



Northumberland

County Council

County Council

Wednesday, 21 February 2024

Council Tax 2024-25

Report of Councillor(s) Richard Wearmouth, Deputy Leader and Cabinet Member for Corporate Resources

Responsible Officer(s): Jan Willis, Executive Director for Resources & Transformation (S151)

Link to Key Priorities of the Corporate Plan

1. The report supports the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Growth.

Purpose of Report

2. To provide Council Members with the financial information to enable the Council to calculate and set the Council Tax for 2024-25.

Context

3. Each financial year, by virtue of the provisions of the Local Government Finance Act 1992, and subsequent amendments, the Council is required to set a Council Tax for each Valuation Band in its area.
4. This report provides information in relation to the Council Tax increases and outlines the position that the Council wishes to take for the 2024-25 financial year.
5. The Council currently derives £232.953 million of its annual income from Council Tax.
6. This paper requires Council to have approved the 2024-25 figures contained within Appendix 1 of the Budget 2024-25 and Medium-Term Financial Plan 2024-28 report.
7. The Government's Core Spending Power calculations assume that the Council will increase its basic Council Tax by 3.00%, and in order to help address pressures in Adult Social Care services, increase the Adult Social Care Precept by 2.00% in 2024-25.

8. The Council proposes to increase basic Council Tax by 2.99%, and by 2.00% for the Adult Social Care Precept in 2024-25. The Adult Social Care Precept increase will raise additional recurrent funding of £4.993 million in 2024-25.
9. The Police and Crime Panel has recommended a precept of £20,399,804 to the Police and Crime Commissioner. The figures in this report are based on this.
10. The Local Government Finance Act 1992 and subsequent amendments require the County Council to set its Council Tax before 11 March each year.
11. The Localism Act 2011 and the Local Audit and Accountability Act 2014 have made significant changes to the Local Government Finance Act 1992, and now require the Council as 'billing authority' to calculate its 'Council Tax' requirement for the year.
12. In setting the Council Tax, the Council is required to make certain calculations and to approve a number of resolutions in accordance with the Act.

Council Tax Calculations

13. The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 which came into force on 30 November 2012 contains the rules which require the Council to calculate the Council Tax Base. The Council Tax Base must be set between 1 December and 31 January in the preceding year to which it has effect.
14. At its meeting on 12 December 2023 the Cabinet set the Council Tax Base as 112,185.46 for Band D equivalent properties (Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")). This is based on a collection rate of 99.00%.

Recommendations

The Council is requested to approve the statutory resolutions required to set the Council Tax for 2024-25, as detailed below.

1. **The Council is recommended to resolve as follows:**
 - a) That the Council Tax Requirement for the Council's own purposes for 2024-25 (excluding Parish Precepts) is £232,953,108.
 - b) That the following amounts be calculated for 2024-25 in accordance with Sections 31 to 36 of the Act:
 - i. Being the aggregate amount of gross expenditure which the Council estimates for the items set out in Section 31 A (2) of the Act taking into account all precepts issued to it by Parish Councils: £929,205,900.
 - ii. Being the aggregate of the gross income which the Council estimates for the items set out in Section 31 A (3) of the Act: £685,374,250.
 - iii. Being the amount by which the aggregate at (b) i) above exceeds the aggregate at (b) ii) above, calculated by the Council in accordance with Section 31 A (4) of the Act as its Council Tax requirement for the year. (Item R in the formula in Section 31B of the Act) (including Parish Precepts): £243,831,650.
 - iv. Being the amount at (b) iii) above (Item R), all divided by Item T, above, calculated by the Council, in accordance with Section 31B of the Act as the basic amount of its Council Tax at Band D for the year (including Parish Precepts): £2,173.47.

- v. Being the aggregate amount of all special items referred to in Section 34 (1) of the Act (total all Parish Precepts): £10,882,376.
- vi. Being the amount at (b) iv) above less the result given by dividing the amount at (b) v) above by Item T, above, calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax at Band D for the year for dwellings in those parts of its area to which no Parish Precept relates: £2,076.47.
- c) That the Council Tax for 2024-25, excluding the Police Precept, will be increased by 4.99% (including the Adult Social Care Precept of 2.00%), equating to a charge per Band D household of £2,076.47 (excluding Special Expenses). For other bands different proportions will apply. For example, Band A properties will be charged 6/9 (two thirds) of a Band D property and Band H properties will be charged 18/9 (double) of a Band D property.

The relevant valuation bands are as follows:

Valuation Band	Northumberland County Council	Adult Social Care Precept	Total
	£ : p	£ : p	£ : p
A	1,181.64	202.67	1,384.31
B	1,378.58	236.45	1,615.03
C	1,575.52	270.23	1,845.75
D	1,772.46	304.01	2,076.47
E	2,166.34	371.57	2,537.91
F	2,560.22	439.13	2,999.35
G	2,954.10	506.68	3,460.78
H	3,544.92	608.02	4,152.94

- d) Under Section 52ZB of the Local Government Finance Act 1992 that the Council's basic amount of Council Tax for 2024-25 is not excessive in accordance with principles approved under Section 52ZC(1) of the Act.

(i.e. the proposed Council Tax increase for 2024-25 means that the Council does not need to hold a referendum on its proposed Council Tax. The regulations set out in Section 52ZC of the Act requires all billing authorities (Council and precept authorities (i.e. Fire and Police authorities)) to hold a referendum on their proposed level of basic Council Tax each year if they exceed government guidelines which are set out annually. For 2024-25 the guideline increase for Northumberland is 5.00% (including the Adult Social Care Precept).

As the Council is proposing a Council Tax increase of 4.99% (including Adult Social Care Precept and Special Expenses) for 2024-25 then the above regulations have no impact for 2024-25.

2. The Council is recommended to approve:

- a) That the matters listed in section 3 (c) of this report are identified as Special Expenses and that all other matters which might otherwise be considered to be Special Expenses under the prevailing legislation are deemed to be General Expenses.

- b) That the Council Tax Leaflet continues to be made available via the Council's website, rather than enclosed with Council Tax bills, and that the final document is delegated to and finalised by the Section 151 Officer.

3. It is recommended that the Council notes:

- a) The Police and Crime Commissioner has agreed the recommended level of precept of £20,399,804 for 2024-25. This represents an increase of 7.70%, equating to an additional £13.00 on a Band D property; the resulting valuation bands will be as follows:

Valuation Band	Northumbria Police Authority
	£: p
A	121.23
B	141.43
C	161.64
D	181.84
E	222.25
F	262.66
G	303.07
H	363.68

- b) The Aggregate of Council Tax requirements, including that of Northumbria Police Authority, the Council's own requirement and that for Adult Social Care purposes (excluding Parish Precepts), are as follows:

Valuation Band	Northumberland County Council	Adult Social Care Precept	Northumbria Police Authority	Total
	£ : p	£ : p	£ : p	£ : p
A	1,181.64	202.67	121.23	1,505.54
B	1,378.58	236.45	141.43	1,756.46
C	1,575.52	270.23	161.64	2,007.39
D	1,772.46	304.01	181.84	2,258.31
E	2,166.34	371.57	222.25	2,760.16
F	2,560.22	439.13	262.66	3,262.01
G	2,954.10	506.68	303.07	3,763.85
H	3,544.92	608.02	363.68	4,516.62

- c) The total amount of Parish Precepts requested is £10,878,542 and is detailed in Appendix 1. This represents an increase of £584,683 when compared to 2023-24.
- d) Branxton Parish Council has not submitted a precept. The Council is inquorate. No precept has been assumed for the purpose of the calculations contained within this report.

- e) Hartleyburn Parish Council has not submitted a precept. The Council is inquorate. No precept has been assumed for the purpose of the calculations contained within this report.
- f) Special expenses of £3,834 are applied to North Sunderland Parish only in relation to play area inspection and maintenance. This has increased from £3,662 in 2023-24.

4. The Council is also recommended to note:

- a) The basic Council Tax valuation bands are shown in paragraph 3 (b).
- b) The detailed Council Tax calculations are set out in Appendices 2 and 3. Analysis of the Council Tax by parish is provided at Appendix 2 excluding Northumbria Police Precept. Appendix 3 shows the total Council Tax charge by parish (including the Council only element and Adult Social Care Precept, Northumbria Police Precept, Special Expenses and Parish Precepts).

Implications

Policy	The report supports the three priorities outlined in the Corporate Plan 2023-26: Achieving Value for Money; Tackling Inequalities and Driving Economic Growth.
Finance and value for money	This report sets out the recommendations for setting the Council Tax for 2024-25.
Legal	This report sets out recommendations in accordance with the requirements of the Local Government Finance Act 1992 (and subsequent amendments).
Procurement	There are no Procurement implications within this report.
Human resources	There are no Human Resources implications within this report.
Property	There are no Property implications within this report.
The Equalities Act: is a full impact assessment required and attached?	No - not required at this point The income generated through Council Tax is contained within the Budget 2024-25 and Medium Term Financial Plan 2024-28. The Executive Director - Public Health, Inequalities & Stronger Communities has already provided an overarching equality review of these areas.
Risk assessment	No implications.
Crime and disorder	There are no Crime and Disorder implications within this report.
Customer considerations	There are no Customer Consideration implications within this report.
Carbon reduction	There are no Carbon Reduction implications within this report.
Health and wellbeing	There are no Health and Wellbeing implications within this report.
Wards	All Wards.

Background papers

12 December 2023	Cabinet	Setting of the Council Tax Base 2024-25
17 January 2024	Full Council	Approval of the Council Tax Support Scheme for 2024-25
21 February 2024	Full Council	Budget 2024-25 and Medium-Term Financial Plan 2024-28

Links to other key reports already published

Not Applicable

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