

COUNCIL – 20 FEBRUARY 2024

COUNCIL TAX – DISTRICT ELEMENT

(Director of Finance)

Summary

- 1.1 This report allows the Council to set the district element of the Council Tax for 2024/25. This includes the parish precepts.

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.

Details

3.1 *The Council Tax Base*

At its meeting on 12 December 2023, the Council approved the Council Tax Base for 2024/25 as follows:

Parish	Band D Equivalents 2024/25
Abbots Langley	8,705.2
Batchworth	6,526.9
Chorleywood	6,326.6
Croxley	5,799.5
Sarratt	1,095.0
Watford Rural	7,683.7
Unparished	3,713.9
Total District	39,850.8

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)	50,971,208
Aggregate Income (b)	(40,485,712)
Council Tax Requirement (c)	10,485,496

3.3 **Basic Amount of Tax**

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

$$\frac{10,485,496}{39,850.8} = \text{£}263.12$$

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:-

Area	Precepts £	Special Expenses £	Total £
Abbots Langley	1,033,807	913	1,034,720
Batchworth	177,106	418,392	595,498
Chorleywood	541,506	88,384	629,890
Croxley Green	347,840	145,558	493,398
Sarratt	108,337	0	108,337
Watford Rural	291,995	253,843	545,838
Unparished	0	284,792	284,792
Total	2,500,591	1,191,882	3,692,473

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:-

$$\begin{array}{r} \text{Basic Amount of Tax} \\ \text{£}263.12 \end{array} \quad - \quad \frac{\text{Aggregate of Special Items}}{\text{Council's Total Tax Base}} \quad = \quad \text{£}170.46$$
$$\frac{10,485,496}{39,850.8} - \frac{3,692,473}{39,850.8} = \text{£}170.46$$

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	1,033,807.00	177,106.00	541,506.00	347,840.00	108,337.00	291,995.00		2,500,591.00
Special Expenses	913.00	418,392.00	88,384.00	145,558.00	0.00	253,843.00	284,792.00	1,191,882.00
Total	1,034,720.00	595,498.00	629,890.00	493,398.00	108,337.00	545,838.00	284,792.00	3,692,473.00
Divided by Tax Base	8,705.20	6,526.90	6,326.60	5,799.50	1,095.00	7,683.70	3,713.90	39,850.80
Sub Total	118.86	91.24	99.56	85.08	98.94	71.04	76.68	
Add Council Tax if no Special Items existed	170.46	170.46	170.46	170.46	170.46	170.46	170.46	
Total	289.32	261.70	270.02	255.54	269.40	241.50	247.14	

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 2024/25 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.

Options/Reasons for Recommendation

4.1 The report is made to set this Council's element of the Council Tax for 2024/25.

Policy/Budget

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

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

6.1 None specific.

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.

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 2024/25 will require a referendum if it is either:

- 3%; or more than 3% above its 2023/24 level; and
- more than £5.00 above its 2023/24 level

The relevant basic amount of council tax is the total of the district element of the council tax requirement (including special expenses) or £200.37 compared to £194.55 in 2023/24. The average increase in the district for 2024/25 for a Band D property is 2.99%. Therefore there is no need for a referendum on the 2024/25 district element of the council tax charge as this is below 3%.

Recommendations

That the following amounts be calculated for the year 2024/25, in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:-

- (a) £50,971,208 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) £40,485,712 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £10,485,496 being the amount by which the aggregate (a) above exceeds the aggregate at (b) above.
- (d) £263.12 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) £3,692,473 being the aggregate amount of all special items (parish precepts and special expenses)
- (f) £170.46 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	289.32
Batchworth	261.70
Chorleywood	270.02
Croxley Green	255.54
Sarratt	269.40
Watford Rural	241.50
Unparished	247.14

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	192.88	225.03	257.17	289.32	353.61	417.91	482.20	578.64
Batchworth	174.47	203.54	232.62	261.70	319.86	378.01	436.17	523.40
Chorleywood	180.01	210.02	240.02	270.02	330.02	390.03	450.03	540.04
Croxley Green	170.36	198.75	227.15	255.54	312.33	369.11	425.90	511.08
Sarratt	179.60	209.53	239.47	269.40	329.27	389.13	449.00	538.80
Watford Rural	161.00	187.83	214.67	241.50	295.17	348.83	402.50	483.00
Unparished	164.76	192.22	219.68	247.14	302.06	356.98	411.90	494.28

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 approved budget for 2024/25

Preceptor's notifications (HCC & P&CC)

Appendix 1 – Special Items

Council 12 December 2023 - The Council Tax Base report

Special Items

Council Tax Special Items 2023/24	Abbots Langley £	Batchworth £	Chorleywood £	Croxley Green £	Sarratt £	Watford Rural £	Unparished £	Total £
Special Expenses								
Aquadrome	0	100,983	0	0	0	0	0	100,983
Playing Fields and Open Spaces	0	221,064	71,118	138,987	0	215,192	201,712	848,073
Trees & Landscapes	913	19,164	17,266	6,571	0	41,651	1,095	86,660
Watersmeet	0	77,181	0	0	0	0	81,985	159,166
Community Halls	0	0	0	0	0	(3,000)	0	(3,000)
Total Special Expenses	913	418,392	88,384	145,558	0	253,843	284,792	1,191,882
Parish Council Precepts	1,033,807	177,106	541,506	347,840	108,337	291,995	0	2,500,591
Total Special Items	1,034,720	595,498	629,890	493,398	108,337	545,838	284,792	3,692,473
Council Tax Base	8705.2	6526.9	6326.6	5799.5	1095.0	7683.7	3713.9	39850.8
Band D Charge for Special Items	118.86	91.24	99.56	85.08	98.94	71.04	76.68	