

Council

17 February 2022

Chief Finance Officer (s151 Officer)
(Portfolio of Executive Member for Finance and Performance)

Council Tax Resolution 2022/23

Summary

- 1 This report asks Members to approve the rate of council tax for 2022/23. 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 7 February 2022 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 Housing, Communities and Local Government determines that an increase in a council's basic rate of council tax of 2% is excessive.
- 5 In 2022/23 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 1% social care precept in 2022/23, in addition to the 2% referendum limit. The additional social care precept must be used to fund adult social care.

Background

- 6 The Council's net revenue budget and capital programme were recommended by the 7 February 2022 Executive for approval by Council. Details appear earlier on this agenda.
- 7 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

- 8 The total parish funding has increased by £58,173 (6.93%) to £898,076 from £839,903 in 2021/22. This figure includes grants totalling £31,824 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 2022/23 is £866,252. The percentage change varies from a 76% increase to a 25% reduction, with an average increase overall of 6.9%. 15 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 £144k (15%).

North Yorkshire Police, Fire and Crime Commissioner

- 9 The North Yorkshire Police, Fire and Crime Commissioner met on 7th February 2022 to discuss the precept value for the North Yorkshire Police Authority and the North Yorkshire Fire and Rescue Authority.
- 10 The proposal is to increase the North Yorkshire Police Authority precept by £10 (3.69%) to £281.06 for a band D property for 2022/23.
- 11 The North Yorkshire Fire and Rescue Authority precept will increase by £1.47 (1.99%) to £75.61 for a band D property for 2022/23.
- 12 As at the date of publication of the original Council Tax Resolution report on 9th February, City of York Council had not yet received official confirmation of the precept figures from North Yorkshire Police Authority and the North Yorkshire Fire and Rescue Authority. The Police and Fire Precepts included in the original report were based on the assumptions set out in the North Yorkshire Police, Fire and Crime Commissioner agenda, for the meeting which took place on the 7th February.

- 13 As noted in the original report, if these amounts are different, there will be a verbal update at the Budget Council Meeting.
- 14 On 10th February 2022, the North Yorkshire Police Authority and the North Yorkshire Fire and Rescue Authority provided official confirmation of their precept figures. This report includes revised figures for North Yorkshire Fire and Rescue Authority.

National Non-Domestic Rates (NNDR)

- 15 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 2022/23.
- 16 The council is projecting retained business rates income in 2022/23 of £33.341m, which is no change compared to 2021/22.

Council is recommended to resolve as follows:

- 17 It be noted that on 25 November 2021 the Chief Finance Officer, under her delegated authority, calculated the council tax base for the year 2022/23:
 - (a) for the **whole Council area** as 68,220.40 [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.
- 18 Calculate that the Council Tax requirement for the Council's own purposes for 2022/23 (excluding Parish precepts) is £102,042,710.
- 19 That the following amounts be calculated for the year 2022/23 in accordance with Sections 31 to 36 of the Act:
 - (a) £462,424,017.45 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) £359,515,055 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
- (c) £102,908,962.45 being the amount by which the aggregate at 14(a) above exceeds the aggregate at 14(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) £1,508.48 being the amount at 14(c) above [Item R], all divided by Item T (12(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) £866,252.45 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) £1,495.78 being the amount at 14(d) above less the result given by dividing the amount at 14(e) above by Item T (12(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.

20 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.

21 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 2022/23 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
£	£	£	£	£	£	£	£
997.18	1,163.39	1,329.58	1,495.78	1,828.17	2,160.57	2,492.96	2,991.56

North Yorkshire Police Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
187.37	218.60	249.83	281.06	343.52	405.98	468.43	562.12

North Yorkshire Fire and Rescue Authority

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
50.41	58.81	67.21	75.61	92.41	109.21	126.02	151.22

Aggregate of Council Tax Requirements (excluding Parished Areas)

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,234.96	1,440.80	1,646.62	1,852.45	2,264.10	2,675.76	3,087.41	3,704.90

- 22 Determine that the Council's basic amount of council tax for 2022/23 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 2022/23 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.