



Council

23 February 2022

Item
7(i)

Report of	Chief Operating Officer	Author	Paul Cook Darren Brown Diane Gentile
Title	Precept and Council Tax Levels 2022/23		
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 2022/23. These include the following information:
- A Council Tax Base of 64,731 Band D equivalent properties, together with details of the Council Tax base for individual parishes.
 - A Council Tax requirement for Colchester Borough Council of £13.300 million (excluding parishes).
 - Colchester's element of the Council Tax being £205.47 for Band D properties (excluding parishes). An increase of 2.47%.
 - 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 2022/23.
- 1.2 The report should be read alongside the 2022/23 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 2022/23.

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 26 January 2022 Cabinet approved and recommended to Council the 2022/23 Revenue Budget Requirement.
- 5.2 The final 2022/23 Local Government Finance Settlement was received 7 February 2022. There are no significant changes from the draft settlement reported to 26 January 2022 Cabinet. Lower Tier Services Grant is £72k less in the Final Settlement.
- 5.3 The budget proposals are based on additional business rates income above the 2022/23 business rate baseline. The NNDR 1 2022/23 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 2021/22 is £13.199m. This reflects the 3-year spreading of the 2020/21 deficit in accordance with Department of Levelling Up, Housing and Communities guidance. The high 2020/21 deficit arose because of the high value of Covid business rate reliefs introduced by Government in 2020/21 after the Collection Fund estimate had been set.
- 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 2022/23 be agreed at £205.47 for Band D properties, which represents an increase of £4.95 (2.47%).
- 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		21,875
2	Use of New Homes Bonus	(1,954)	
3	Use of Reserves and Balances	(4,820)	
4			15,101
5	Parish Councils requirement	2,187	
6			17,288
7	Business Rates Baseline	(4,343)	
8	Business Rates Growth	(1,870)	
9	Government Grant	(496)	
10			10,579
11	Deficit on collection fund business rates	5,280	
12	Surplus on collection fund council tax	(372)	
13	Council Tax Requirement		15,487

- 5.8 Colchester's Council Tax at Band D for 2022/23 is £205.47 and is set out in Table 2

Table 2 – Colchester Band D Council Tax		
1	Council Tax Requirement (as detailed above)	15,487,381
2	Divided by Council Tax Base	64,731.0
3	Council Tax at Band D (including Parishes)	239.26
4	Deduct Parish Element	(33.79)
5	Council Tax at Band D for Colchester Borough Council	205.47

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 6 February 2022. Essex County Council is expected to formally approve its budget on 23 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			
	2021/22 £	2022/23 £	Change £p	Change %
Colchester Borough Council	200.52	205.47	4.95	2.47
Essex County Council	1340.91	1401.12	60.21	4.49
Essex Police & Crime Commissioner	208.53	218.52	9.99	4.79
Essex Fire and Rescue Service	73.89	75.33	1.44	1.95
	1823.85	1900.44	76.59	4.20

- 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	136.98	934.08	145.68	50.22	1266.96
B	159.81	1089.76	169.96	58.59	1478.12
C	182.64	1245.44	194.24	66.96	1689.28
D	205.47	1401.12	218.52	75.33	1900.44
E	251.13	1712.48	267.08	92.07	2322.76
F	296.79	2023.84	315.64	108.81	2745.08
G	342.45	2335.20	364.20	125.55	3167.40
H	410.94	2802.24	437.04	150.66	3800.88

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 took place on 9 February 2022.

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 2022/23

Background Papers

None

RESOLUTIONS

1. It be noted that the Tax Base has been approved and the following amounts were calculated for the year 2022/23 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992 as amended ('the Act'):
- (a) 64,731.0 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:

Parish	Parish Tax Base
Abberton & Langenhoe	431.2
Aldham	214.3
Birch	303.8
Boxted	628.2
Chappel	221.9
Copford	684.9
Dedham	934.1
East Donyland	882.4
East Mersea	128.0
Eight Ash Green	649.2
Fingringhoe	338.4
Fordham	328.1
Great Horkesley	1,047.8
Great Tey	384.6
Langham	493.8
Laver Breton	135.0
Laver de la Haye	725.4
Laver Marney	91.5
Little Horkesley	89.8
Marks Tey	946.1
Messing cum Inworth	180.5
Mount Bures	104.8
Myland	6,179.6
Stanway	4,267.0
Tiptree	3,588.1
Wakes Colne	249.2
West Bergholt	1,349.5
West Mersea	3,167.0
Winstred Hundred	490.2
Wivenhoe	2,895.5
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 2022/23 (excluding parish precepts) is £13,300,000
3. The following amounts be now calculated by the Council for the year 2022/23 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:
 - (a) £124,814,281 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) £109,326,900 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) £15,487,381 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) £239.26 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) £2,187,381 Being the aggregate amount of all special items referred to in Section 34(1) of the Act. [Parish Precepts]
 - (f) £205.47 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	37.83
Aldham	71.18
Birch	49.37
Boxted	87.72
Chappel	75.89
Copford	59.12
Dedham	45.28
East Donyland	84.47
East Mersea	61.05
Eight Ash Green	53.08
Fingringhoe	34.00
Fordham	89.95
Great Horkesley	38.81
Great Tey	50.51
Langham	41.36
Layer Breton	0.00
Layer de la Haye	25.68
Layer Marney	0.00
Little Horkesley	64.01
Marks Tey	62.94
Messing cum Inworth	116.62
Mount Bures	29.41
Myland	19.42
Stanway	68.14
Tiptree	105.59
Wakes Colne	55.64
West Bergholt	80.59
West Mersea	107.36
Winstred Hundred	28.28
Wivenhoe	125.60
Wormingford	51.44
All other parts of the Council's area	205.47

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	25.22	29.42	33.63	37.83	46.24	54.64	63.05	75.66
Aldham	47.45	55.36	63.27	71.18	87.00	102.82	118.63	142.36
Birch	32.91	38.40	43.88	49.37	60.34	71.31	82.28	98.74
Boxted	58.48	68.23	77.97	87.72	107.21	126.71	146.20	175.44
Chappel	50.59	59.03	67.46	75.89	92.75	109.62	126.48	151.78
Copford	39.41	45.98	52.55	59.12	72.26	85.40	98.53	118.24
Dedham	30.19	35.22	40.25	45.28	55.34	65.40	75.47	90.56
East Donyland	56.31	65.70	75.08	84.47	103.24	122.01	140.78	168.94
East Mersea	40.70	47.48	54.27	61.05	74.62	88.18	101.75	122.10
Eight Ash Green	35.39	41.28	47.18	53.08	64.88	76.67	88.47	106.16
Fingringhoe	22.67	26.44	30.22	34.00	41.56	49.11	56.67	68.00
Fordham	59.97	69.96	79.96	89.95	109.94	129.93	149.92	179.90
Great Horkesley	25.87	30.19	34.50	38.81	47.43	56.06	64.68	77.62
Great Tey	33.67	39.29	44.90	50.51	61.73	72.96	84.18	101.02
Langham	27.57	32.17	36.76	41.36	50.55	59.74	68.93	82.72
Layer Breton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Layer de la Haye	17.12	19.97	22.83	25.68	31.39	37.09	42.80	51.36
Layer Marney	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Little Horkesley	42.67	49.79	56.90	64.01	78.23	92.46	106.68	128.02
Marks Tey	41.96	48.95	55.95	62.94	76.93	90.91	104.90	125.88
Messing cum Inworth	77.75	90.70	103.66	116.62	142.54	168.45	194.37	233.24
Mount Bures	19.61	22.87	26.14	29.41	35.95	42.48	49.02	58.82
Myland	12.95	15.10	17.26	19.42	23.74	28.05	32.37	38.84
Stanway	45.43	53.00	60.57	68.14	83.28	98.42	113.57	136.28
Tiptree	70.39	82.13	93.86	105.59	129.05	152.52	175.98	211.18
Wakes Colne	37.09	43.28	49.46	55.64	68.00	80.37	92.73	111.28
West Bergholt	53.73	62.68	71.64	80.59	98.50	116.41	134.32	161.18

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
West Mersea	71.57	83.50	95.43	107.36	131.22	155.08	178.93	214.72
Winstred Hundred	18.85	22.00	25.14	28.28	34.56	40.85	47.13	56.56
Wivenhoe	83.73	97.69	111.64	125.60	153.51	181.42	209.33	251.20
Wormingford	34.29	40.01	45.72	51.44	62.87	74.30	85.73	102.88
All other parts of Council's area	136.98	159.81	182.64	205.47	251.13	296.79	342.45	410.94

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 2022/23 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	934.08	145.68	50.22
B	1089.76	169.96	58.59
C	1245.44	194.24	66.96
D	1401.12	218.52	75.33
E	1712.48	267.08	92.07
F	2023.84	315.64	108.81
G	2335.20	364.20	125.55
H	2802.24	437.04	150.66

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 2022/23 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 2022/23 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 2022/23:

(i) 2%, or more than 2%, greater than its relevant basic amount of council tax for 2021/22; and

(ii) more than £5.00 greater than its relevant basic amount of council tax for 2021/22.

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

2021/22 amount £200.52

2022/23 amount £205.47

Percentage increase: £4.95 and 2.47%

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 2022/23 is **not excessive** and no referendum is required.

8 Discretionary council tax discounts and exemptions for 2022/23 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	1,292.18	1,507.54	1,722.91	1,938.27	2,369.00	2,799.72	3,230.45	3,876.54
Aldham	1,314.41	1,533.48	1,752.55	1,971.62	2,409.76	2,847.90	3,286.03	3,943.24
Birch	1,299.87	1,516.52	1,733.16	1,949.81	2,383.10	2,816.39	3,249.68	3,899.62
Boxted	1,325.44	1,546.35	1,767.25	1,988.16	2,429.97	2,871.79	3,313.60	3,976.32
Chappel	1,317.55	1,537.15	1,756.74	1,976.33	2,415.51	2,854.70	3,293.88	3,952.66
Copford	1,306.37	1,524.10	1,741.83	1,959.56	2,395.02	2,830.48	3,265.93	3,919.12
Dedham	1,297.15	1,513.34	1,729.53	1,945.72	2,378.10	2,810.48	3,242.87	3,891.44
East Donyland	1,323.27	1,543.82	1,764.36	1,984.91	2,426.00	2,867.09	3,308.18	3,969.82
East Mersea	1,307.66	1,525.60	1,743.55	1,961.49	2,397.38	2,833.26	3,269.15	3,922.98
Eight Ash Green	1,302.35	1,519.40	1,736.46	1,953.52	2,387.64	2,821.75	3,255.87	3,907.04
Fingringhoe	1,289.63	1,504.56	1,719.50	1,934.44	2,364.32	2,794.19	3,224.07	3,868.88
Fordham	1,326.93	1,548.08	1,769.24	1,990.39	2,432.70	2,875.01	3,317.32	3,980.78
Great Horkesley	1,292.83	1,508.31	1,723.78	1,939.25	2,370.19	2,801.14	3,232.08	3,878.50
Great Tey	1,300.63	1,517.41	1,734.18	1,950.95	2,384.49	2,818.04	3,251.58	3,901.90
Langham	1,294.53	1,510.29	1,726.04	1,941.80	2,373.31	2,804.82	3,236.33	3,883.60
Layer Breton	1,266.96	1,478.12	1,689.28	1,900.44	2,322.76	2,745.08	3,167.40	3,800.88
Layer de la Haye	1,284.08	1,498.09	1,712.11	1,926.12	2,354.15	2,782.17	3,210.20	3,852.24
Layer Marney	1,266.96	1,478.12	1,689.28	1,900.44	2,322.76	2,745.08	3,167.40	3,800.88
Little Horkesley	1,309.63	1,527.91	1,746.18	1,964.45	2,400.99	2,837.54	3,274.08	3,928.90
Marks Tey	1,308.92	1,527.07	1,745.23	1,963.38	2,399.69	2,835.99	3,272.30	3,926.76
Messing cum Inworth	1,344.71	1,568.82	1,792.94	2,017.06	2,465.30	2,913.53	3,361.77	4,034.12
Mount Bures	1,286.57	1,500.99	1,715.42	1,929.85	2,358.71	2,787.56	3,216.42	3,859.70
Myland	1,279.91	1,493.22	1,706.54	1,919.86	2,346.50	2,773.13	3,199.77	3,839.72
Stanway	1,312.39	1,531.12	1,749.85	1,968.58	2,406.04	2,843.50	3,280.97	3,937.16
Tiptree	1,337.35	1,560.25	1,783.14	2,006.03	2,451.81	2,897.60	3,343.38	4,012.06
Wakes Colne	1,304.05	1,521.40	1,738.74	1,956.08	2,390.76	2,825.45	3,260.13	3,912.16
West Bergholt	1,320.69	1,540.80	1,760.92	1,981.03	2,421.26	2,861.49	3,301.72	3,962.06

Parish	Band A £	Band B £	Band C £	Band D £	Band E £	Band F £	Band G £	Band H £
West Mersea	1,338.53	1,561.62	1,784.71	2,007.80	2,453.98	2,900.16	3,346.33	4,015.60
Winstred Hundred	1,285.81	1,500.12	1,714.42	1,928.72	2,357.32	2,785.93	3,214.53	3,857.44
Wivenhoe	1,350.69	1,575.81	1,800.92	2,026.04	2,476.27	2,926.50	3,376.73	4,052.08
Wormingford	1,301.25	1,518.13	1,735.00	1,951.88	2,385.63	2,819.38	3,253.13	3,903.76
All other parts of Council's area	1,266.96	1,478.12	1,689.28	1,900.44	2,322.76	2,745.08	3,167.40	3,800.88

Parish Council Precepts 2022/23

Parish	Precept 2021/22	Precept 2022/23	Increase/ (Reduction)	Increase/ (Reduction)
	£	£	£	%
Abberton & Langenhoe	16,228	16,311	83	0.51
Aldham	13,784	15,254	1,470	10.66
Birch	13,000	15,000	2,000	15.38
Boxted	52,090	55,104	3,014	5.79
Chappel	16,841	16,841	0	0.00
Copford	40,494	40,494	0	0.00
Dedham	41,225	42,297	1,072	2.60
East Donyland	71,510	74,538	3,028	4.23
East Mersea	7,814	7,814	0	0.00
Eight Ash Green	33,788	34,459	671	1.99
Fingringhoe	11,507	11,507	0	0.00
Fordham	28,749	29,511	762	2.65
Great Horkesley	36,919	40,664	3,745	10.14
Great Tey	18,927	19,427	500	2.64
Langham	19,907	20,425	518	2.60
Layer Breton	0	0	0	0.00
Layer de la Haye	17,441	18,628	1,187	6.81
Layer Marney	0	0	0	0.00
Little Horkesley	4,789	5,748	959	20.03
Marks Tey	59,550	59,550	0	0.00
Messing cum Inworth	12,235	21,050	8,815	72.05
Mount Bures	2,938	3,082	144	4.90
Myland	137,632	120,000	(17,632)	(12.81)
Stanway	270,147	290,762	20,615	7.63
Tiptree	370,238	378,872	8,634	2.33
Wakes Colne	13,122	13,866	744	5.67
West Bergholt	103,270	108,757	5,487	5.31
West Mersea	320,585	340,017	19,432	6.06
Winstred Hundred	13,160	13,864	704	5.35
Wivenhoe	343,102	363,688	20,586	6.00
Wormingford	9,321	9,851	530	5.69
Totals	2,100,313	2,187,381	87,068	4.15