

EAST HERTS COUNCIL

COUNCIL - 7 MARCH 2012

REPORT BY EXECUTIVE MEMBER FOR FINANCE

COUNCIL TAX – FORMAL RESOLUTION

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To set the council tax for 2012/13

<u>RECOMMENDATIONS:</u> that:	
(A)	The Council Tax resolution, as now submitted, be approved,
(B)	the local precepts as set out at Essential Reference Paper 'C', be noted; and
(C)	the Hertfordshire County Council's and Hertfordshire Police Authority's precepts be noted.

1 Background

- 1.1 This Council is the council tax billing and collection authority within its area.
- 1.2 The Council must set the council tax in respect of each part of its area no later than 11 March prior to the start of the year in respect of which the tax is set.
- 1.3 The council tax calculation sets the tax in respect of this council and the aggregate council tax inclusive of the County Council and Police Authority precepts and of each town and parish's precept.
- 1.4 The County Council's Finance Director has advised that the County Council and Policy Authority precepts for 2012/13 as they affect East Hertfordshire District Council taxpayers will total

£74, 260,750.87. This is made up of £65,594,407.21 for the County Council and £8,666,343.66 for the Police Authority, giving Band D equivalents of £1,118.83 and £147.82 respectively. Both precepts are frozen (in band D terms) at the level set for the current year.

1.5 The total parish precept is £3,540,678.

1.6 The County Council, Police Authority and Parish precepts contribute to the setting of the Council Tax

2 Report

2.1 The council tax resolution is set out at **Essential Reference Paper B.**

2.2 The calculations set out in the resolution are prescribed in the Local Government Finance Act 1992 as amended. The Localism Act 2011 made minor amendments to the required calculation. The Council has no discretion in undertaking these calculations beyond determining any special expenses within the Council's own budget applicable to part of its area. The Council has not determined any special expenses.

2.3 The precepts by each parish are set out as attached at **Essential Reference Paper 'C'**

3 The Required Calculations

3.1 Section 1: this confirms that this Council's previously agreed Tax base is used in the calculation.

3.2 Section 2: this sets out the Council's council tax requirement for its own purposes (excluding parish precepts) for 2012/13.

3.3 Section 3:

(a) The Council's gross expenditure + transfers to reserves + the total of parish precepts

(b) The Council's gross income including grants + transfers from reserves

(c) Is (a) – (b)

(d) Is (c) divided by the tax base. This is this Council's band D council tax rate + the average rate for all parishes

(e) Is the total of parish precepts

- (f) Is this Council's band D council tax rate
- (g) Is a table of Band D Council plus Parish rate.
- (h) This is the same as (g) but showing the council tax by each valuation band

- 3.4 Section 4: this is the equivalent amounts to those at 3(h) for the County and Police Authority precepts
- 3.5 Section 5: this is the total council tax for each valuation band for each parish
- 3.6 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

Background papers

Hertfordshire County Council Precept Demand 2012/13

Hertfordshire Police Authority Precept Demand 2012/13

Contact Member: Councillor Michael Tindale – Executive Member for Finance

Contact Officer: Alan Madin – Director of Internal Services, Ext 1401

ESSENTIAL REFERENCE PAPER 'A'

<p>Contribution to the Council's Corporate Priorities/ Objectives (delete as appropriate):</p>	<p>The income from council tax supports all priorities</p> <p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Caring about what's built and where <i>Care for and improve our natural and built environment.</i></p> <p>Shaping now, shaping the future <i>Safeguard and enhance our unique mix of rural and urban communities, ensuring sustainable, economic and social opportunities including the continuation of effective development control and other measures.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
<p>Consultation:</p>	<p>Consultation on the Council's budget informed the budget setting process including the level of council tax proposed for 2012/13</p>
<p>Legal:</p>	<p>The setting of the council tax must be in accordance with the Local Government Finance Act 1992 as amended.</p>
<p>Financial:</p>	<p>As set out in the report</p>
<p>Human Resource:</p>	<p>None</p>
<p>Risk Management:</p>	<p>Risks were considered in setting the Council's budget.</p>