

Council

Date 21 February 2007

Report of the Director of Resources

COUNCIL TAX RESOLUTION 2007/08

SUMMARY

- 1 This report asks Members to approve the rate of Council Tax for 2007/08. 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 the Executive on 16 January 2007 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 amount precepted by the North Yorkshire Fire and Rescue Authority and, for properties in a parished area of the city, the amount precepted by the individual Parish Council.
- 4 At the time of preparing this report the North Yorkshire Fire and Rescue Authority have not met to consider the level of their charges. The figures included within this report and annexes are based on the report being considered by them on 19 February 2007. If there are any changes subsequent to that meeting substitute figures will be issued.

BACKGROUND

- 5 The Council's net revenue budget and capital programme were recommended by the 16 January 2007 Executive for approval by Council. Details appear earlier on this agenda.
- 6 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

- 7 The total of parish precepts have decreased by £10,033.00 (1.86%) from those levied in 2006/07. This masks a variety of changes in the individual parishes from a reduction of 50% to an increase of 104.55%. The individual precepts are only charged to the residents in that parish. The total rise in precepts over the last six years has been £163k (44.55%), but this includes the period when resources were redirected from direct aid to parishes to the ward committees, which resulted in substantial increases to the parish precepts. Figure 1 shows the comparison of Band D charges for each parish.

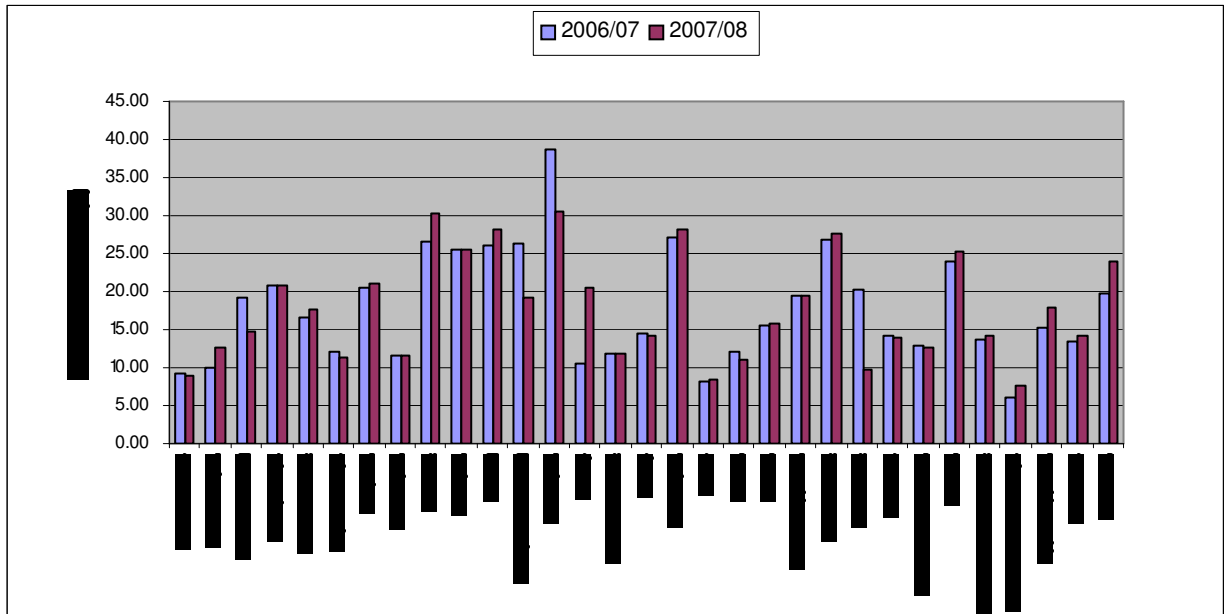


Figure 1 – Parish Council Tax Levels 2006/07 and 2007/08

North Yorkshire Police Authority

- 8 At its meeting on 8 February 2007 the North Yorkshire Police Authority approved an increase of 3.00% in its' precept (to £185.40 for a band D property) between 2006/07 and 2007/08.

North Yorkshire Fire and Rescue Authority

- 9 The meeting of the North Yorkshire Fire and Rescue Authority to set their precept for 2007/08 is not being held until 19 February 2007. The proposals being considered at that meeting are for an increase of 3.9% (to £56.04 for a band D property) between 2006/07 and 2007/08. This calculations in this report are based on this figure.

National Non-Domestic Rates (NNDR)

- 10 The level of the poundage for the NNDR is set by the government, and has no impact on the council tax set by the Council. The base amount for 2007/08 is 44.4p which is an increase of 1.1p (2.54%) from 2006/07. The rate for small properties has been set at 44.1p, an increase of 1.5p (3.52%) from 2006/07. The lower multiplier (44.1p) will apply to small properties provided they meet government specified criteria, which do not only relate to the individual property but to the aggregate of properties occupied by the ratepayer throughout the whole country. The net effect of the changes in the multipliers is expected to raise the cost of NNDR to businesses broadly in line with inflation.

RESOLUTION - BASED ON COUNCIL APPROVAL OF THE EXECUTIVE RECOMMENDATION ON 16 JANUARY 2007

11 ESTIMATES

That the revenue budget and the capital programme and its financing for 2007/08 as recommended by today's Council, 21 February 2007 be approved:

12 COUNCIL TAX BASE

That it be noted that the Director of Resources, under his delegated authority, calculated the following amounts for the year 2007/08 in accordance with regulations made under Section 33(5) of the Local Government Finance Act 1992:

- (a) **Whole of the Council's Area**
65,203.55 being the amount calculated in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 and the Local Government Act 2003, as its Council Tax Base for the year.
- (b) **Parts of the Council's Area**
the amounts mentioned in Column 1 of Schedule A to this Resolution, being the amounts calculated in accordance with Regulation 6 of the Regulations and the Local Government Act 2003, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate.

13 DISTRICT/PARISH COUNCIL TAX RATES

That the following amounts be now calculated by the Council for the year 2007/08 in accordance with Sections 32 to 36 of the Local Government Finance Act 1992:

- (a) **District/Parish Gross Expenditure**
£330,951,329.00 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(2)(a) to (e) of the Act.

- (b) **Income**
£227,194,990.00 being the aggregate of the amounts which the Council estimates for the items set out in Section 32(3)(a) to (c) of the Act.
- (c) **District/Parish Net Expenditure**
£103,756,339.00 being the amount by which the aggregate at 13(a) above exceeds the aggregate at 13(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.
- (d) **Government Grants and Collection Fund Surpluses**
£39,192,860 being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of redistributed non-domestic rates and revenue support grant, increased by the amount of the sums which the Council estimates will be transferred in the year from its Collection Fund to its General Fund in accordance with Regulation 4(7) of the Local Government Changes for England (Collection Fund Surpluses and Deficits) Regulations 1995 and increased by the amount of any sum which the Council estimates will be transferred from its Collection Fund to its General Fund pursuant to the Collection Fund (Local Government Changes for England)(Community Charges) Directions under Section 98(4) of the Local Government Finance Act 1988 made on 22 November, 1995.
- (e) **Basic Amount of Tax (including average parish precepts)**
£990.1835 being the amount at 13(c) above less the amount at 13(d) above, all divided by the amount at 12(a) above, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year.
- (f) **Parish Precepts and Special Expenses**
£529,789.00 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- (g) **Basic Amount of Tax (Unparished Area)**
£982.06 being the amount at 12(e) above less the result given by dividing the amount at 12(f) above by the amount at 11(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 special item relates.
- (h) **Basic Amount of Tax (Parished Areas and Special Expenses Areas)**
the amounts mentioned in Column 2 of Schedule A to this Resolution (which will be circulated after the North Yorkshire Fire Authority have set their precept), being the amounts given by adding to the amount at 13(g) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned divided in each case by the amount at 12(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, 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.

(i) **District/Parish Council Tax Rates**

the amounts mentioned in Columns 3 A to H of Schedule A to this Resolution, being the amounts given by multiplying the amounts at 13(g) and 13(h) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

14 **NORTH YORKSHIRE POLICE AUTHORITY TAX RATES**

That it be noted that for the year 2007/08 the North Yorkshire Police Authority has stated the following amounts in precept issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
123.60	144.20	164.80	185.40	226.60	267.80	309.00	370.80

15 **NORTH YORKSHIRE FIRE AND RESCUE AUTHORITY TAX RATES**

That it be noted that for the year 2007/08 the North Yorkshire Fire and Rescue Authority is considering recommendations that the following amounts in precept be issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
37.36	43.59	49.81	56.04	68.49	80.95	93.40	112.08

If the North Yorkshire Fire and Rescue Authority approve different figures at its meeting on 19 February 2007 substitute figures will be provided prior to Council on 21 February 2007.

16 **TOTAL COUNCIL TAX RATES**

That, having calculated the aggregate in each case of the amounts at 13(i), 14 and 15 above, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the amounts mentioned in Schedule B to this Resolution as the amounts of Council Tax for the year 2007/08 for each of the categories of dwellings shown therein.