



## Council

20 February 2019

Item  
**7(i)**

<b>Report of</b>	<b>Assistant Director Policy &amp; Corporate</b>	<b>Author</b>	<b>Sean Plummer</b> ☎ 282347
<b>Title</b>	<b>Precept and Council Tax Levels 2019/20</b>		
<b>Wards affected</b>	Not Applicable		

### 1. Executive Summary

- 1.1 The purpose of this report is to set out the statutory resolutions the Council is required to approve, in order to set the Council Tax for each band for the financial year 2019/20. These include the following information:
- A Council Tax Base of 63,331 Band D equivalent properties, together with details of the Council Tax base for individual parishes.
  - A Council Tax requirement for Colchester Borough Council of £12.07 million (excluding parishes).
  - Colchester's element of the Council Tax being £190.62 for Band D properties (excluding parishes). An increase of 2.97%.
  - Expected Band D Council Tax for Essex County Council, Essex Police and Essex Fire and Rescue Authority.
  - The total Council Tax payable for the different parts of the Council's area.
  - Parish, Town and Community Councils precept amounts for 2019/20.
- 1.2 The report should be read alongside the General Fund budget report.

### 2. Recommended Decision

- 2.1 To approve the statutory resolutions as set out at Appendix 1 which are in accordance with the Local Government Finance Act 1992, as amended by the Localism Act 2011, in respect of the Council Tax for each band for the financial year 2019/20.

### 3. Reason for Recommended Decision

- 3.1 The Council is required, in accordance with the Local Government Finance Act 1992, as amended by the Localism Act 2011, to set formally the Council Tax for each band, which will include precepting authorities.

### 4. Alternative Options

- 4.1 The resolutions are a statutory requirement.

## 5. Colchester Borough Council's Council Tax Requirement

- 5.1 Cabinet on 30 January 2019 approved and recommended to Council the 2019/20 revenue budget requirement. The final grant settlement notification was advised on 6 February 2019. This did not contain any material changes from the earlier provisional figures for the total Settlement Funding Assessment.

### *Local Retention of Business Rates*

- 5.2 The Cabinet report set out the arrangements, issues and risks associated with the local retention of business rates. It was outlined that the Council is required to submit a return of estimated business rates income for 2019/20 (the NNDR1). The budget proposals in the Cabinet paper were based on additional anticipated income above the 2019/20 baseline funding level of £1.6m. The NNDR1 shows potential additional income for 2019/20 that is broadly in line with the budget estimate. In addition, the NNDR1 forecast surplus as at the end of the current year is unchanged from the budgeted figure of £604k. Any fluctuation in overall NNDR income during the year will be reflected in the surplus/deficit figure in the 2020/21 budget, and the issue of ongoing income from retained business rates will be considered as part of the budget strategy for 2020/21.
- 5.3 Cabinet recommended that Colchester's element of the Council Tax for 2019/20 be agreed at £190.62 for Band D properties, which represents an increase of £5.49 (2.97%).
- 5.4 In approving Colchester's element of the Council Tax, account must be taken of Revenue Support Grant, Retained Business Rates and any surplus or deficit arising from the Collection Fund. Colchester's Council Tax requirement also must reflect Parish Council spending and the following table sets out the position:

	£'000	£'000
Colchester's Budget Requirement	16,726	20,429
<b>Add:</b> Net contr. to Reserves & Balances	1,807	
	18,533	
Parish Councils' Requirement (Appendix 2)	1,896	
<b>Less:</b>		
Revenue Support Grant	0	
Business Rates (baseline funding)	(4,257)	
Business Rates (growth)	(1,600)	
		14,572
<b>Less: Surplus</b> on Collection Fund		(604)
<b>Council Tax Requirement</b>		<b>13,968</b>

- 5.5 Colchester's Council Tax at Band D for 2019/20 is £190.62 and is determined as follows:

Council Tax Requirement (as detailed above)	13,967,652
Divided by Council Tax Base	63,331.0
Council Tax at Band D (including Parishes)	220.55
Deduct Parish Element	29.93
<b>Council Tax at Band D for Colchester Borough Council</b>	<b>190.62</b>

## 6. Essex County Council and Essex Police, Fire and Crime Commissioner

- 6.1 In order to determine formally the overall level of Council Tax, account has to be taken of the precept requirements of Essex County Council, Essex Police and the Fire and Rescue Service. The following table sets out the overall position based on information received at the date of writing this report. The Police Fire and Crime Panel formally approved the budgets for Essex Police and Crime Commissioner and the Fire and Rescue Service on 24 January 2019. Essex County Council is expected to formally approve its budget on 12 February. Any change to the information set out in this report will be reported to this meeting.

	Council Tax at Band D			
	2018/19 £	2019/20 £	£ Increase	% Increase
Colchester Borough Council	185.13	190.62	5.49	2.97
Essex County Council	1,221.75	1,270.44	48.69	3.99
Essex Police & Crime Commissioner	169.02	192.96	23.94	14.16
Essex Fire and Rescue Service	70.38	72.45	2.07	2.94
	<b>1,646.28</b>	<b>1,726.47</b>	<b>80.19</b>	<b>4.87</b>

- 6.2 The overall position (excluding Parishes) for each band is as follows:

Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Borough	127.08	148.26	169.44	190.62	232.98	275.34	317.70	381.24
County	846.96	988.12	1,129.28	1,270.44	1,552.76	1,835.08	2,117.40	2,540.88
Police	128.64	150.08	171.52	192.96	235.84	278.72	321.60	385.92
Fire	48.30	56.35	64.40	72.45	88.55	104.65	120.75	144.90
<b>TOTAL</b>	<b>1,150.98</b>	<b>1,342.81</b>	<b>1,534.64</b>	<b>1,726.47</b>	<b>2,110.13</b>	<b>2,493.79</b>	<b>2,877.45</b>	<b>3,452.94</b>

- 6.3 The appropriate Parish elements are added to these figures. Full details of the tax rates are given in Appendix 1. (Details of the individual Parish Precepts are set out in Appendix 2).

## 7. Special Expenses

- 7.1 Special expenses are defined as those expenses incurred by the Council in performing, in part of the borough, a function performed elsewhere in the borough by a Parish Council. The Local Government Act 1992 allows the Council to treat any special expenses as general expenses, i.e. as part of its own budget requirement for Council Tax purposes, provided the Council resolved accordingly.
- 7.2 It is reasonable for the Council to continue to treat special expenses as general expenses, and for clarity it is considered sensible to reaffirm this position on an annual basis. A resolution to this effect, therefore, is included within Appendix 1.

## 8. Strategic Plan References

- 8.1 The Strategic Plan objectives have informed all stages of the Council's budget setting process.

## **9. Publicity Considerations**

- 9.1 The usual arrangements will be made to publish the approved tax levels in the local press and to produce the Council Tax Information Leaflet for distribution with the Council Tax bills. These will be in accordance with the legal requirements.

## **10. Financial Implications**

- 10.1 Included in the body of this report.

## **11. Consultation**

- 11.1. The budget report to Cabinet set out consultation in respect of the budget including the statutory NNDR ratepayers meeting. This meeting took place on 5 February 2019 and notes of the meeting will be added to the Council's website in due course.

## **12. Standard References**

- 12.1. Having considered equality, diversity and human rights, community safety, health and safety and risk management implications, there are none that are significant to the matters in this report.

## **Appendices**

Appendix 1: Resolutions

Appendix 2: Parish Council Precepts 2019/20

## **Background Papers**

None

## RESOLUTIONS

1. It be noted that the Tax Base has been approved and the following amounts were calculated for the year 2019/20 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992 as amended ('the Act'):
  - (a) 63,331.0 equivalent band D properties being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its Council Tax base for the year. (Item T in the Act)
  - (b) Part of the Council's area for the parish of:

<b>Parish</b>	<b>Parish Tax Base</b>
Abberton & Langenhoe	435.2
Aldham	206.7
Birch	301.6
Boxted	586.7
Chappel	220.3
Copford	685.8
Dedham	926.7
East Donyland	749.4
East Mersea	126.2
Eight Ash Green	648.5
Fingringhoe	334.9
Fordham	327.4
Great Horkesley	1,044.4
Great Tey	377.7
Langham	496.3
Laver Breton	130.1
Laver de la Haye	716.1
Laver Marney	88.8
Little Horkesley	92.9
Marks Tey	945.0
Messing cum Inworth	175.2
Mount Bures	107.3
Myland	5,550.6
Stanway	3,815.7
Tiptree	3,446.7
Wakes Colne	244.1
West Bergholt	1,345.9
West Mersea	3,145.9
Winstred Hundred	490.0
Wivenhoe	2,864.1
Wormingford	191.5

Being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax base for the year for dwellings in those parts of its area to which one or more special items relate.

2. Calculate that the Council Tax Requirement for the Council's own purposes for 2019/20 (excluding parish precepts) is £12,072,000
3. The following amounts be now calculated by the Council for the year 2019/20 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
  - (a) 133,261,300 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (2) of the Act. [Gross Expenditure]
  - (b) 119,292,900 Being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act. [Gross Income including Government grants]
  - (c) 13,968,400 Being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A (4) of the Act, as its Council Tax Requirement for the year. (Item R in the formula in Section 31B of the Act)
  - (d) 220.55 Being the amount at 3(c) above divided by the amount at 1(a) above, calculated by the Council, in accordance with Section 31B (1) of the Act, as the basic amount of its Council Tax for the year. [Council Tax, including parishes]
  - (e) 1,896,400 Being the aggregate amount of all special items referred to in Section 34(1) of the Act. [Parish Precepts]
  - (f) 190.62 Being the amount at 3(d) above, less the result given by dividing the amount at 3(e) above by the amount at 1(a) above (Item T in the formula), 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 dwellings in those parts of its area to which no special item relates.

(g) Part of the Council's area

Abberton & Langenhoe	224.21
Aldham	244.24
Birch	220.46
Boxted	274.60
Chappel	267.94
Copford	244.86
Dedham	235.98
East Donyland	275.09
East Mersea	252.54
Eight Ash Green	240.31
Fingringhoe	225.48
Fordham	280.57
Great Horkesley	209.63
Great Tey	239.41
Langham	229.29
Layer Breton	190.62
Layer de la Haye	212.81
Layer Marney	190.62
Little Horkesley	229.71
Marks Tey	249.46
Messing cum Inworth	254.93
Mount Bures	222.17
Myland	215.16
Stanway	235.87
Tiptree	294.68
Wakes Colne	434.70
West Bergholt	259.40
West Mersea	287.27
Winstred Hundred	216.91
Wivenhoe	304.03
Wormingford	239.91
All other parts of the Council's area	190.62

Being the amounts given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basis amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

(h) Parts of the Council's Area

<b>Parish</b>	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Abberton & Langenhoe	149.47	174.39	199.30	224.21	274.03	323.86	373.68	448.42
Aldham	162.83	189.96	217.10	244.24	298.52	352.79	407.07	488.48
Birch	146.97	171.47	195.96	220.46	269.45	318.44	367.43	440.92
Boxted	183.07	213.58	244.09	274.60	335.62	396.64	457.67	549.20
Chappel	178.63	208.40	238.17	267.94	327.48	387.02	446.57	535.88
Copford	163.24	190.45	217.65	244.86	299.27	353.69	408.10	489.72
Dedham	157.32	183.54	209.76	235.98	288.42	340.86	393.30	471.96
East Donyland	183.39	213.96	244.52	275.09	336.22	397.35	458.48	550.18
East Mersea	168.36	196.42	224.48	252.54	308.66	364.78	420.90	505.08
Eight Ash Green	160.21	186.91	213.61	240.31	293.71	347.11	400.52	480.62
Fingringhoe	150.32	175.37	200.43	225.48	275.59	325.69	375.80	450.96
Fordham	187.05	218.22	249.40	280.57	342.92	405.27	467.62	561.14
Great Horkesley	139.75	163.05	186.34	209.63	256.21	302.80	349.38	419.26
Great Tey	159.61	186.21	212.81	239.41	292.61	345.81	399.02	478.82
Langham	152.86	178.34	203.81	229.29	280.24	331.20	382.15	458.58
Layer Breton	127.08	148.26	169.44	190.62	232.98	275.34	317.70	381.24
Layer de la Haye	141.87	165.52	189.16	212.81	260.10	307.39	354.68	425.62
Layer Marney	127.08	148.26	169.44	190.62	232.98	275.34	317.70	381.24
Little Horkesley	153.14	178.66	204.19	229.71	280.76	331.80	382.85	459.42
Marks Tey	166.31	194.02	221.74	249.46	304.90	360.33	415.77	498.92
Messing cum Inworth	169.95	198.28	226.60	254.93	311.58	368.23	424.88	509.86
Mount Bures	148.11	172.80	197.48	222.17	271.54	320.91	370.28	444.34
Myland	143.44	167.35	191.25	215.16	262.97	310.79	358.60	430.32
Stanway	157.25	183.45	209.66	235.87	288.29	340.70	393.12	471.74
Tiptree	196.45	229.20	261.94	294.68	360.16	425.65	491.13	589.36
Wakes Colne	289.80	338.10	386.40	434.70	531.30	627.90	724.50	869.40
West Bergholt	172.93	201.76	230.58	259.40	317.04	374.69	432.33	518.80
West Mersea	191.51	223.43	255.35	287.27	351.11	414.95	478.78	574.54
Winstred Hundred	144.61	168.71	192.81	216.91	265.11	313.31	361.52	433.82
Wivenhoe	202.69	236.47	270.25	304.03	371.59	439.15	506.72	608.06
Wormingford	159.94	186.60	213.25	239.91	293.22	346.54	399.85	479.82
All other parts of Council's area	127.08	148.26	169.44	190.62	232.98	275.34	317.70	381.24

Being the amounts given by multiplying the amounts at (f) and (g) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a 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, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.



4. It be noted that for the year 2019/20 Essex County Council, and the Essex Police, Fire and Crime Commissioner have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

#### Valuation Bands

Precepting Authority	A	B	C	D	E	F	G	H
Essex County Council	846.96	988.12	1,129.28	1,270.44	1,552.76	1,835.08	2,117.40	2,540.88
Police	128.64	150.08	171.52	192.96	235.84	278.72	321.60	385.92
Fire and Rescue	48.30	56.35	64.40	72.45	88.55	104.65	120.75	144.90

5. Having calculated the aggregate in each case of the amounts at 3(h) and 4 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2019/20 for each of the categories of dwellings shown overleaf:
6. For the purposes of Section 35 of the Local Government Act 1992, any expenses incurred by the Council in performing in part of its area a function performed elsewhere in its area by a parish council or chairman of a parish meeting shall not be treated as special expenses.
7. Determines that the Council's basic amount of Council Tax for 2019/20 is **not excessive** in accordance with the principles approved under Section 52ZB of the Act, and as shown in the calculation below.
- (a) Increase defined by the Secretary of State as constituting an excessive increase for 2019/20:
- (i) 3%, or more than 3%, greater than its relevant basic amount of council tax for 2018/19; and
- (ii) more than £5.00 greater than its relevant basic amount of council tax for 2018/19.
- (b) Percentage increase in the Council's basic amount of Council Tax:
- |                      |                 |
|----------------------|-----------------|
| 2018/19 amount       | £185.13         |
| 2019/20 amount       | £190.62         |
| Percentage increase: | £5.49 and 2.97% |
- The figure at 7(b) is less than the figure at 7(a) above and therefore the Council's basic amount of Council Tax for 2019/20 is **not excessive** and no referendum is required.

- 8 Discretionary council tax discounts and exemptions for 2019/20 are:

Reference to:	Council position
<i>Second Homes: (Prescribed classes of Dwelling A &amp; B)</i>	No discount applicable to this class
<i>Empty dwellings undergoing major repair (formerly Exempt Dwellings "Class A")</i>	No discount applicable to this class
<i>Vacant dwellings (formerly Exempt Dwellings "Class C")</i>	A 100% discount will be given for a maximum period of 28 days.

**Empty Homes Premium**

A premium of 100% will be charged for properties empty for over 2 years.

## 9. Parts of the Council's Area

<b>Parish</b>	<b>Band A</b>	<b>Band B</b>	<b>Band C</b>	<b>Band D</b>	<b>Band E</b>	<b>Band F</b>	<b>Band G</b>	<b>Band H</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Abberton & Langenhoe	1,173.37	1,368.94	1,564.50	1,760.06	2,151.18	2,542.31	2,933.43	3,520.12
Aldham	1,186.73	1,384.51	1,582.30	1,780.09	2,175.67	2,571.24	2,966.82	3,560.18
Birch	1,170.87	1,366.02	1,561.16	1,756.31	2,146.60	2,536.89	2,927.18	3,512.62
Boxted	1,206.97	1,408.13	1,609.29	1,810.45	2,212.77	2,615.09	3,017.42	3,620.90
Chappel	1,202.53	1,402.95	1,603.37	1,803.79	2,204.63	2,605.47	3,006.32	3,607.58
Copford	1,187.14	1,385.00	1,582.85	1,780.71	2,176.42	2,572.14	2,967.85	3,561.42
Dedham	1,181.22	1,378.09	1,574.96	1,771.83	2,165.57	2,559.31	2,953.05	3,543.66
East Donyland	1,207.29	1,408.51	1,609.72	1,810.94	2,213.37	2,615.80	3,018.23	3,621.88
East Mersea	1,192.26	1,390.97	1,589.68	1,788.39	2,185.81	2,583.23	2,980.65	3,576.78
Eight Ash Green	1,184.11	1,381.46	1,578.81	1,776.16	2,170.86	2,565.56	2,960.27	3,552.32
Fingringhoe	1,174.22	1,369.92	1,565.63	1,761.33	2,152.74	2,544.14	2,935.55	3,522.66
Fordham	1,210.95	1,412.77	1,614.60	1,816.42	2,220.07	2,623.72	3,027.37	3,632.84
Great Horkesley	1,163.65	1,357.60	1,551.54	1,745.48	2,133.36	2,521.25	2,909.13	3,490.96
Great Tey	1,183.51	1,380.76	1,578.01	1,775.26	2,169.76	2,564.26	2,958.77	3,550.52
Langham	1,176.76	1,372.89	1,569.01	1,765.14	2,157.39	2,549.65	2,941.90	3,530.28
Layer Breton	1,150.98	1,342.81	1,534.64	1,726.47	2,110.13	2,493.79	2,877.45	3,452.94
Layer de la Haye	1,165.77	1,360.07	1,554.36	1,748.66	2,137.25	2,525.84	2,914.43	3,497.32
Layer Marney	1,150.98	1,342.81	1,534.64	1,726.47	2,110.13	2,493.79	2,877.45	3,452.94
Little Horkesley	1,177.04	1,373.21	1,569.39	1,765.56	2,157.91	2,550.25	2,942.60	3,531.12
Marks Tey	1,190.21	1,388.57	1,586.94	1,785.31	2,182.05	2,578.78	2,975.52	3,570.62
Messing cum Inworth	1,193.85	1,392.83	1,591.80	1,790.78	2,188.73	2,586.68	2,984.63	3,581.56
Mount Bures	1,172.01	1,367.35	1,562.68	1,758.02	2,148.69	2,539.36	2,930.03	3,516.04
Myland	1,167.34	1,361.90	1,556.45	1,751.01	2,140.12	2,529.24	2,918.35	3,502.02
Stanway	1,181.15	1,378.00	1,574.86	1,771.72	2,165.44	2,559.15	2,952.87	3,543.44
Tiptree	1,220.35	1,423.75	1,627.14	1,830.53	2,237.31	2,644.10	3,050.88	3,661.06
Wakes Colne	1,313.70	1,532.65	1,751.60	1,970.55	2,408.45	2,846.35	3,284.25	3,941.10
West Bergholt	1,196.83	1,396.31	1,595.78	1,795.25	2,194.19	2,593.14	2,992.08	3,590.50
West Mersea	1,215.41	1,417.98	1,620.55	1,823.12	2,228.26	2,633.40	3,038.53	3,646.24
Winstred Hundred	1,168.51	1,363.26	1,558.01	1,752.76	2,142.26	2,531.76	2,921.27	3,505.52
Wivenhoe	1,226.59	1,431.02	1,635.45	1,839.88	2,248.74	2,657.60	3,066.47	3,679.76
Wormingford	1,183.84	1,381.15	1,578.45	1,775.76	2,170.37	2,564.99	2,959.60	3,551.52
All other parts of Council's area	1,150.98	1,342.81	1,534.64	1,726.47	2,110.13	2,493.79	2,877.45	3,452.94



## Parish Council Precepts 2019/20

Parish	Precept 2018/19	Precept 2019/20	Increase/ (Reduction)	Increase/ (Reduction)
	£	£	£	%
Abberton & Langenhoe	13,310	14,619	1,309	9.83
Aldham	11,102	11,084	(18)	(0.16)
Birch	8,823	9,000	177	2.01
Boxted	47,837	49,272	1,435	3.00
Chappel	17,034	17,034	0	0.00
Copford	29,512	37,197	7,685	26.04
Dedham	39,969	42,033	2,064	5.16
East Donyland	57,395	63,302	5,907	10.29
East Mersea	7,741	7,814	73	0.94
Eight Ash Green	31,042	32,224	1,182	3.81
Fingringhoe	11,602	11,675	73	0.63
Fordham	27,305	29,450	2,145	7.86
Great Horkesley	18,212	19,854	1,642	9.01
Great Tey	17,845	18,427	582	3.26
Langham	18,372	19,193	821	4.47
Layer Breton	0	0	0	n/a
Layer de la Haye	15,190	15,891	701	4.61
Layer Marney	0	0	0	n/a
Little Horkesley	3,292	3,631	339	10.30
Marks Tey	50,332	55,603	5,271	10.47
Messing cum Inworth	11,072	11,267	195	1.76
Mount Bures	2,786	3,385	599	21.50
Myland	132,180	136,220	4,040	3.06
Stanway	151,036	172,675	21,639	14.33
Tiptree	350,438	358,678	8,240	2.35
Wakes Colne	12,740	13,122	382	3.00
West Bergholt	85,636	92,577	6,941	8.11
West Mersea	253,472	304,041	50,569	19.95
Winstred Hundred	12,511	12,884	373	2.98
Wivenhoe	300,768	324,829	24,061	8.00
Wormingford	9,385	9,439	54	0.58
<b>Totals</b>	<b>1,747,939</b>	<b>1,896,420</b>	<b>148,481</b>	<b>8.49</b>