

## COUNCIL – 21 FEBRUARY 2023

### PART I

#### 8. COUNCIL TAX – DISTRICT ELEMENT (DoF)

##### 1. Summary

1.1 This report allows the Council to set the district element of the Council Tax for 2023/24. This includes the parish precepts.

##### 2. Background

2.1 The calculations below comply with the Local Government Finance Act 1992 (“The Act”), as amended by the Localism Act 2011.

2.2 The details below show the calculations made in arriving at the recommendations and are cross referenced accordingly.

##### 3. Details

##### 3.1 *The Council Tax Base*

At its meeting on 13 December 2022, the Council approved the Council Tax Base for 2023/24 as follows:

| Parish                | Band D<br>Equivalents<br>2023/24 |
|-----------------------|----------------------------------|
| Abbots Langley        | 8,671.1                          |
| Batchworth            | 6,341.0                          |
| Chorleywood           | 6,309.0                          |
| Croxley               | 5,783.5                          |
| Sarratt               | 1,101.6                          |
| Watford Rural         | 7,669.9                          |
| Unparished            | 3,669.1                          |
| <b>Total District</b> | <b>39,545.2</b>                  |

##### 3.2 *Calculation of Council Tax Requirement*

The Council must calculate its aggregate expenditure (a), its aggregate income (b) and the difference between the two, being termed the Council Tax Requirement (c).

| Council Tax Requirement     | £            |
|-----------------------------|--------------|
| Aggregate Expenditure (a)   | 52,827,695   |
| Aggregate Income (b)        | (42,747,393) |
| Council Tax Requirement (c) | 10,080,302   |

### 3.3 **Basic Amount of Tax**

This is calculated by dividing the Council Tax Requirement by the Council Tax Base.

$$\frac{£10,080,302}{39,545.2} = £254.91$$

This is the charge that, were there to be no special items in a part of the area, would be levied on a Band D property to meet District and Parish expenditure.

### 3.4 **Aggregate Amount of Special Items**

Special items include both Parish Precepts and Special Expenses:-

| <b>Area</b>    | <b>Precepts<br/>£</b> | <b>Special<br/>Expenses<br/>£</b> | <b>Total<br/>£</b> |
|----------------|-----------------------|-----------------------------------|--------------------|
| Abbots Langley | 944,590               | 1,109                             | 945,699            |
| Batchworth     | 165,830               | 399,357                           | 565,187            |
| Chorleywood    | 540,000               | 88,885                            | 628,885            |
| Croxley Green  | 338,660               | 140,693                           | 479,353            |
| Sarratt        | 106,213               | 0                                 | 106,213            |
| Watford Rural  | 291,490               | 253,080                           | 544,570            |
| Unparished     | 0                     | 266,842                           | 266,842            |
| <b>Total</b>   | <b>2,386,783</b>      | <b>1,149,966</b>                  | <b>3,536,749</b>   |

### 3.5 **Basic Amount of Council Tax for Dwellings in a Part of the District Were No Special Items to Apply.**

This calculation gives a basic amount of tax for a dwelling in a part of the area to which no special item relates. In fact there is no dwelling in the District to which this applies but the figure is calculated to enable special items in each part of the District to be subsequently added back:-

$$\text{Basic Amount of Tax} \quad - \quad \frac{\text{Aggregate of Special Items}}{\text{Council's Total Tax Base}}$$

$$£254.91 \quad - \quad \frac{£3,536,749}{39,545.2} \quad = \quad £165.47$$

This figure equates to the District Council's charge for "General Expenses".

### 3.6 **Council Tax for Part of the Council's Area**

This calculation adds back to the calculation at paragraph 3.5 above, the Special items that relate to each part of the District with regard to the tax base in each part:-

| Special Items                               | Abbots Langley | Batchworth     | Chorleywood    | Croxley Green  | Sarratt        | Watford Rural  | Unparished     | Total            |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
|   | £              | £              | £              | £              | £              | £              | £              | £                |
| Precepts                                    | 944,590        | 165,830        | 540,000        | 338,660        | 106,213        | 291,490        | 0              | 2,386,783        |
| Special Expenses                            | 1,109          | 399,357        | 88,885         | 140,693        | 0              | 253,080        | 266,842        | 1,149,966        |
| <b>Total</b>                                | <b>945,699</b> | <b>565,187</b> | <b>628,885</b> | <b>479,353</b> | <b>106,213</b> | <b>544,570</b> | <b>266,842</b> | <b>3,536,749</b> |
| Divided by Tax Base                         | 8671.1         | 6341.0         | 6309.0         | 5783.5         | 1101.6         | 7669.9         | 3669.1         | 39545.2          |
| <b>Sub Total</b>                            | <b>109.06</b>  | <b>89.13</b>   | <b>99.68</b>   | <b>82.89</b>   | <b>96.42</b>   | <b>71.00</b>   | <b>72.73</b>   |                  |
| Add Council Tax if no Special Items existed | 165.47         | 165.47         | 165.47         | 165.47         | 165.47         | 165.47         | 165.47         |                  |
| <b>Total</b>                                | <b>274.53</b>  | <b>254.60</b>  | <b>265.15</b>  | <b>248.36</b>  | <b>261.89</b>  | <b>236.47</b>  | <b>238.20</b>  |                  |

### 3.7 **Charges for Each Band**

The figures for each band of property are arrived at by taking the charge for a band D property and applying the following proportions:-

| Band A | Band B | Band C | Band D | Band E | Band F | Band G | Band H |
|--------|--------|--------|--------|--------|--------|--------|--------|
| 6:9    | 7:9    | 8:9    | 9:9    | 11:9   | 13:9   | 15:9   | 18:9   |

### 3.8 **Major Precepting Authorities**

The Police and Crime Commissioner for Hertfordshire and Hertfordshire County Council have agreed their 2023/24 precepts issued to the Council, in accordance with Section 40 of the Act. Precepts for these authorities are added to this Council's charges to arrive at a total council tax charge.

## 4. **Options/Reasons for Recommendation**

4.1 The report is made to set this Council's element of the Council Tax for 2023/24.

## 5. **Policy/Budget**

5.1 The recommendations in this report are within the Council's agreed policy and budgets.

## 6. **Equal Opportunities, Staffing, Environmental, Community Safety, Customer Services Centre, Communications & Website, Risk Management and Health & Safety Implications**

6.1 None specific.

## 7. **Financial Implications**

7.1 Applying the charges will generate the income required to meet District and Parish Councils' expenditure after discounts and non-payment, allowance for which has been included in the Council Tax Base.

## 8. **Legal Implications**

8.1 This report and its recommendations comply with the requirements of the Local Government Finance Act 1992 as amended.

8.2 The Government announced that for district councils, their relevant basic amount of council tax in 2023/24 will require a referendum if it is either:

- 3%; or more than 3% above its 2022/23 level; and

- more than £5.00 above its 2022/23 level

The average increase in the district for 2023/24 for a Band D property is £5.65 (2.99%). Therefore there is no need for a referendum on the 2023/24 district element of the council tax charge as this is below 3%.

## 9. Recommendations

That the following amounts be calculated for the year 2023/24, in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:-

- (a) £52,827,695 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act taking into account all precepts issued to it by parish councils.
- (b) £42,747,393 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £10,080,302 being the amount by which the aggregate (a) above exceeds the aggregate at (b) above.
- (d) £254.91 being the amount at (c) above divided by the council tax base, as the basic amount of its Council Tax for the year (including parish precepts).
- (e) £3,536,749 being the aggregate amount of all special items (parish precepts and special expenses)
- (f) £165.47 being the basic amount of its Council Tax for the year for dwellings in those parts of the area to which no special item relates.

(g)

| Parts of the Council's Area | £      |
|-----------------------------|--------|
| Abbots Langley              | 274.53 |
| Batchworth                  | 254.60 |
| Chorleywood                 | 265.15 |
| Croxley Green               | 248.36 |
| Sarratt                     | 261.89 |
| Watford Rural               | 236.47 |
| Unparished                  | 238.20 |

being the amounts given by adding to the amount at (f) above the amounts of the special item or items relating to the dwellings in those parts of the Council's area listed above divided by the council tax base, as the basic 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 | Valuation Band |        |        |        |        |        |        |        |
|-----------------------------|----------------|--------|--------|--------|--------|--------|--------|--------|
|                             | A              | B      | C      | D      | E      | F      | G      | H      |
|                             | £              | £      | £      | £      | £      | £      | £      | £      |
| Abbots Langley              | 183.02         | 213.52 | 244.03 | 274.53 | 335.54 | 396.54 | 457.55 | 549.06 |
| Batchworth                  | 169.73         | 198.02 | 226.31 | 254.60 | 311.18 | 367.76 | 424.33 | 509.20 |
| Chorleywood                 | 176.77         | 206.23 | 235.69 | 265.15 | 324.07 | 382.99 | 441.92 | 530.30 |
| Croxley Green               | 165.57         | 193.17 | 220.76 | 248.36 | 303.55 | 358.74 | 413.93 | 496.72 |
| Sarratt                     | 174.59         | 203.69 | 232.79 | 261.89 | 320.09 | 378.29 | 436.48 | 523.78 |
| Watford Rural               | 157.65         | 183.92 | 210.20 | 236.47 | 289.02 | 341.57 | 394.12 | 472.94 |
| Unparished                  | 158.80         | 185.27 | 211.73 | 238.20 | 291.13 | 344.07 | 397.00 | 476.40 |

being the amounts given by multiplying the amounts at (g) above by the proportion in paragraph 3.7.

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Background Papers:

Local Government Finance Act 1992

The Administration approved budget for 2023/24

Preceptor's notifications (HCC & P&CC)

Council 13 December 2022 - The Council Tax Base report

Appendix 1 – Special Items

## Special Items

| Council Tax<br>Special Items 2023/24   | Abbots<br>Langley<br>£ | Batchworth<br>£ | Chorleywood<br>£ | Croxley<br>Green<br>£ | Sarratt<br>£ | Watford<br>Rural<br>£ | Unparished<br>£ | Total<br>£ |
|--|------------------------|-----------------|------------------|-----------------------|--------------|-----------------------|-----------------|------------|
| <b>Special Expenses</b>                |                        |                 |                  |                       |              |                       |                 |            |
| Aquadrome                              | 0                      | 96,355          | 0                | 0                     | 0            | 0                     | 0               | 96,355     |
| Playing Fields and Open Spaces         | 0                      | 211,082         | 67,907           | 132,710               | 0            | 205,475               | 192,603         | 809,777    |
| Trees & Landscapes                     | 1,109                  | 23,284          | 20,978           | 7,983                 | 0            | 50,605                | 1,331           | 105,290    |
| Watersmeet                             | 0                      | 68,636          | 0                | 0                     | 0            | 0                     | 72,908          | 141,544    |
| Community Halls                        | 0                      | 0               | 0                | 0                     | 0            | (3,000)               | 0               | (3,000)    |
| Total Special Expenses                 | 1,109                  | 399,357         | 88,885           | 140,693               | 0            | 253,080               | 266,842         | 1,149,966  |
| Parish Council Precepts                | 944,590                | 165,830         | 540,000          | 338,660               | 106,213      | 291,490               | 0               | 2,386,783  |
| <b>Total Special Items</b>             | 945,699                | 565,187         | 628,885          | 479,353               | 106,213      | 544,570               | 266,842         | 3,536,749  |
| Council Tax Base                       | 8671.1                 | 6341.0          | 6309.0           | 5783.5                | 1101.6       | 7669.9                | 3669.1          | 39545.2    |
| <b>Band D Charge for Special Items</b> | 109.06                 | 89.13           | 99.68            | 82.88                 | 96.42        | 71.00                 | 72.73           |            |