

## Council Tax Setting 2019/20

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### Purpose of the Report

1. Council is asked to approve the final council tax resolutions for 2019/20.

### Public Interest

2. This report is for Council to approve the calculation and setting of the Council Tax for 2019/20.

### Recommendations

3. That Council:
  - a. Approve the formal council tax resolutions referred to in paragraphs 6 to 15
  - b. Approve the individual tax settings as follows:
    - i. that the **Somerset County Council; Police and Crime Commissioner for Avon and Somerset and Devon and Somerset Fire and Rescue Authority** has stated that amounts shown in paragraphs 9 to 12 respectively of this report in precept issued to the Council, in accordance with Section 40 of the Local Government Act 1992 (as amended), for each of the categories of dwelling:
    - ii. that the **total amount** of council tax for each band of property in the South Somerset area for 2019/20 be as given in the table below:

| A-     | A        | B        | C        | D        | E        | F        | G        | H        |
|--------|----------|----------|----------|----------|----------|----------|----------|----------|
| 950.65 | 1,140.77 | 1,330.89 | 1,521.02 | 1,711.16 | 2,091.42 | 2,471.66 | 2,851.94 | 3,422.31 |

**NB** The above figures exclude all **town/parish precepts** and assume that the figures provided by Somerset County Council and Devon and Somerset Fire and Rescue are approved at their full Council meetings on 20<sup>th</sup> February and 19<sup>th</sup> February 2019 respectively. If any changes are required they will be reported to the meeting. Police & Crime Commissioner for Avon and Somerset approved their figures on the 5<sup>th</sup> February 2019.

- iii. that, having calculated the totals of each precepting authority's amounts (including town and parish precepts), The Council (in accordance with Section 30(2) of the Local Government Act 1992) (as amended) hereby sets the amounts shown at **TOTAL** in the table shown at Appendix A as the council taxes for the financial year 2019/20 for each category of dwelling.

- c. Notes that if the formal Council Tax Resolution is approved, the total Band D Council Tax as follows:

|   | 2017/18<br>£    | 2018/19<br>£    | Increase<br>% |
|---|-----------------|-----------------|---------------|
| South Somerset District Council                     | 162.48          | 167.11          | 2.85          |
| Somerset County Council                             | 1,115.99        | 1,151.64        | 3.99          |
| Somerset County Council (Adult Social Care)         | 76.17           | 88.09           |               |
| Police and Crime Commissioner for Avon and Somerset | 193.81          | 217.81          | 12.38         |
| Devon And Somerset Fire and Rescue Authority        | 84.01           | 86.51           | 2.98          |
|   | <b>1,632.46</b> | <b>1,711.16</b> | <b>4.82%</b>  |
| Town and Parish Council (average)                   | 87.15           | 91.05           | 4.48%         |
|   | <b>1,719.61</b> | <b>1,802.21</b> | <b>4.80%</b>  |

## Background

4. The Local Government Finance Act 1992 (amended by The Localism Act 2011) requires the Billing Authority to calculate a Council Tax Requirement.
5. Please note that these are provisional figures for Somerset County Council and Devon and Somerset Fire & Rescue Authority. Final Figures will be tabled at the meeting on the 26<sup>th</sup> February 2019 if there are any changes.

## Council Tax Resolution 2018/19

6. At a meeting on 6<sup>th</sup> December 2018, the S151 Officer calculated the Council Tax Base for 2019/20:
  - a. for the whole South Somerset District Council area as **60,266.07** [Item T in the formula in Section 31B of the Local Government Act 1992 (as amended) (the Act) (**the tax base for the whole district**)]; and
  - b. for dwellings in those parts of its area to which one or more special items relates as in the attached Appendix A (**the tax base for each parish or town council area**).
7. Note that the Council Tax requirement for the Council's own purposes for 2019/20 (excluding parish and town precepts and special expenses) is **£10,071,063**.
8. Approve that the following amounts (that now include all the precepts issued to it by the parish and town councils) be now calculated by the Council for the year 2019/20 in accordance with sections 31 to 36 of the Act
  - a. **£73,968,856** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of the Act; (**expenditure, including all precepts issued to it by parish and town council**);
  - b. **£58,410,467** being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(3) of the Act (**income, including government grants, benefits subsidy and adjustments for deficits on the Collection Fund**);

- c. **£15,558,389** being the amount by which the aggregate at 8(a) above exceeds the aggregate at 8(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); (**expenditure less income**);
- d. **£258.16** being the amount at 8(c) above (item R), all divided by item T (6(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; (**this is an overall average amount of Council Tax, per Band D property, for District, Somerset Rivers Authority and parish and town councils requirements including special expenses**);
- e. **£5,487,326** being the aggregate amount of all the special items referred to in Section 34(1) of the Act 9 as per attached Appendix A); (**parish and town council precepts**);
- f. **£167.11** being the amount at 8(d) above less the result given by dividing the amount at 8(e) above by Item T (6(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 items relates: (the District Council and Somerset Rivers Authority element of the tax for Band D dwellings)**;
- g. the amount shown in Appendix A being, for each parish or town in the Council's area, the amount given by adding to the amount in 8(f) about, the result of dividing the special item relating to that part of its area by the amount referred to at 6(b) above, in accordance with Section 34(3) of the Act, as the basic amount of its Council Tax in those parts of its area to which the special items relate; (**the COMBINED District and parish, or District and town amounts of Council Tax for Band D dwellings**) (Note: for completeness the table shows all areas and parish or town council precepts, if any, and how they affect the total tax);
- h. the amounts shown at Appendix A being, for each parish or town in the Council's area, the amounts given by applying to the amounts referred to at 8(f) and 8(g) above the formula and categories set out in Section 36 of the Act as **the district, parish and town Council Taxes for each valuation band in each parish and town**;
- i. for the parishes of Castle Cary, Henstridge, Ilchester and Wayford the amounts shown include an amount raised relating to special items in accordance with Section 35(2) (d) of the Act.
9. That it be noted that for the year 2019/20 the **Somerset County Council** has stated that following amounts in precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown below (**the County Council tax for each valuation band throughout the District**):

| A-     | A      | B      | C        | D        | E        | F        | G        | H        |
|--------|--------|--------|----------|----------|----------|----------|----------|----------|
| 639.80 | 767.75 | 895.72 | 1,023.68 | 1,151.64 | 1,407.56 | 1,663.48 | 1,919.40 | 2,303.28 |

10. That it be noted that for the year 2018/19 the **Somerset County Council – Adult Social Care** has stated the following amounts in precept issued to the Council, for each of the categories of dwellings shown below (**the County Council tax for each valuation band throughout the District**):

| A-    | A     | B     | C     | D     | E      | F      | G      | H      |
|-------|-------|-------|-------|-------|--------|--------|--------|--------|
| 48.94 | 58.73 | 68.51 | 78.30 | 88.09 | 107.67 | 127.24 | 146.82 | 176.18 |

11. That it be noted that for the year 2018/19 the **Police and Crime Commissioner for Avon and Somerset** has stated the following amounts in precept issued to the Council, in accordance with

Section 40 of the Act, for each of the categories of dwellings shown below (**the Police Authority tax for each valuation band throughout the District**):

| A-     | A      | B      | C      | D      | E      | F      | G      | H      |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 121.01 | 145.21 | 169.41 | 193.61 | 217.81 | 266.21 | 314.61 | 363.02 | 435.62 |

12. That it be noted that for the year 2018/19 the **Devon and Somerset Fire and Rescue Authority** has stated the following amounts in precept issued to the Council, in accordance with Section 40 of the Act, for each of the categories of dwellings shown below (**the Fire Authority tax for each valuation band throughout the District**):

| A-    | A     | B     | C     | D     | E      | F      | G      | H      |
|-------|-------|-------|-------|-------|--------|--------|--------|--------|
| 48.06 | 57.67 | 67.28 | 76.89 | 86.51 | 105.73 | 124.95 | 144.18 | 173.01 |

13. That it be noted that for the year 2018/19 **South Somerset District Council** has stated the following amount will be the council tax charges for each band as follows:

| A-    | A      | B      | C      | D      | E      | F      | G      | H      |
|-------|--------|--------|--------|--------|--------|--------|--------|--------|
| 92.84 | 111.41 | 129.97 | 148.54 | 167.11 | 204.25 | 241.38 | 278.52 | 334.22 |

14. That the total amount of Council Tax for each band for 2018/19 for South Somerset area be as given in the table below. The table excludes parish and town precepts and special expenses.

| A-     | A        | B        | C        | D        | E        | F        | G        | H        |
|--------|----------|----------|----------|----------|----------|----------|----------|----------|
| 950.65 | 1,140.77 | 1,330.89 | 1,521.02 | 1,711.16 | 2,091.42 | 2,471.66 | 2,851.94 | 3,422.31 |

15. Authorities will be required to hold a referendum if their relevant basic amount of council tax (i.e. the Band D having excluded local precepts) for 2019/20 is in excess of the council tax referendum principles which apply to them. The referendum principles are that their relevant basis amount of council tax would be excessive if they set increases of:
- 6% or more for authorities with responsibility for adult social care purposes (Council tax for general spending requires a referendum if it rises by 3% or more, alongside a maximum of 3% 'social care precept'). The social care precept can be increased to 6% cumulative over 2017/18, 2018/19 and 2019/20, Somerset County Council has increased it by 5% as at 2018/19 and therefore can only increase by 1% in 2019/20 together with the general spending of 3% without a referendum.
  - More than £5, or 3% or more, (the greater of the two) for all district council in 2 tier areas
  - More than £24 for Police and Crime Commissioners
  - 3% or more for all billing and major precepting authorities not covered by the above categories.

## Financial Implications

16. These are contained within the report.

## Council Plan Implications

17. The budget and therefore the Council Tax requirement for the Council's own purposes for 2019/20 are aligned to the current Council Plan.

## **Carbon Emissions and Climate Change Implications**

18. There are no specific implications in these proposals.

## **Equality and Diversity Implications**

19. There are no specific implications in these proposals.

## **Privacy Impact Assessment**

20. There is no personal information included within this report.

## **Background Papers**

21. Background papers used in compiling this report are:

- a. 2019/20 Revenue and Capital Budgets and Medium Term Financial Plan report to District Executive and Full Council
  - b. Local Government Finance Act 1992 (as amended)
  - c. Localism Act 2011
  - d. Council Tax Referendums 2019-20 Information Note for Local Government
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