 4.99% increase to the Council's Tax amounts for 2023/24. 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 below:
- 4.2.1 The following amounts for the year 2023/24, are consistent with the net budget requirement, in accordance with Sections 31A (1) of the Local Government Finance Act 1992 as amended by the Localism Act 2011:

a.	£829,232,916	being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) (a) to (f) of the Act (Gross expenditure)
b.	(£711,545,108)	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 (Revenue Income including reimbursement of benefits, specific & general grants & use of reserves)
c.	£117,687,808	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 (Net expenditure)
d.	£1,656.67	as the basic amount of its Council Tax for the year, being the amount at (c) above, divided by the Council's Council Tax base detailed in section 4.1, calculated by the Council, in accordance with Section 31B of the Act (Council's Band D council tax charge)

e. for the following Valuation Bands:

Derby City Council precept per Band	£
A	1,104.45
B	1,288.52
C	1,472.60
D	1,656.67
E	2,024.82
F	2,392.97
G	2,761.12
H	3,313.34

- 4.2.2 The balances above are 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.
- 4.3 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 5.96% (£15 per year increase) and 6.19% (£5 per year increase) have been applied by these two organisations respectively for the year 2023/24. The Council Tax amount by valuations are detailed in section 4.3.1 and 4.3.2 below.

- 4.3.1 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:

Police Authority precept per Band	£
A	177.73
B	207.36
C	236.98
D	266.60
E	325.84
F	385.09
G	444.33
H	533.20

- 4.3.2 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:

Fire Authority precept per Band	£
A	57.23
B	66.76
C	76.30
D	85.84
E	104.92
F	123.99
G	143.07
H	171.68

- 4.4 The aggregate Council Tax amounts by valuation band, including that of the Council and both major precepting bodies as detailed in sections 4.2 and 4.3, are set out for approval below in accordance with Section 30(2) of the Local Government Finance Act 1992:

Total Council Tax Charge per Band	£
A	1,339.41
B	1,562.64
C	1,785.88
D	2,009.11
E	2,455.58
F	2,902.05
G	3,348.52
H	4,018.22

Public/stakeholder engagement

- 5.1 The Council, Police and Fire Authority have previously carried out consultation processes on the Council Tax charges for 2023/24 and have been formally agreed within each authority.

Other options

- 6.1 None. The Council has a statutory duty under the Local Government Finance Act 1992 to set an amount of Council Tax for the year 2023/24.

Financial and value for money issues

- 7.1 None directly arising.

Legal implications

- 8.1 None directly arising.

Climate implications

- 9.1 None directly arising.

Socio-Economic implications

- 10.1 None directly arising.

Other significant implications

- 11.1 None directly arising.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal		
Finance	Toni Nash, Head of Finance Corporate Resources	13/02/23
Service Director(s)	Alison Parkin, Director of Financial Services	
Report sponsor	Simon Riley, Strategic Director of Corporate Resources and S151 officer	
Other(s)		

For more information contact:	Peter Shillcock, Group Accountant, Corporate Resources Tel: 01332 642787 Email: peter.shillcock@derby.gov.uk
Background papers:	Reports previously Presented to Council Cabinet: <ul style="list-style-type: none"> • Council Tax Base for 2023/24 (11th January 2023 Cabinet) • Medium Term Financial Plan 2023/24 to 2025/26 (Revenue and Capital Budget) (27th February 2022 Full Council)
List of appendices:	Appendix 1 – Derby City Council Tax calculation 2023/24 Appendix 2 – Derby City Council charge including the Social Care Precept charge

COUNCIL TAX STATUTORY CALCULATON 2023/24

Derby City Council Budget Requirement 2023/24	R	£284,106,000
Retained Business Rates		£41,947,846
Business Rates Top Up Grant		£18,967,846
Revenue Support Grant		£14,851,255
Collection Fund Deficit		(£489,471)
New Better Care Fund		£27,087,276
Other Specific Grants		£64,053,440
	P	£166,418,192
Council Tax Requirement	C= R-P	£117,687,808
Tax Base for Tax Setting (Band D)	T	71,038.69
Basic Amount of Council Tax	C / T	1,656.67
Derby		
Band A – (Disabled)	5/9	920.37
Band A	6/9	1,104.45
Band B	7/9	1,288.52
Band C	8/9	1,472.60
Band D	9/9	1,656.67
Band E	11/9	2,024.82
Band F	13/9	2,392.97
Band G	15/9	2,761.12
Band H	18/9	3,313.34
Council Tax 2022/23		£1,577.93
Unadjusted Increase Band D		£ 78.74
Unadjusted % Increase Band D		4.99%

Derby City Council, Council Tax Charge for 2023/24 including the Social Care Precept:

Council Tax Band	Derby City Council Charge (excluding Social Care precept)	Derby City Council Social Care precept Charge	Total Council Tax Charge
A	958.19	146.26	1,104.45
B	1,117.88	170.64	1,288.52
C	1,277.58	195.02	1,472.60
D	1,437.27	219.40	1,656.67
E	1,756.67	268.15	2,024.82
F	2,076.06	316.91	2,392.97
G	2,395.46	365.66	2,761.12
H	2,874.54	438.80	3,313.34