

Report to: Council



Date of Meeting 22nd February 2023

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Council Tax Resolution 2023/24

Report summary:

The purpose of this report is to enable the Council to calculate and set the Council Tax for 2023/24.

In agreeing to the Cabinet recommendations on the Revenue and Capital Budgets 2023/24 (Minute Number 145) on the 1st February 2023 this gives the Council Tax requirement for this Council of £9,974,222 resulting in a Council Tax Band D amount of £161.78. This is an increase of £5 a year (3.19%), within the threshold stipulated by government before triggering a council tax referendum.

The Budget report to Cabinet on 1st February 2023 can be found here: [Agenda for Cabinet on Wednesday, 1st February, 2023, 6.00 pm - East Devon](#) this report contains links to the detailed Revenue and Capital Budget report to Cabinet on the 4th January 2023.

In accordance with Section 25 of the Local Government Act 2003 the Chief Financial Officer (Director of Finance) has reported to the authority on the robustness of the 2023/24 budgets and is satisfied with the adequacy of the proposed financial reserves. **The 2023/24 budget recommended by Cabinet is balanced with expenditure matched by available income.**

There is a legal requirement for the Council to set a budget and associated Council Tax; the process for Council Tax Billing starts the day after the Council meeting in order to meet the necessary deadlines (bill printing, dispatch and appropriate direct debit notifications etc.). The obligation to make a lawful budget each year is shared equally by each Member. A similar deadline is associated with council house rent accounts.

The Council Tax setting process is that all preceptors (Devon County Council, Police and Crime Commissioner for Devon and Cornwall, Devon & Somerset Fire & Rescue Authority and town and parish councils) will set their budgets and relevant council tax requirement and then this Council, as the billing authority, will formally set the Council Tax for the area to include all amounts to be collected. This report sets out the details of this Council's Council Tax requirement and the precepts for other bodies.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

- 1. To approve the formal Council Tax Resolution at Appendix A**

Reason for recommendation:

The Council as a billing authority is required to set the Council Tax for 2023/24

Officer: Simon Davey, Director of Finance (CFO/S151)

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change High Impact

The budget approval gives the Council the resources necessary to undertake its business which will significantly contribute to the carbon footprint of the Council. There are budgets included to address this issue and fund actions for 2023/24 to reduce the Council's Carbon emissions.

Risk: Low Risk;

Links to background information

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

1. East Devon District Council's Budget 2023/24

- 1.1 In agreeing to the Cabinet recommendations on the Revenue and Capital Budgets 2023/24 (Minute Number 145) on the 1st February 2023 this gives the Council Tax requirement for this Council of £9,974,222 resulting in a Council Tax Band D amount of £161.78. This is an increase of £5 a year (3.19%), within the threshold stipulated by government before triggering a council tax referendum.

1.2 The Budget report to Cabinet on 1st February 2023 can be found here: [Agenda for Cabinet on Wednesday, 1st February, 2023, 6.00 pm - East Devon](#) this report contains links to the detailed Revenue and Capital Budget report to Cabinet on the 4th January 2023.

2 Council Tax Resolution 2023/24

2.1 The precept levels of other precepting bodies are detailed below.

It should be noted the amounts below for Devon County Council and Fire & Rescue Authority are provisional as they don't meet to set their budget and precept until; Devon on 16th February and Fire on 15th February.

Should the amounts change then a revised report will be issued to Council.

- **Town & Parish Councils**

The Town & Parish Council Precepts for 2023/24 are detailed in Schedule 1 and total £5,021,582.59. The increase in the average Band D Council Tax for Town and Parish councils is 4.54% and results in an average Band D Council Tax figure of £81.45 for 2023/24.

- **Devon County Council**

Devon County Council set their precept at £100,749,016.89. This results in a Band D Council Tax of £1,634.13. This is a total increase of 4.99%.

- **Police and Crime Commissioner for Devon and Cornwall**

Police and Crime Commissioner for Devon and Cornwall set their precept at £16,125,958.68. This results in a Band D Council Tax of £261.56, being a 6.08% increase on the previous year.

- **Devon & Somerset Fire & Rescue Authority**

Devon & Somerset Fire & Rescue Authority set their precept at £5,967,393.87. This results in a Band D Council Tax of £96.79, being a 5.45% increase on the previous year.

2.2 This Council's calculations are set out in the formal Council Tax Resolution in Appendix A. This follows Cabinet's recommendation to Council on the 2023/24 budget.

2.3 This recommendation is reflected in the formal Council Tax Resolution at Appendix A and the total Band D Council Tax will be as follows:

COUNCIL TAX LEVIES	2022/2023	2023/2024	Variation
	£	£	%
East Devon District Council	156.78	161.78	3.19%
Parish & Town Councils (Average)	77.91	81.45	4.54%
Sub Total	234.69	243.23	-
Devon County Council	1,556.46	1,634.13*	4.99%
Police and Crime Commissioner for Devon and Cornwall	246.56	261.56	6.08%
Devon & Somerset Fire & Rescue Authority	91.79	96.79	5.45%
TOTALS	£2,129.50	£2,235.71	4.99%

* This increase of 4.99% includes a charge for adult social care services representing 2% of the increase.

Financial implications:

This report sets the Council's Council Tax requirement for 2023/24 which is derived from its Budget Requirement as recommended by Cabinet on 1st February 2023

Legal implications:

The legal position is detailed in the report and no further comment is required

The Council is recommended to resolve as follows:

1. It be noted that on 4th January 2023 Cabinet (minute reference 125 refers) calculated the Council Tax Base 2023/24
 - (a) for the whole Council area as 61,653 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")]; and
 - (b) for dwellings in those parts of its area to which a Parish precept relates as detailed in Schedule 1 attached.
2. As a preliminary step, calculate that the Council Tax requirement for the Council's own purposes for 2023/24 (excluding Parish precepts) is £9,974,222.
3. That the following amounts be calculated for the year 2023/24 in accordance with Sections 30 to 36 of the Act:
 - (a) £100,206,828 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) £85,211,023 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £14,995,805 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(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) £243.23 being the amount at 3(c) above (Item R), all divided by Item T (1(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) £5,021,582.59 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Schedule 1).
 - (f) £161.78 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (1(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.

- (g) The amounts stated in column 5 of the schedule 1 attached given by adding to the amount at 3(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area specified in column 1 of Schedule 1 divided in each case by the amount at 1(a) 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 set out in column 1 of Schedule 1 to which one or more special items relate.
- (h) The amounts set out in Schedule 2 attached given by multiplying the amounts at 3(g) 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.
4. That it be noted that for the year 2023/24 Devon County Council, Police and Crime Commissioner for Devon and Cornwall and Devon and Somerset Fire and Rescue Authority have stated the following amounts in precepts issued to the District Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings shown below:

Valuation Bands	Precepting Authority		
	Devon County Council	Police & Crime Com for Devon & Cornwall	Devon & Somerset Fire & Rescue
A	£1,089.42	£174.37	£64.53
B	£1,270.99	£203.44	£75.28
C	£1,452.56	£232.50	£86.04
<u>D</u>	<u>£1,634.13</u>	<u>£261.56</u>	<u>£96.79</u>
E	£1,997.27	£319.68	£118.30
F	£2,360.41	£377.81	£139.81
G	£2,723.55	£435.93	£161.32
H	£3,268.26	£523.12	£193.58

5. That, having calculated the aggregate in each case of the amounts at 3 (h) and 4 above, the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts set out in Schedule 3 attached as the amounts of council tax for the year 2023/24 for each of the categories of dwellings shown in Schedule 3.

The Council has determined that its relevant basic amount of Council Tax for 2023/24 is **not** excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992. As the billing authority, the Council has **not** been notified by a major precepting authority that its relevant basic amount of Council Tax for 2023/24 is excessive and therefore the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.