

Meeting:	Council
Meeting date:	22 February 2024
Report of:	Chief Finance Officer
Portfolio of:	Cllr Katie Lomas, Executive Member for Finance, Performance, Major Projects and Equalities

Decision Report: Council Tax Resolution 2024/25

Subject of Report

1. This report asks Members to approve the rate of council tax for 2024/25. Although the legal requirement is that the Council must have set a balanced budget and the council tax charge by 11 March it is important that council tax rates are approved at this meeting to allow sufficient time to produce and post council tax bills and meet all statutory deadlines.
2. This report sets out the resolution based on the assumption that the budget proposals recommended by Executive on 25 January 2024 are approved.
3. Members are reminded that the individual council tax bill is comprised of four elements - the amount levied for City of York Council, the amount precepted by the North Yorkshire Police Authority, the North Yorkshire Fire and Rescue Authority and, for properties in a parished area of the city, the amount precepted by the individual Town or Parish Council.
4. The Localism Act 2011 requires the billing authority to calculate a council tax requirement for the year. This is to help the council determine if it has set an excessive council tax increase that would in turn trigger a local referendum. Principles set by the Secretary of State for Levelling Up, Housing and Communities determines that an increase in a council's basic rate of council tax of 3% is excessive.
5. In 2024/25 as in 2023/24, local authorities with responsibilities for adult social care have been given the flexibility to charge a further

precept. City of York Council may charge a maximum of 2% social care precept in 2024/25, in addition to the 3% referendum limit. The additional social care precept must be used to fund adult social care.

Financial Strategy Implications

6. Alongside the requirement to set a balanced budget as part of the financial strategy, the Council must also set a Council Tax charge for the forthcoming year.

Recommendation and Reasons

7. Council is recommended to resolve as follows:
It be noted that on 1 December 2023 the Chief Finance Officer, under her delegated authority, calculated the council tax base for the year 2024/25:
 - (a) for the **whole Council area** as 69,097.60 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the “Act”)]; and
 - (b) for those dwellings in those parts of its area to which a **Parish** precept relates as in column 1 in the attached Schedule A.
8. Calculate that the Council Tax requirement for the Council’s own purposes for 2024/25 (excluding Parish precepts) is £113,926,740.
9. That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 to 36 of the Act:
 - (a) £558,853,007 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) £443,927,044 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

- (c) £114,925,963 being the amount by which the aggregate at 9(a) above exceeds the aggregate at 9(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year. [Item R in the formula in Section 31B of the Act].
- (d) £1,663.24 being the amount at 9(c) above [Item R], all divided by Item T (7(a) above), calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year (including Parish precepts).
- (e) £999,223 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Schedule A).
- (f) £1,648.78 being the amount at 9(d) above less the result given by dividing the amount at 9(e) above by Item T (7(a) above), calculated by the Council, in accordance with Section 34(2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates.
10. To note that the Fire and Crime Commissioner for the North Yorkshire Police Authority and the North Yorkshire Fire and Rescue Authority has issued precepts to the Council in accordance with Section 40 of the Act for each category of dwellings in the Council's area as indicated in the tables below.
11. That the Council, in accordance with sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in the tables below, and at Schedule B for Parished areas, as the amounts of council tax for 2024/25 for each part of its area and for each of the categories of dwellings.

City of York Council

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,099.19	1,282.38	1,465.58	1,648.78	2,015.18	2,381.57	2,747.97	3,297.56

North Yorkshire Police Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
204.57	238.67	272.76	306.86	375.05	443.24	511.43	613.72

North Yorkshire Fire and Rescue Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
55.35	64.57	73.80	83.02	101.47	119.92	138.37	166.04

Aggregate of Council Tax Requirements (excluding Parished Areas)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,359.11	1,585.62	1,812.14	2,038.66	2,491.70	2,944.73	3,397.77	4,077.32

12. Determine that the Council's basic amount of council tax for 2024/25 is not excessive in accordance with the principles approved under section 52ZB of the Act. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of council tax for 2024/25 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.

Background

13. The Council's net revenue budget and capital programme were recommended by the 25 January 2024 Executive for approval by Council. Details appear earlier on this agenda.
14. The council tax levels to be proposed will include the precepts received from the parish councils, the North Yorkshire Police Authority and the North Yorkshire Fire and Rescue Authority. Members are reminded that the Council must word the resolution in precise language, as directed by legislation.

Parishes

15. The total parish funding has increased by £72,675 (7.59%) to £1,030,810 from £958,135 in 2023/24. This figure includes grants totalling £31,587 provided by the council to parishes to protect against the effects of the localised council tax support scheme. Therefore, the total amount of council tax to be levied by parishes in 2024/25 is £999,223. The percentage increases vary from 1% to 60.9%, with an average increase overall of 10.22%. 7 parishes have frozen their funding. The individual precepts are only charged to the residents in that parish. The total rise in parish precepts over the last three years has been £191k (23%).

North Yorkshire Police, Fire and Crime Commissioner

16. The North Yorkshire Police, Fire and Crime Commissioner met on 5th February 2024 to confirm the precept value for the North Yorkshire Police Authority and the North Yorkshire Fire and Rescue Authority.
17. The proposal is to increase the North Yorkshire Police Authority precept by £11.77 (3.99%) to £306.86 for a band D property for 2024/25.
18. The North Yorkshire Fire and Rescue Authority precept will increase by £2.41 (2.99%) to £83.02 for a band D property for 2024/25.

National Non-Domestic Rates (NNDR)

19. City of York Council is currently a member of the Leeds City Region (LCR) Business Rates Pool. The pool was formed for 2021/22 and retains 50% of business rates, in line with national policy. The pool will continue to operate in 2024/25.

20. The council is projecting retained business rates income in 2024/25 of £35.341m, which is an increase of £1.5m compared to 2023/24.

Consultation Analysis

21. Not applicable

Options Analysis and Evidential Basis

22. Not applicable

Organisational Impact and Implications

23. The implications have been set out in the Financial Strategy report, earlier on this agenda.

Risks and Mitigations

24. Not applicable

Wards Impacted

25. All

Contact details

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Background papers

Report of the Chief Finance Officer, Financial Strategy 2024/25 to 2028/29; Executive, 25th January 2024

Annexes

- Schedule A – 2024/25 Basic City of York Council and Parish element of Council Tax by parish area
- Schedule B - Total aggregate Council Tax (City of York Council, Police, Fire and Parish) by parish area
- Schedule C - Precepting information by parish area