

EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

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| Title of Report: | Setting the Amount of Council Tax for 2023/24 |
| Meeting of: | Council |
| Date: | 20/02/2023 |
| Is this an Executive Decision: | No |
| Is this a Key Decision: | No |
| Is the report Confidential: | No |
| If so, please state relevant paragraph from Schedule 12A LGA 1972: | n/a |

Essential Signatories:

ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE

Deputy Monitoring Officer: John Teasdale

Date Signature

Chief Finance Officer: Sal Khan

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Council

Date: 20 February 2023

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|--------------------------|---|
| TITLE: | Setting the Amount of Council Tax for 2023/24 |
| PORTFOLIO: | Finance |
| HEAD OF SERVICE: | Sal Khan |
| CONTACT OFFICER: | Ross White – Accountant Ext. 1130 |
| WARD(S) AFFECTED: | All |

1. Purpose of the Report

- 1.1 The Local Government Finance Act 1992, amended by the Localism Act 2011, prescribes the way in which Council Tax is both set and presented. This report is produced in accordance with this legislation.
- 1.2 Members should note that the basis of how Council Tax levels have been derived is stated within the Executive Decision Record 525-22– Council Tax Base 2023/24; approved on 8 December 2022. In addition to this, a report elsewhere on the agenda recommends approval by Council of the Medium Term Financial Strategy 2023/24 to 2025/26 and sets the level of Council Tax for 2023/24 for this Council.

2. Executive Summary

- 2.1 The level of Council Tax to be set by East Staffordshire Borough Council for a Band D property in 2023/24 is £192.88 (2022/23 £187.30). This is an increase of 2.98% or £5.58 (or 11p a week) on a Band D property, well below the current level of inflation. Consequently, under legislation no referendum will be required in respect of the Council's share of the council tax bill.

3. Contribution to Corporate Priorities

- 3.1 All

4. Report

- 4.1 The Localism Act 2011 made significant changes to the Local Government Finance Act 1992, and now requires billing authorities to calculate a council tax requirement for the year, instead of its budget requirement, as was previously the case. The main reason for this change was to accommodate the requirement to hold referendums for 'excessive' increases in the basic amount of council tax. The principles established require that the Council would need to hold a referendum if the "basic amount of council tax" is set at 3% or higher when compared with the same figure for 2022/23 or more than £5, whichever is greater.
- 4.2 As the Council is proposing an increase of £2.98% or £5.58 from £187.30 to £192.88 for a Band D Property in relation to its share of the Council Tax for 2023/24 no referendum will be required in relation to our element.
- 4.3 The following is a summary of the average Band D Council Tax levels as a result of the Appendices contained within this report

| | <u>Average Band D Amount 2022/23</u> | <u>Average Band D Amount 2023/24</u> | <u>Percentage Change 2023/24</u> | <u>Appendix Reference</u> |
|--|--|--|--|-------------------------------|
| ESBC (not including Special Expense) | £187.30 | £192.88 | 2.98% | Appendix 12.3 |
| Staffordshire County Council | £1,401.30* | £1,471.23* | 4.99% | Appendix 12.4 |
| Staffordshire Commissioner for Fire and Rescue | £80.35 | £84.25 | 4.85% | Appendix 12.4 |
| Staffordshire Police and County Crime Commissioner | £248.57 | £260.57 | 4.83% | Appendix 12.4 |
| Average Special Expense | £11.25 | £11.10 | (1.33%) | |
| Average Parish Council Precept | £33.53 | £34.02 | 1.46% | Appendix 12.6 |
| Overall Average | £1,962.30 | £2,054.05 | 4.68% | |

**The 2023/24 amount for Staffordshire County Council is split General Precept £1,277.90 (2022/23 £1,236.00) and Adult Social Care £193.33 (2022/23 £165.30).*

- 4.4 Detailed at schedule 12.6 are the local precepts and local tax rates, together with the comparator figures from previous year, for each parish council. The Council has yet to receive a local precept from Mayfield Parish Council and is therefore proposing to utilise its powers under statutory instrument 3239 (The Billing Authorities (Anticipation of Precepts) Regulations 1992) and The Billing Authorities (Anticipation of Precepts) (Amendment) Regulations 1995.

4.5 The aforementioned regulations provide for billing authorities to include in the calculations of their council tax requirements, under section 32 of the Local Government Finance Act 1992 and subsequent amendments under the Localism Act 2011, certain amounts in respect of precepts not yet issued by local precepting authorities. The regulations provide that, whether or not such precepts are anticipated in the calculation of council tax requirements, the billing authorities are to pay to the local precepting authorities only the amount of any precepts issued by them if it is before the 1st March. If the precept is issued on or after the 1st March the amount payable equals the lower of the precept issued and the highest amount that could have been anticipated under the regulations. The regulations allow for an anticipated precept of £12,661.92 for Mayfield (being the highest of the last 3 years plus September RPI). It is therefore also proposed that should Mayfield Parish Council set a precept higher than that anticipated by the Council before the 1st March then the difference will be recovered from future discretionary Council Tax Support Grant awards to the Parish Council (a higher precept set after this date would be payable based on the amount anticipated).

5. **Financial Considerations**

This section has been approved by the following member of Financial Management Unit Ross White.

5.1 The main financial issues arising from this Report are as follows.

| Revenue | 2023/24 | 2024/25 |
|--|------------|---------|
| The amount of Revenue Budget to be funded by Council Tax: | £7,726,834 | |
| The setting of the indicated Council Tax levels will enable the Council to meet both its corporate objectives and legal obligations. | | |
| Band D Tax: | £192.88 | |

| Capital | 2023/24 | 2024/25 |
|--------------------------|---------|---------|
| No capital implications. | | |

6. **Risk Assessment and Management**

6.1 The main risks to this Report and the Council achieving its objectives are as follows.

6.1.1 None

7. **Legal Considerations**

This section has been approved by the following member of Legal Team

7.1 The main legal issues arising from this Report are as follows.

7.1.1 A statutory duty is placed on the Council to set for each financial year an amount of council tax for different categories of dwellings according to the band in which the dwelling falls. The requirements to calculate and set a Council Tax are set out in the Local Government Finance Act 1992 and are detailed in the report. The Localism Act 2011 made significant changes to this Act, requiring authorities to calculate a Council Tax requirement for the year, not a budget requirement as was previously required. Failure to set a balanced budget and thereafter Council Tax would mean the Council would be in breach of the Local Government Finance Act 1992.

7.1.2 As set out in Paragraph 4.4, Mayfield Parish Council have not yet set a local precept and it is proposed to utilise powers under The Billing Authorities (Anticipation of Precepts) Regulations 1992 and The Billing Authorities (Anticipation of Precepts) (Amendment) Regulations 1995, in order to set the Council Tax Requirement and enable timely council tax billing.

8. **Equalities**

8.1 There are no equalities issues identified as a result of this report.

9. **Data Protection Implications – Data Protection Impact Assessment (DPIA)**

9.1. A DPIA must be completed where there are plans to:

- use systematic and extensive profiling with significant effects;
- process special category or criminal offence data on a large scale; or
- systematically monitor publicly accessible places on a large scale
- use new technologies;
- use profiling or special category data to decide on access to services;
- profile individuals on a large scale;
- process biometric data;
- process genetic data;
- match data or combine datasets from different sources;
- collect personal data from a source other than the individual without providing them with a privacy notice ('invisible processing');
- track individuals' location or behaviour;
- profile children or target marketing or online services at them; or
- process data that might endanger the individual's physical health or safety in the event of a security breach

9.2 Following consideration of the above, there are no Data Protection implications arising from this report which would require a DPIA

10. **Human Rights**

10.1 There are no human rights issues arising from this Report.

11. Recommendation(s)

The Council, is asked to note:

- 11.1 That this paper is based upon the revenue budget for 2023/24, as set out elsewhere on the Agenda.
- 11.2 That the Executive Decision Record – Council Tax Base 2023/24 of the 8th December 2022 calculated the amounts highlighted at Appendix 12.2 in accordance with regulations made under section 33 (5) of the Local Government Finance Act.
- 11.3 That the amounts at Appendix 12.3 are calculated by the Council for the year 2023/24 in accordance with sections 31 to 36 of the Local Government Finance Act 1992.
- 11.4 That in making the calculations at Appendix 12.3 the Council is utilising its powers under The Billing Authorities (Anticipation of Precepts) Regulations 1992 and The Billing Authorities (Anticipation of Precepts) (Amendment) Regulations 1995 in respect of Mayfield Parish Council and that should Mayfield Parish Council set an higher precept before 1st March the Council intends to recover the difference from future discretionary council tax support grant awards made to the Parish Council.
- 11.5 That the amounts in Appendix 12.4 be noted as precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown.

The Council is asked to approve:

- 11.6 That for the purpose of section 35 (e) of the Local Government Finance Act 1992, all expenses incurred by the Council in 2023/24 be declared general expenses, apart from those expenses which are incurred by the Council in performing in a part of its area a function performed elsewhere in its area by a body with power to issue a precept to the Council, as listed at Appendix 12.1 and are therefore special expenses.
- 11.7 That having calculated in each case the aggregate of the amounts of the schedule at Appendix 12.3(h) and the amounts in Appendix 12.4, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the amounts shown on Appendix 12.5 as the amounts of council tax for the year 2023/24, for each of the categories of dwellings shown.

12. Background papers

- 12.1 The Medium Term Financial Strategy, presented elsewhere on the agenda gives the detailed financial analysis in arriving at the £192.88 East Staffordshire Borough Council element of the overall Council Tax.

13. Appendices

- 13.1 Special Expenses
- 13.2 Council Tax Base

13.3 Calculation of Council Tax & East Staffordshire Borough Council Tax Rates

13.4 Major Precepts

13.5 Total Council Tax Rates

12.6 Local Precepts