



Council

Item
7(ii)

22 February 2023

Report of	Head of Finance and S.151 Officer	Author	Paul Cook Darren Brown Diane Gentile
Title	Precept and Council Tax Levels 2023/24		
Wards affected	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 2023/24. These include the following information:
- A Council Tax Base of 65,865.1 Band D equivalent properties, together with details of the Council Tax base for individual parishes.
 - A Council Tax requirement for Colchester Borough Council of £13.936 million (excluding parishes).
 - Colchester's element of the Council Tax being £211.59 for Band D properties (excluding parishes). An increase of 2.98%.
 - 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 2023/24.
- 1.2 The report should be read alongside the 2023/24 Revenue Budget and the Medium-Term Financial Forecast.

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 2023/24.

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 25 January 2023 Cabinet approved and recommended to Council the 2023/24 Revenue Budget Requirement.
- 5.2 The final 2023/24 Local Government Finance Settlement was received 6 February 2023. There is no overall change to total government funding between the draft settlement reported to 25 January 2023 and the final settlement. There is however a £7k switch to services grant from the funding guarantee grant.
- 5.3 The budget proposals are based on additional business rates income above the 2023/24 business rate baseline. The NNDR 1 2023/24 business rates return to the Department of Levelling Up, Housing and Communities confirms the budget estimate.
- 5.4 The forecast collection fund business rates deficit as at the end of 2022/23 is unchanged from the budgeted figure of £268k. This deficit will be met from the business rates reserve.
- 5.5 Any additional business rates achieved over the forecasts will be allocated to the business rates reserve.
- 5.6 Cabinet recommended that Colchester's element of the Council Tax for 2023/24 be agreed at £211.59 for Band D properties, which represents an increase of £6.12 (2.98%).
- 5.7 In approving Colchester's element of the Council Tax, account must be taken of 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 Table 1 sets out the position:

Table 1 – Council Tax Requirement (£k)			
1	Budget Requirement		24,735
2	Use of New Homes Bonus	(576)	
3	Use of Reserves and Balances	(2,430)	
4			21,729
5	Parish Councils requirement	2,365	
6			24,094
7	Business Rates Baseline	(4,693)	
8	Business Rates Growth	(1,563)	
9	Government Grant	(1,860)	
10			15,978
11	Deficit on collection fund business rates	268	
12	Deficit on collection fund council tax	55	
13	Council Tax Requirement		16,301

5.8 Colchester's Council Tax at Band D for 2023/24 is £211.59 and is set out in Table 2

Table 2 – Colchester Band D Council Tax		
1	Council Tax Requirement (as detailed above)	16,301,319
2	Divided by Council Tax Base	65,865.1
3	Council Tax at Band D (including Parishes)	247.50
4	Deduct Parish Element	(35.91)
5	Council Tax at Band D for Colchester Borough Council	211.59

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.
- 6.2 Table 3 sets out the overall position based on information received at the date of writing this report. The Police Fire and Crime Panel approved the budgets for Essex Police and Crime Commissioner and the Fire and Rescue Service on 7 February 2023. Essex County Council is expected to formally approve its budget on 9 February. Any change to the information set out in this report will be reported to this meeting.

Table 3 - Essex County Council, Police, Fire and Crime Commissioner				
	Council Tax at Band D			
	2022/23 £	2023/24 £	Change £p	Change %
Colchester City Council	205.47	211.59	6.12	2.98
Essex County Council	1,401.12	1,450.17	49.05	3.50
Essex Police & Crime Commissioner	218.52	233.46	14.94	6.84
Essex Fire and Rescue Service	75.33	80.28	4.95	6.57
	1900.44	1975.50	75.06	3.95

- 6.3 The overall position (excluding parishes) is set out in Table 4.
- 6.4 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).

Table 4 - Overall Council Tax Rates					
Band	Colchester	County	Police	Fire	Total
A	141.06	966.78	155.64	53.52	1,317.00
B	164.57	1,127.91	181.58	62.44	1,536.50
C	188.08	1,289.04	207.52	71.36	1,756.00
D	211.59	1,450.17	233.46	80.28	1,975.50
E	258.61	1,772.43	285.34	98.12	2,414.50
F	305.63	2,094.69	337.22	115.96	2,853.50
G	352.65	2,416.95	389.10	133.80	3,292.50
H	423.18	2,900.34	466.92	160.56	3,951.00

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 business ratepayers meeting. This meeting will take place on 21 February 2023.

12. Environment and Sustainability Implications

- 12.1. All budget measures are assessed for their likely environmental impact, reflecting the Council's commitment to be 'carbon neutral' by 2030. Environment and Climate Change is an essential cross-cutting theme in the Council's recovery planning and a core theme of the new Strategic Plan.

13. Equality and Diversity Implications

- 13.1 Consideration will be given to equality and diversity issues in respect of budget changes proposed as part of the budget process. This will be done in line with agreed policies and procedures including production of Equality Impact Assessments where appropriate.

14. Standard References

- 14.1. There are no direct Publicity, Human Rights, Community Safety or Health and Safety implications as a result of this report.

Appendices

Appendix 1: Resolutions

Appendix 2: Parish Council Precepts 2023/24

Background Papers

None

RESOLUTIONS

1. It be noted that the Tax Base has been approved and the following amounts were calculated for the year 2023/24 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992 as amended ('the Act'):
 - (a) 65,865.1 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:

Parish	Parish Tax Base
Abberton & Langenhoe	440.4
Aldham	210.2
Birch	311.5
Boxted	627.2
Chappel	222.0
Copford	680.9
Dedham	937.8
East Donyland	889.7
East Mersea	126.5
Eight Ash Green	675.3
Fingringhoe	341.9
Fordham	329.5
Great Horkesley	1,063.8
Great Tey	391.7
Langham	490.5
Layer Breton	136.0
Layer de la Haye	724.0
Layer Marney	95.5
Little Horkesley	90.6
Marks Tey	950.3
Messing cum Inworth	179.7
Mount Bures	109.0

Myland	6,326.4
Stanway	4,348.8
Tiptree	3,703.1
Wakes Colne	252.9
West Bergholt	1,372.7
West Mersea	3,179.8
Winstred Hundred	491.0
Wivenhoe	2,890.4
Wormingford	193.9

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 2023/24 (excluding parish precepts) is £13,936,000
3. The following amounts be now calculated by the Council for the year 2023/24 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
 - (a) £123,672,819 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) £107,371,500 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) £16,301,319 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) £247.50 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) £2,365,319 Being the aggregate amount of all special items referred to in Section 34(1) of the Act. [Parish Precepts]
 - (f) £211.59 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	40.28
Aldham	76.41
Birch	54.57
Boxted	96.49
Chappel	78.20
Copford	80.59
Dedham	46.00
East Donyland	88.69
East Mersea	61.77
Eight Ash Green	53.07
Fingringhoe	33.66
Fordham	94.46
Great Horkesley	39.70
Great Tey	50.51
Langham	46.89
Layer Breton	0.00
Layer de la Haye	27.01
Layer Marney	0.00
Little Horkesley	65.98
Marks Tey	67.74
Messing cum Inworth	136.63
Mount Bures	30.28
Myland	18.97
Stanway	81.35
Tiptree	104.36
Wakes Colne	55.64
West Bergholt	84.41
West Mersea	111.57
Winstred Hundred	31.25
Wivenhoe	138.41

Wormingford	53.18
All other parts of the Council's area	211.59

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

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Abberton & Langenhoe	26.85	31.33	35.80	40.28	49.23	58.18	67.13	80.56
Aldham	50.94	59.43	67.92	76.41	93.39	110.37	127.35	152.82
Birch	36.38	42.44	48.51	54.57	66.70	78.82	90.95	109.14
Boxted	64.33	75.05	85.77	96.49	117.93	139.37	160.82	192.98
Chappel	52.13	60.82	69.51	78.20	95.58	112.96	130.33	156.40
Copford	53.73	62.68	71.64	80.59	98.50	116.41	134.32	161.18
Dedham	30.67	35.78	40.89	46.00	56.22	66.44	76.67	92.00
East Donyland	59.13	68.98	78.84	88.69	108.40	128.11	147.82	177.38
East Mersea	41.18	48.04	54.91	61.77	75.50	89.22	102.95	123.54
Eight Ash Green	35.38	41.28	47.17	53.07	64.86	76.66	88.45	106.14
Fingringhoe	22.44	26.18	29.92	33.66	41.14	48.62	56.10	67.32
Fordham	62.97	73.47	83.96	94.46	115.45	136.44	157.43	188.92
Great Horkesley	26.47	30.88	35.29	39.70	48.52	57.34	66.17	79.40
Great Tey	33.67	39.29	44.90	50.51	61.73	72.96	84.18	101.02
Langham	31.26	36.47	41.68	46.89	57.31	67.73	78.15	93.78
Layer Breton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Layer de la Haye	18.01	21.01	24.01	27.01	33.01	39.01	45.02	54.02
Layer Marney	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Little Horkesley	43.99	51.32	58.65	65.98	80.64	95.30	109.97	131.96

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Marks Tey	45.16	52.69	60.21	67.74	82.79	97.85	112.90	135.48
Messing cum Inworth	91.09	106.27	121.45	136.63	166.99	197.35	227.72	273.26
Mount Bures	20.19	23.55	26.92	30.28	37.01	43.74	50.47	60.56
Myland	12.65	14.75	16.86	18.97	23.19	27.40	31.62	37.94
Stanway	54.23	63.27	72.31	81.35	99.43	117.51	135.58	162.70
Tiptree	69.57	81.17	92.76	104.36	127.55	150.74	173.93	208.72
Wakes Colne	37.09	43.28	49.46	55.64	68.00	80.37	92.73	111.28
West Bergholt	56.27	65.65	75.03	84.41	103.17	121.93	140.68	168.82
West Mersea	74.38	86.78	99.17	111.57	136.36	161.16	185.95	223.14
Winstred Hundred	20.83	24.31	27.78	31.25	38.19	45.14	52.08	62.50
Wivenhoe	92.27	107.65	123.03	138.41	169.17	199.93	230.68	276.82
Wormingford	35.45	41.36	47.27	53.18	65.00	76.82	88.63	106.36
All other parts of Council's area	141.06	164.57	188.08	211.59	258.61	305.63	352.65	423.18

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 2023/24 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		
	County	Police	Fire
	£	£	£
A	966.78	155.64	53.52
B	1,127.91	181.58	62.44
C	1,289.04	207.52	71.36
D	1,450.17	233.46	80.28
E	1,772.43	285.34	98.12
F	2,094.69	337.22	115.96
G	2,416.95	389.10	133.80
H	2,900.34	466.92	160.56

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 2023/24 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. Determined that the Council's basic amount of Council Tax for 2023/24 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 2023/24:

(i) 3%, or more than 3%, greater than its relevant basic amount of council tax for 2022/23; and

(ii) more than £5.00 greater than its relevant basic amount of council tax for 2022/23.

(b) Percentage increase in the Council's basic amount of Council Tax:

2022/23 amount	£205.47
2023/24 amount	£211.59
Percentage increase:	£6.12 and 2.98%

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 2023/24 is **not excessive** and no referendum is required.

8 Discretionary council tax discounts and exemptions for 2023/24 are:

Reference to:	Council position
<i>Second Homes: (Prescribed classes of Dwelling A & 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.
<i>Empty Homes Premium</i>	A premium of 100% will be charged for properties empty for over 2 years, 200% for empty over 5 years, and 300% for empty over 10 years.

9. Parts of the Council's Area

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Abberton & Langenhoe	1,343.85	1,567.83	1,791.80	2,015.78	2,463.73	2,911.68	3,359.63	4,031.56
Aldham	1,367.94	1,595.93	1,823.92	2,051.91	2,507.89	2,963.87	3,419.85	4,103.82
Birch	1,353.38	1,578.94	1,804.51	2,030.07	2,481.20	2,932.32	3,383.45	4,060.14
Boxted	1,381.33	1,611.55	1,841.77	2,071.99	2,532.43	2,992.87	3,453.32	4,143.98
Chappel	1,369.13	1,597.32	1,825.51	2,053.70	2,510.08	2,966.46	3,422.83	4,107.40
Copford	1,370.73	1,599.18	1,827.64	2,056.09	2,513.00	2,969.91	3,426.82	4,112.18
Dedham	1,347.67	1,572.28	1,796.89	2,021.50	2,470.72	2,919.94	3,369.17	4,043.00
East Donyland	1,376.13	1,605.48	1,834.84	2,064.19	2,522.90	2,981.61	3,440.32	4,128.38
East Mersea	1,358.18	1,584.54	1,810.91	2,037.27	2,490.00	2,942.72	3,395.45	4,074.54
Eight Ash Green	1,352.38	1,577.78	1,803.17	2,028.57	2,479.36	2,930.16	3,380.95	4,057.14
Fingringhoe	1,339.44	1,562.68	1,785.92	2,009.16	2,455.64	2,902.12	3,348.60	4,018.32
Fordham	1,379.97	1,609.97	1,839.96	2,069.96	2,529.95	2,989.94	3,449.93	4,139.92
Great Horkesley	1,343.47	1,567.38	1,791.29	2,015.20	2,463.02	2,910.84	3,358.67	4,030.40
Great Tey	1,350.67	1,575.79	1,800.90	2,026.01	2,476.23	2,926.46	3,376.68	4,052.02
Langham	1,348.26	1,572.97	1,797.68	2,022.39	2,471.81	2,921.23	3,370.65	4,044.78
Layer Breton	1,317.00	1,536.50	1,756.00	1,975.50	2,414.50	2,853.50	3,292.50	3,951.00
Layer de la Haye	1,335.01	1,557.51	1,780.01	2,002.51	2,447.51	2,892.51	3,337.52	4,005.02
Layer Marney	1,317.00	1,536.50	1,756.00	1,975.50	2,414.50	2,853.50	3,292.50	3,951.00
Little Horkesley	1,360.99	1,587.82	1,814.65	2,041.48	2,495.14	2,948.80	3,402.47	4,082.96

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
Marks Tey	1,362.16	1,589.19	1,816.21	2,043.24	2,497.29	2,951.35	3,405.40	4,086.48
Messing cum Inworth	1,408.09	1,642.77	1,877.45	2,112.13	2,581.49	3,050.85	3,520.22	4,224.26
Mount Bures	1,337.19	1,560.05	1,782.92	2,005.78	2,451.51	2,897.24	3,342.97	4,011.56
Myland	1,329.65	1,551.25	1,772.86	1,994.47	2,437.69	2,880.90	3,324.12	3,988.94
Stanway	1,371.23	1,599.77	1,828.31	2,056.85	2,513.93	2,971.01	3,428.08	4,113.70
Tiptree	1,386.57	1,617.67	1,848.76	2,079.86	2,542.05	3,004.24	3,466.43	4,159.72
Wakes Colne	1,354.09	1,579.78	1,805.46	2,031.14	2,482.50	2,933.87	3,385.23	4,062.28
West Bergholt	1,373.27	1,602.15	1,831.03	2,059.91	2,517.67	2,975.43	3,433.18	4,119.82
West Mersea	1,391.38	1,623.28	1,855.17	2,087.07	2,550.86	3,014.66	3,478.45	4,174.14
Winstred Hundred	1,337.83	1,560.81	1,783.78	2,006.75	2,452.69	2,898.64	3,344.58	4,013.50
Wivenhoe	1,409.27	1,644.15	1,879.03	2,113.91	2,583.67	3,053.43	3,523.18	4,227.82
Wormingford	1,352.45	1,577.86	1,803.27	2,028.68	2,479.50	2,930.32	3,381.13	4,057.36
All other parts of Council's area	1,317.00	1,536.50	1,756.00	1,975.50	2,414.50	2,853.50	3,292.50	3,951.00

Parish Council Precepts 2023/24

Parish	Precept 2022/23	Precept 2023/24	Increase/ (Reduction)	Increase/ (Reduction)
	£	£	£	%
Abberton & Langenhoe	16,311	17,741	1,430	8.77
Aldham	15,254	16,062	808	5.30
Birch	15,000	17,000	2,000	13.33
Boxted	55,104	60,517	5,413	9.82
Chappel	16,841	17,361	520	3.09
Copford	40,494	54,876	14,382	35.52
Dedham	42,297	43,143	846	2.00
East Donyland	74,538	78,908	4,370	5.86
East Mersea	7,814	7,814	0	0.00
Eight Ash Green	34,459	35,838	1,379	4.00
Fingringhoe	11,507	11,507	0	0.00
Fordham	29,511	31,124	1,613	5.47
Great Horkesley	40,664	42,232	1,568	3.86
Great Tey	19,427	19,784	357	1.84
Langham	20,425	22,998	2,573	12.60
Layer Breton	0	0	0	0
Layer de la Haye	18,628	19,559	931	5.00
Layer Marney	0	0	0	0
Little Horkesley	5,748	5,978	230	4.00
Marks Tey	59,550	64,378	4,828	8.11
Messing cum Inworth	21,050	24,552	3,502	16.64
Mount Bures	3,082	3,300	218	7.07
Myland	120,000	120,000	0	0.00
Stanway	290,762	353,793	63,031	21.68
Tiptree	378,872	386,449	7,577	2.00
Wakes Colne	13,866	14,071	205	1.48
West Bergholt	108,757	115,867	7,110	6.54

West Mersea	340,017	354,757	14,740	4.34
Winstred Hundred	13,864	15,342	1,478	10.66
Wivenhoe	363,688	400,057	36,369	10.00
Wormingford	9,851	10,311	460	4.67
Totals	2,187,381	2,365,319	177,938	8.13