

Cabinet - 13th February 2008

Proposed Council Tax 2008/2009

1. Purpose of Report

Subject to the approval of the Revenue Budget 2008/2009, submitted as part of the Report set out at Item 9 iii) of today's agenda, recommendations can be made with respect to Council Tax levels for 2008/2009. The Council Tax is calculated using the tax bases for the areas of the City Council and Hetton Town Council as confirmed by Council on 30th January 2008. There are a number of resolutions required to be made to determine the Council Tax including precepts from the Major Precepting Authorities and the Parish of Hetton Town Council.

2. Description of Decision

It is recommended that Cabinet recommend to Council:

That it be noted that at its meeting on 30th January 2008 the Council approved the following amounts for the year 2008/2009 in accordance with regulations made under Section 33 (5) of the Local Government Finance Act 1992:

- a) £80,036 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as it's Council Tax Base for the year
- b) £ 4,056 being the amount calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amount of it's Council Tax Base for the year for dwellings in the area of the Parish of Hetton Town Council.

3. It is also recommended that Cabinet recommend to Council:

That the following amounts be now calculated by the Council for the year 2008/2009 in accordance with Sections 32 to 36 of the Local Government and Finance Act 1992:

- a) £711,238,516 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) £468,085,647 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) £243,152,869 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 32 (4) of the Act, as its budget requirement for the year
- d) £151,952,002 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, Revenue Support Grant, Additional Grant and Community Charge surplus, pursuant to the Collection Fund (Community Charges) Directions under Section 98 (4) of the Local

Government Finance Act 1988 made on 7th February 1994, and the amount of the sum which the Council has estimated will be transferred from its Collection Fund to its General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988 (Council Tax Surplus)

- e) £1,139.4981 being the amount at 3 (c) above less the amount at 3 (d) above, all divided by the amount at 2 (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) £50,268 being the precept notified by Hetton Town Council and a special item under Section 34 (1) of the Act
- g) £1,138.8700 being the amount at 3 (e) above less the result given by dividing the amount at 3 (f) above by the amount at 2 (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) £1,151.2635 being the amount given by adding to the amount at 3 (g) above the amount 3 (f) divided by the amount at 2 (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 the area of the Parish of Hetton Town Council

Parts of the Council's Area

(i)	Valuation Bands	Hetton Town Council	All other parts of the Council's Area
	A	£ 767.51	£ 759.25
	B	£ 895.42	£ 885.79
	C	£1,023.34	£1,012.33
	D	£1,151.26	£1,138.87
	E	£1,407.10	£1,391.95
	F	£1,662.93	£1,645.03
	G	£1,918.77	£1,898.12
	H	£2,302.52	£2,277.74

being the amounts given by multiplying the amounts at 3 (g) and 3 (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.

4. It is also recommended that Cabinet recommend to Council:

That it be noted that for the year 2008/2009, Tyne and Wear Fire and Rescue Authority and Northumbria Police Authority have supplied their best estimate of their proposed precepts, which have still to be approved by their respective

Authorities. Consequently, the following amounts for both the Tyne and Wear Fire and Rescue and the Northumbria Police Authority represent the provisional precepts for 2008/2009, which may be issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwellings as follows:-

Precepting Authority

Valuation Bands	Northumbria Police Authority	Tyne & Wear Fire and Rescue Authority
A	£ 52.23	£ 47.74
B	£ 60.94	£ 55.70
C	£ 69.64	£ 63.65
D	£ 78.35	£ 71.61
E	£ 95.76	£ 87.52
F	£113.17	£103.44
G	£130.58	£119.35
H	£156.70	£143.22

5. It is also recommended that Cabinet recommend to Council:

That having calculated the aggregate in each case of the amounts at 3 (i) and 4 above but not having received confirmation of the precept in paragraph 4, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, estimate the following amounts as the amounts of Council Tax for the year 2008/2009 for each of the categories of dwellings shown below at this point in time. The exact levels will only become known once formal notification of the precepts from the Tyne and Wear Fire and Rescue Authority and Northumbria Police Authority are received.

Parts of the Council's Area

Valuation Bands	Hetton Town Council	All other parts of the Council's Area
A	£ 867.48	£ 859.22
B	£1,012.06	£1,002.43
C	£1,156.63	£1,145.62
D	£1,301.22	£1,288.83
E	£1,590.38	£1,575.23
F	£1,879.54	£1,861.64
G	£2,168.70	£2,148.05
H	£2,602.44	£2,577.66

6. Suggested Reason for Decision

To comply with all legal requirements and the Local Authorities (Alteration of requisite calculations) (England) Regulations 2003 on Sections 32, 33, 43 and 44 of the Local Government Finance Act 1992 and Sections 85, 86, 88 and 89 of the Greater London Authority Act 1999 which applied from 1st April 2003, in order to determine the Council Tax applicable for 2008/2009.

7. Alternative options to be considered and recommended to be rejected

There are no alternative options recommended for approval.

Background Papers

Local Government Finance Settlement 2008/2009 (Final).

Calculation of Council Tax Base Report (Cabinet – 16th January 2008 and Council – 30th January 2008).

Corporate Improvement Plan for 2008/2009 to 2010/2011 with Revenue Budget and Capital Programme 2008/2009 to 2010/2011.

Best estimate available of the Precept from Tyne and Wear Fire and Rescue Authority.

Best estimate available of the Precept from Northumbria Police Authority.

Notification of Hetton Town Council Precept.

Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2003.

Local Authorities (Alteration of Requisite Calculations) (England) Regulations 2008.