

## COUNCIL – 23 FEBRUARY 2021

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

#### 1 Summary

- 1.1 This report allows the Council to set the district element of the Council Tax for 2021/22. 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 8 December 2020, the Council approved the Council Tax Base for 2021/22 as follows:

Parish	Band D Equivalents 2021/22
Abbots Langley	8,622.1
Batchworth	6,343.1
Chorleywood	6,214.6
Croxley Green	5,563.4
Sarratt	1,098.3
Watford Rural	7,251.7
Unparished Area	3,681.1
Total District	38,774.3

##### 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)	51,273,954
Aggregate Income (b)	(42,028,750)
Council Tax Requirement (c)	9,245,204

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

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

$$\frac{£9,245,204}{38774.3} = £238.44$$

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>Special items</b>			
<b>Area</b>	<b>Precepts</b>	<b>Special Expenses</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Abbots Langley	782,075	1,730	783,805
Batchworth	120,633	416,940	537,573
Chorleywood	525,300	95,870	621,170
Croxley Green	314,480	131,250	445,730
Sarratt	96,557	0	96,557
Watford Rural	275,565	264,590	540,155
Unparished	0	270,510	270,510
<b>Total</b>	<b>2,114,610</b>	<b>1,180,890</b>	<b>3,295,500</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:-

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

$$£238.44 - \frac{3,295,500}{38774.3} = £153.44$$

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	782,075	120,633	525,300	314,480	96,557	275,565	0	2,114,610
Special Expenses	1,730	416,940	95,870	131,250	0	264,590	270,510	1,180,890
<b>Total</b>	<b>783,805</b>	<b>537,573</b>	<b>621,170</b>	<b>445,730</b>	<b>96,557</b>	<b>540,155</b>	<b>270,510</b>	<b>3,295,500</b>
Divided by Tax Base	8622.1	6343.1	6214.6	5563.4	1098.3	7251.7	3681.1	38774.3
<b>Sub Total</b>	<b>90.91</b>	<b>84.75</b>	<b>99.95</b>	<b>80.12</b>	<b>87.91</b>	<b>74.49</b>	<b>73.49</b>	
Add Council Tax if no Special Items existed	153.44	153.44	153.44	153.44	153.44	153.44	153.44	
<b>Total</b>	<b>244.35</b>	<b>238.19</b>	<b>253.39</b>	<b>233.56</b>	<b>241.35</b>	<b>227.93</b>	<b>226.93</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 2021/22 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 2021/22.

### 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 2021/22 will require a referendum if it is either:

- 2%; or more than 2% above its 2020/21 level; and
- more than £5 above its 2020/21 level

The average increase in the district for 2021/22 for a Band D property is £5 (2.79%). Therefore there is no need for a referendum on the 2021/22 district element of the council tax charge.

### 9 **Recommendations**

That the following amounts be calculated for the year 2021/22, in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:-

- (a) £51,273,954 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) £42,028,750 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £9,245,204 being the amount by which the aggregate (a) above exceeds the aggregate at (b) above.

- (d) £238.44 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) £3,295,500 being the aggregate amount of all special items (parish precepts and special expenses)
- (f) £153.44 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)

<b>Parts of the Council's Area</b>	<b>£</b>
Abbots Langley	244.35
Batchworth	238.19
Chorleywood	253.39
Croxley Green	233.56
Sarratt	241.35
Watford Rural	227.93
Unparished	226.93

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)

<b>Parts of the Council's Area</b>	<b>Valuation Band</b>							
	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Abbots Langley	162.90	190.05	217.20	244.35	298.65	352.95	407.25	488.70
Batchworth	158.79	185.26	211.72	238.19	291.12	344.05	396.98	476.38
Chorleywood	168.93	197.08	225.24	253.39	309.70	366.01	422.32	506.78
Croxley Green	155.71	181.66	207.61	233.56	285.46	337.36	389.27	467.12
Sarratt	160.90	187.72	214.53	241.35	294.98	348.62	402.25	482.70
Watford Rural	151.95	177.28	202.60	227.93	278.58	329.23	379.88	455.86
Unparished	151.29	176.50	201.72	226.93	277.36	327.79	378.22	453.86

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 2021/22

Preceptor's notifications (HCC & P&CC)

Council 8 December 2020 - The Council Tax Base report

Appendix 1 – Special Items

## Special Items

## APPENDIX 1

Council Tax Special Items 2021/22	Abbots Langley	Batchworth	Chorleywood	Croxley Green	Sarratt	Watford Rural	Unparished	Total
	£	£	£	£	£	£	£	£
<b>Special Expenses</b>								
Aquadrome	0	92,230	0	0	0	0	0	92,230
Playing Fields and Open Spaces	0	200,890	63,180	118,810	0	188,720	174,810	746,410
Trees & Landscapes	1,730	36,290	32,690	12,440	0	78,870	2,070	164,090
Watersmeet	0	87,530	0	0	0	0	93,630	181,160
Community Halls	0	0	0	0	0	(3,000)	0	(3,000)
<b>Total Special Expenses</b>	<b>1,730</b>	<b>416,940</b>	<b>95,870</b>	<b>131,250</b>	<b>0</b>	<b>264,590</b>	<b>270,510</b>	<b>1,180,890</b>
Parish Council Precepts	782,075	120,633	525,300	314,480	96,557	275,565	0	<b>2,114,610</b>
<b>Total Special Items</b>	<b>783,805</b>	<b>537,573</b>	<b>621,170</b>	<b>445,730</b>	<b>96,557</b>	<b>540,155</b>	<b>270,510</b>	<b>3,295,500</b>
Council Tax Base	8622.1	6343.1	6214.6	5563.4	1098.3	7251.7	3681.1	<b>38774.3</b>
<b>Band D Charge for Special Items</b>	<b>90.91</b>	<b>84.75</b>	<b>99.95</b>	<b>80.12</b>	<b>87.91</b>	<b>74.49</b>	<b>73.49</b>	