



## Council

18 February 2015

Item  
**7(iii)**

Report of	Assistant Chief Executive	Author	Sean Plummer ☎ 282347
Title	Precept and Council Tax Levels 2015/16		
Wards affected	Not Applicable		

**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 2015/16.**

### 1. Decision Required

- 1.1 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 2015/16.

### 2. Reasons for Decision

- 2.1 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.

### 3. Alternative Options

- 3.1 The resolutions are a statutory requirement.

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

- 4.1 Cabinet on 28 January 2015 approved and recommended to Council the 2015/16 revenue budget requirement. The final grant settlement notification confirmed the earlier provisional figures in respect of the total Settlement Funding Assessment. However, there are two issues to bring to the attention of Council:

#### *Local Retention of Business Rates*

- 4.2 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 2015/16 (the NNDR 1). The budget proposals in the Cabinet paper were based on additional anticipated income above the baseline funding level of £700k for 2015/16.
- 4.3 The table below sets out how the budgeted figures compare to the estimates set out in the NNDR 1, which shows potential additional income to the Council of £145k. It is proposed that given the uncertainty and the significant risks and assumptions associated with the scheme, the 2015/16 budget should continue to reflect the estimated additional income of £700k, with any further income being held within balances against future risks in this area. Any fluctuation in overall NNDR income during the year will be reflected in

the surplus/deficit figure in the 2016/17 budget and the issue of ongoing income from retained business rates will be considered as part of the budget strategy for 2016/17.

	Budget Estimate £'000	NNDR 1 Figures £'000	Change £'000
Retained NNDR income	5,677	6,040	363
Less: Baseline Funding Level	3,927	3,927	
Surplus / (Deficit)	1,750	2,113	363
CBC share of surplus (40%)	700	845	145

#### *New Homes Bonus*

- 4.4 Alongside the announcement of the finance settlement, the Government confirmed the New Homes Bonus figure for 2015/16. The Council responded to the consultation on the New Homes Bonus by highlighting a number of discrepancies between the figures used for affordable homes delivered. As a result of this the total level of New Homes Bonus has increased by £4k. As the Council has allocated all the New Homes Bonus payment in respect of affordable homes to spend in that area, it is proposed that the same approach is agreed for this additional amount.
- 4.5 Cabinet recommended agreed that Colchester's element of the Council Tax for 2015/16 be agreed at £175.23 for Band D properties, which represents a freeze on the current rate.
- 4.6 In approving Colchester's element of the Council Tax, account has to 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 has to reflect Parish Council spending and the following table sets out the position:

	£'000	£'000
Colchester's Budget Requirement	17,876	19,645
<b>Add:</b> Contributions to Balances	489	
	18,365	
Parish Councils' Requirement (Appendix 2)	1,280	
<b>Less:</b>		(7,122)
Revenue Support Grant	(3,195)	
Retained Business Rates (baseline funding)	(3,927)	
<b>Less: Surplus</b> on Collection Fund		(809)
<b>Council Tax Requirement</b>		<b>11,714</b>

4.7 Colchester's Council Tax at Band D for 2015/16 is £175.23 and is determined as follows:

Council Tax Requirement (as detailed above)	£11,714,753
Divided by Council Tax Base	59,547.4
Council Tax at Band D (including Parishes)	£196.73
Deduct Parish Element	(£21.50)
<b>Council Tax at Band D for Colchester Borough Council</b>	<b>£175.23</b>

## 5. Essex County Council, Essex PCC and Essex Fire Authority

5.1 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 & Crime Commissioner and Essex Fire Authority. The following table sets out the overall position based on information received at the date of writing this report. Essex County Council, Essex Fire Authority and the Essex PCC are expected to formally approve their budgets on 10, 11 and 19 February respectively. Any change to the information set out in this report will be reported to this meeting.

	Council Tax at Band D			
	2014/15 £	2015/16 £	% Increase	£ Increase
Colchester Borough Council	175.23	175.23	Nil	Nil
Essex County Council	1,086.75	1,086.75	Nil	Nil
Essex Police and Crime Commissioner	144.27	147.15	1.996	2.88
Essex Fire Authority	66.42	66.42	Nil	Nil
	<b>1,472.67</b>	<b>1475.55</b>	<b>0.195</b>	<b>2.88</b>

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

Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Borough	116.82	136.29	155.76	175.23	214.17	253.11	292.05	350.46
County	724.50	845.25	966.00	1,086.75	1,328.25	1,569.75	1,811.25	2,173.50
Police	98.10	114.45	130.80	147.15	179.85	212.55	245.25	294.30
Fire	44.28	51.66	59.04	66.42	81.18	95.94	110.70	132.84
<b>TOTAL</b>	<b>983.70</b>	<b>1,147.65</b>	<b>1,311.60</b>	<b>1,475.55</b>	<b>1,803.45</b>	<b>2,131.35</b>	<b>2,459.25</b>	<b>2,951.10</b>

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).

## 6. Special Expenses

6.1 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.

- 6.2 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.

## **7. Strategic Plan References**

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

## **8. Publicity Considerations**

- 8.1 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.

## **9. Financial Implications**

- 9.1 As set out above.

## **10. Consultation**

- 10.1. The budget report to Cabinet set out consultation in respect of the budget including the statutory NNDR ratepayers meeting. This meeting took place on 10 February 2015, and notes of the meeting will be added to the Council's website in due course.

## **11. Standard References**

- 11.1. 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.

## RESOLUTIONS

1. It be noted that the Tax Base has been approved and the following amounts were calculated for the year 2015/2016 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992 as amended ("the Act):
  - (a) 59,547.4 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	423.9
Aldham	205.5
Birch	299.5
Boxted	572.2
Chappel	215.9
Copford	662.1
Dedham	895.8
East Donyland	632.9
East Mersea	116.9
Eight Ash Green	638.5
Fingringhoe	330.6
Fordham	314.1
Great Horkesley	1,030.1
Great Tey	370.7
Langham	486.8
Layer Breton	127.9
Layer de la Haye	700.0
Layer Marney	85.2
Little Horkesley	92.4
Marks Tey	903.2
Messing cum Inworth	171.2
Mount Bures	103.8
Myland	4,670.6
Stanway	3,059.3
Tiptree	3,318.1
Wakes Colne	232.6
West Bergholt	1,315.3
West Mersea	3,089.6
Winstred Hundred	475.6
Wivenhoe	2,864.2
Wormingford	184.9

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 2015/16 (excluding parish precepts) is £10,434,490
3. The following amounts be now calculated by the Council for the year 2015/2016 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
  - (a) 141,369,353 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) 129,654,600 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) 11,714,753 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) 196.73 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) 1,280,253 Being the aggregate amount of all special items referred to in Section 34(1) of the Act. [Parish Precepts]
  - (f) 175.23 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	201.99
Aldham	222.63
Birch	203.31
Boxted	215.64
Chappel	242.68
Copford	214.77
Dedham	202.25
East Donyland	260.07
East Mersea	239.13
Eight Ash Green	216.46
Fingringhoe	202.02
Fordham	261.31
Great Horkesley	186.61
Great Tey	217.73
Langham	211.80
Layer Breton	175.23
Layer de la Haye	195.63
Layer Marney	175.23
Little Horkesley	200.51
Marks Tey	221.29
Messing cum Inworth	223.19
Mount Bures	197.39
Myland	193.62
Stanway	209.62
Tiptree	233.19
Wakes Colne	230.00
West Bergholt	217.38
West Mersea	242.20
Winstred Hundred	200.34
Wivenhoe	261.53
Wormingford	216.54
All other parts of the Council's area	175.23

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	134.66	157.10	179.55	201.99	246.88	291.76	336.65	403.98
Aldham	148.42	173.16	197.89	222.63	272.10	321.58	371.05	445.26
Birch	135.54	158.13	180.72	203.31	248.49	293.67	338.85	406.62
Boxted	143.76	167.72	191.68	215.64	263.56	311.48	359.40	431.28
Chappel	161.79	188.75	215.72	242.68	296.61	350.54	404.47	485.36
Copford	143.18	167.04	190.91	214.77	262.50	310.22	357.95	429.54
Dedham	134.83	157.31	179.78	202.25	247.19	292.14	337.08	404.50
East Donyland	173.38	202.28	231.17	260.07	317.86	375.66	433.45	520.14
East Mersea	159.42	185.99	212.56	239.13	292.27	345.41	398.55	478.26
Eight Ash Green	144.31	168.36	192.41	216.46	264.56	312.66	360.77	432.92
Fingringhoe	134.68	157.13	179.57	202.02	246.91	291.81	336.70	404.04
Fordham	174.21	203.24	232.28	261.31	319.38	377.45	435.52	522.62
Great Horkesley	124.41	145.14	165.88	186.61	228.08	269.55	311.02	373.22
Great Tey	145.15	169.35	193.54	217.73	266.11	314.50	362.88	435.46
Langham	141.20	164.73	188.27	211.80	258.87	305.93	353.00	423.60
Layer Breton	116.82	136.29	155.76	175.23	214.17	253.11	292.05	350.46
Layer de la Haye	130.42	152.16	173.89	195.63	239.10	282.58	326.05	391.26
Layer Marney	116.82	136.29	155.76	175.23	214.17	253.11	292.05	350.46
Little Horkesley	133.67	155.95	178.23	200.51	245.07	289.63	334.18	401.02
Marks Tey	147.53	172.11	196.70	221.29	270.47	319.64	368.82	442.58
Messing cum Inworth	148.79	173.59	198.39	223.19	272.79	322.39	371.98	446.38
Mount Bures	131.59	153.53	175.46	197.39	241.25	285.12	328.98	394.78
Myland	129.08	150.59	172.11	193.62	236.65	279.67	322.70	387.24
Stanway	139.75	163.04	186.33	209.62	256.20	302.78	349.37	419.24
Tiptree	155.46	181.37	207.28	233.19	285.01	336.83	388.65	466.38
Wakes Colne	153.33	178.89	204.44	230.00	281.11	332.22	383.33	460.00
West Bergholt	144.92	169.07	193.23	217.38	265.69	313.99	362.30	434.76
West Mersea	161.47	188.38	215.29	242.20	296.02	349.84	403.67	484.40
Winstred Hundred	133.56	155.82	178.08	200.34	244.86	289.38	333.90	400.68
Wivenhoe	174.35	203.41	232.47	261.53	319.65	377.77	435.88	523.06
Wormingford	144.36	168.42	192.48	216.54	264.66	312.78	360.90	433.08
All other parts of Council's area	116.82	136.29	155.76	175.23	214.17	253.11	292.05	350.46

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 2015/2016 Essex County Council, Essex Police & Crime Commissioner and Essex Fire Authority 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**

<b>Precepting Authority</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
Essex County Council	724.50	845.25	966.00	1,086.75	1,328.25	1,569.75	1,811.25	2,173.50
Essex PCC	98.10	114.45	130.80	147.15	179.85	212.55	245.25	294.30
Essex Fire Authority	44.28	51.66	59.04	66.42	81.18	95.94	110.70	132.84

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 2015/2016 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 2015/16 is **not excessive** in accordance with the principles approved under Section 52ZB of the Act, and as shown in the calculation below.

(a) Percentage increase defined by the Secretary of State as constituting an excessive increase for 2015/16: 2%

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

2014/15 amount £175.23

2015/16 amount £175.23

Percentage increase: 0%

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 2015/16 is **not excessive** and no referendum is required.

8. Discretionary council tax discounts and exemptions for 2015/16 are:

Reference to:	Council position
<i>Second Homes: (Prescribed classes of Dwelling A &amp; B)</i>	Discount be kept at 0%
<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>	No discount applicable to this class
<i>Empty Homes Premium</i>	A maximum premium of 50% be charged.

## 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	1,001.54	1,168.46	1,335.39	1,502.31	1,836.16	2,170.00	2,503.85	3,004.62
Aldham	1,015.30	1,184.52	1,353.73	1,522.95	1,861.38	2,199.82	2,538.25	3,045.90
Birch	1,002.42	1,169.49	1,336.56	1,503.63	1,837.77	2,171.91	2,506.05	3,007.26
Boxted	1,010.64	1,179.08	1,347.52	1,515.96	1,852.84	2,189.72	2,526.60	3,031.92
Chappel	1,028.67	1,200.11	1,371.56	1,543.00	1,885.89	2,228.78	2,571.67	3,086.00
Copford	1,010.06	1,178.40	1,346.75	1,515.09	1,851.78	2,188.46	2,525.15	3,030.18
Dedham	1,001.71	1,168.67	1,335.62	1,502.57	1,836.47	2,170.38	2,504.28	3,005.14
East Donyland	1,040.26	1,213.64	1,387.01	1,560.39	1,907.14	2,253.90	2,600.65	3,120.78
East Mersea	1,026.30	1,197.35	1,368.40	1,539.45	1,881.55	2,223.65	2,565.75	3,078.90
Eight Ash Green	1,011.19	1,179.72	1,348.25	1,516.78	1,853.84	2,190.90	2,527.97	3,033.56
Fingringhoe	1,001.56	1,168.49	1,335.41	1,502.34	1,836.19	2,170.05	2,503.90	3,004.68
Fordham	1,041.09	1,214.60	1,388.12	1,561.63	1,908.66	2,255.69	2,602.72	3,123.26
Great Horkesley	991.29	1,156.50	1,321.72	1,486.93	1,817.36	2,147.79	2,478.22	2,973.86
Great Tey	1,012.03	1,180.71	1,349.38	1,518.05	1,855.39	2,192.74	2,530.08	3,036.10
Langham	1,008.08	1,176.09	1,344.11	1,512.12	1,848.15	2,184.17	2,520.20	3,024.24
Layer Breton	983.70	1,147.65	1,311.60	1,475.55	1,803.45	2,131.35	2,459.25	2,951.10
Layer de la Haye	997.30	1,163.52	1,329.73	1,495.95	1,828.38	2,160.82	2,493.25	2,991.90
Layer Marney	983.70	1,147.65	1,311.60	1,475.55	1,803.45	2,131.35	2,459.25	2,951.10
Little Horkesley	1,000.55	1,167.31	1,334.07	1,500.83	1,834.35	2,167.87	2,501.38	3,001.66
Marks Tey	1,014.41	1,183.47	1,352.54	1,521.61	1,859.75	2,197.88	2,536.02	3,043.22
Messing cum Inworth	1,015.67	1,184.95	1,354.23	1,523.51	1,862.07	2,200.63	2,539.18	3,047.02
Mount Bures	998.47	1,164.89	1,331.30	1,497.71	1,830.53	2,163.36	2,496.18	2,995.42
Myland	995.96	1,161.95	1,327.95	1,493.94	1,825.93	2,157.91	2,489.90	2,987.88
Stanway	1,006.63	1,174.40	1,342.17	1,509.94	1,845.48	2,181.02	2,516.57	3,019.88
Tiptree	1,022.34	1,192.73	1,363.12	1,533.51	1,874.29	2,215.07	2,555.85	3,067.02
Wakes Colne	1,020.21	1,190.25	1,360.28	1,530.32	1,870.39	2,210.46	2,550.53	3,060.64
West Bergholt	1,011.80	1,180.43	1,349.07	1,517.70	1,854.97	2,192.23	2,529.50	3,035.40
West Mersea	1,028.35	1,199.74	1,371.13	1,542.52	1,885.30	2,228.08	2,570.87	3,085.04
Winstred Hundred	1,000.44	1,167.18	1,333.92	1,500.66	1,834.14	2,167.62	2,501.10	3,001.32
Wivenhoe	1,041.23	1,214.77	1,388.31	1,561.85	1,908.93	2,256.01	2,603.08	3,123.70
Wormingford	1,011.24	1,179.78	1,348.32	1,516.86	1,853.94	2,191.02	2,528.10	3,033.72
All other parts of Council's area	983.70	1,147.65	1,311.60	1,475.55	1,803.45	2,131.35	2,459.25	2,951.10

## Parish Council Precepts 2015/16

Parish	Precept 2014/15 £	Precept 2015/16 £	Increase/ (Reduction) £	Increase/ (Reduction) %
Abberton & Langenhoe	10,049	11,344	1,295	13
Aldham	9,106	9,740	634	7
Birch	8,206	8,410	204	2
Boxted	20,743	23,125	2,382	11
Chappel	13,032	14,562	1,530	12
Copford	25,740	26,179	439	2
Dedham	23,619	24,205	586	2
East Donyland	49,740	53,695	3,955	8
East Mersea	7,336	7,470	134	2
Eight Ash Green	24,979	26,328	1,349	5
Fingringhoe	8,757	8,857	100	1
Fordham	25,475	27,038	1,563	6
Great Horkesley	21,930	11,723	(10,207)	(47)
Great Tey	15,104	15,756	652	4
Langham	17,799	17,800	1	0
Layer Breton	0	0	0	n/a
Layer de la Haye	13,714	14,280	566	4
Layer Marney	0	0	0	n/a
Little Horkesley	3,182	2,336	(846)	(27)
Marks Tey	37,921	41,597	3,676	10
Messing cum Inworth	7,419	8,210	791	11
Mount Bures	2,275	2,300	25	1
Myland	71,265	85,895	14,630	21
Stanway	117,214	105,221	(11,993)	(10)
Tiptree	169,785	192,323	22,538	13
Wakes Colne	12,050	12,740	690	6
West Bergholt	44,738	55,443	10,705	24
West Mersea	170,675	206,917	36,242	21
Winstred Hundred	11,275	11,940	665	6
Wivenhoe	223,366	247,180	23,814	11
Wormingford	3,533	7,639	4,106	116
Totals	1,170,027	1,280,253	110,226	9