

# Westmorland and Furness Council

<b>Report Title:</b>	2024/25 Council Tax Setting
<b>Meeting:</b>	Council
<b>Meeting Date:</b>	22 February 2024
<b>Report Author:</b>	Pam Duke, Director of Resources & S151 Officer
<b>Lead Cabinet Member(s):</b>	Cllr Andrew Jarvis, Cabinet Member for Finance
<b>Wards Affected?</b>	All
<b>PUBLIC, PART EXEMPT OR FULLY EXEMPT</b>	N/A
<b>List of Appendices</b> (if any)	1. Council Taxbase & Precepts 2024/25 2. Basic Council Tax Amounts 2024/25 3. Aggregate Council Tax Amounts 2024/25

## 1. Executive Summary

- 1.1 The Council Taxbase has been determined for 2024/25 based on the dwellings across Westmorland & Furness, the Council Tax Support Scheme, Council Tax discounts, and empty premiums.
- 1.2 The individual components of the Council Tax are approved through the budget setting processes of each preceptor.
- 1.3 The Council Tax required by Westmorland & Furness Council will be decided with Agenda Item 8.
- 1.4 The calculation and setting of the Council Tax is closely prescribed by legislation. This report sets out the individual components of the calculation and concludes with the formal resolution in accordance with the statutory requirements.
- 1.5 The preceptors are Westmorland & Furness Council, the Parish and Town Councils, the Police & Crime Commissioner for Cumbria, and the Cumbria Commissioner Fire and Rescue Authority.

## 2. Recommendations

For the reasons set out in this report, it is recommended that Council:

- 2.1 Note the Council Taxbase for 2024/25 as 89,542.67.
- 2.2 Approve the formal Council Tax resolutions detailed at Section 4 of this report.

### 3. Information: the Rationale & Evidence for the Recommendations

#### Council Taxbase

- 3.1 The Council Taxbase for 2024/25 has been determined as 89,542.67 and is detailed at **Appendix 1**.
- 3.2 The Council Taxbase reflects dwellings across Westmorland & Furness in their relevant Council Tax bands, the Council Tax Support Scheme, Council Tax discounts, empty premiums, and a collection rate of 99%.
- 3.3 The Council Taxbase is expressed as a number of Band D properties as shown in Table 1 – these proportions are prescribed in legislation.

**Table 1 – Council Tax Band D proportions**

Council Tax Band	Proportion to Band D
Band A	6/9
Band B	7/9
Band C	8/9
<b>Band D</b>	<b>9/9</b>
Band E	11/9
Band F	13/9
Band G	15/9
Band H	18/9

#### Council Tax Requirement

- 3.4 At this meeting, Agenda Item 8 includes the Westmorland & Furness Council Tax required of £163,662,510.52; this is our precept for 2024/25.
- 3.5 The Parish and Town Councils precepts for 2024/25 total £4,156,236.22 and these are detailed at **Appendix 1**.
- 3.6 Together the Westmorland & Furness Council Tax required and the Parish and Town Council precepts, are the Council Tax Requirement as shown in Table 2 of £167,818,746.74.

**Table 2: Council Tax Requirement for tax setting purposes**

Item	2024/25 £m
Net Budget	272.501
Less General Grants and Business Rate Retention	(106.138)
Less the Collection Fund Surplus	(2.700)
<b>Council Tax Requirement excluding Parish Precepts</b>	<b>163.663</b>
Plus Parish and Town Council Precepts	4.156
<b>The Council Tax Requirement</b>	<b>167.819</b>

- 3.7 The legislation requires the Council's revenue budget to be grossed up to show the estimated total expenditure and income for 2024/25; the gross budget is our best estimate as we continue to examine some budget elements as part of the Local Government Reorganisation stabilisation work.
- 3.8 The Parish and Town Council precepts are included as part of the gross expenditure; as shown in Table 3.

**Table 3 – Council Tax Requirement with gross budget**

Item	2024/25
Westmorland & Furness gross expenditure	£612,017,440.00
Plus Parish and Town Council Precepts	£4,156,236.22
<b>Total gross expenditure</b>	<b>£616,173,676.22</b>
Gross income	(£448,354,929.48)
<b>The Council Tax Requirement</b>	<b>£167,818,746.74</b>

### **Basic Council Tax Amount**

- 3.9 The calculation of the Council's Basic Amount of Council Tax for Band D dwellings, including Parish and Town Council precepts, is shown in Table 4.

**Table 4 – Basic Council Tax Amount**

Item	2024/25
Council Tax Requirement incl. Parish and Town Council Precepts	£167,818,746.74
Divided by the Council Tax Base for the Whole Area	89,542.67
<b>Gives the Basic Amount of Council Tax</b>	<b>£1,874.18</b>

- 3.10 The Basic Council Tax Amount including Parish and Town Council precepts is, in effect, an average across the Council area. The statutory calculation then requires the Basic Amount for Band D unparished and for each individual Parish and Town Council.
- 3.11 The Basic Amount for each Parish and Town Council is shown in **Appendix 2** as the Band D amount.
- 3.12 The calculation of the Basic Council Tax Amount for Band D dwellings, excluding Parish and Town Council precepts, is shown in Table 5.

**Table 5 – Basic Council Tax Amount excluding Parish and Town Councils**

Item	2024/25
Council Tax Requirement excl. Parish and Town Council Precepts	£163,662,510.52
Divided by the Council Tax Base for the Whole Area	89,542.67
<b>Gives the Unparished Basic Amount of Council Tax</b>	<b>£1,827.76</b>

- 3.13 By excluding Parish and Town Council precepts this calculation produces the unparished Basic Council Tax Amount – this is the Council’s own precept.
- 3.14 The unparished Council Tax bandings are shown in Table 6.

**Table 6 – Unparished Council Tax Bandings**

Council Tax	Westmorland & Furness Unparished Basic Amount
Band A	£1,218.50
Band B	£1,421.60
Band C	£1,624.68
<b>Band D</b>	<b>£1,827.76</b>
Band E	£2,233.93
Band F	£2,640.10
Band G	£3,046.26
Band H	£3,655.53

**Other Major Preceptors**

- 3.15 The Police & Crime Commissioner for Cumbria has set its budget for 2024/25 resulting in a precept of £27,627,705. Table 8 in paragraph 4.4 shows the banded amounts of Council Tax.
- 3.16 The Cumbria Commissioner Fire and Rescue Authority has set its budget for 2024/25 resulting in a precept of £8,348,959. Table 8 in paragraph 4.4 shows the banded amounts of Council Tax.

**Setting the Council Tax**

- 3.17 The calculated Council Tax elements are added together to calculate the aggregate Council Tax. The Council Tax for each category of dwellings is shown in detail at **Appendix 3**.
- 3.18 After setting the Council Tax, the Council is required to advertise the amounts within 21 days in at least one local newspaper.

**Schedule of precept instalments**

- 3.19 The precepts issued by the Police & Crime Commissioner for Cumbria, and Cumbria Commissioner Fire and Rescue Authority are payable in equal monthly instalments on dates agreed between the authorities.
- 3.20 The Council’s own demand will be paid to the General Fund by instalments on the same dates.
- 3.21 All Parish and Town Council precepts will be paid over in full on the April precept instalment date.

### Instalment dates

- 3.22 Council Tax and Business Rate bills are payable in ten instalments. The payment dates, which will maximise cash flow, are shown in Table 7 and these may have to be adjusted in the event of any delay in issuing bills:

**Table 7 – Instalments**

Instalment	Date	Instalment	Date
1	1 April 2024	6	1 September 2024
2	1 May 2024	7	1 October 2024
3	1 June 2024	8	1 November 2024
4	1 July 2024	9	1 December 2024
5	1 August 2024	10	1 January 2025

## **4. Resolutions**

### **Council is recommended to adopt the following resolutions:**

- 4.1 It be noted that on the 13 February 2024, the Council calculated the Council Tax Base for the year 2024/25 in accordance with Regulations made under Section 33(5) of the Local Government Finance Act 1992, as amended (the Act):
- for the whole Council area as **89,542.67** in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulation 1992, as its Council Tax Base for the year;
  - for dwellings in those parts of the Council area to which a Parish or Town Council Precept relates; being the amounts calculated by the Council, in accordance with Regulation, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate, as detailed at **Appendix 1**.
- 4.2 That the Council Tax Requirement for the Council's own purposes for 2024/25 (excluding Parish and Town Council Precepts) is **£163,662,510.52**.
- 4.3 That the following amounts be calculated for the year 2024/25 in accordance with Sections 31 to 36 of the Local Government and Finance Act 1992:
- £616,173,676.22** 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 and Town Councils.
  - £448,354,929.48** being the aggregate of the amounts, which the Council estimates for the items, set out in Section 31A (3) of the Act;
  - £167,818,746.74** being the amount, by which the aggregate at 4.3a exceeds the aggregate at 4.3b, calculated by the Council in accordance with Section 31A (4) of the Act, as its Council Tax requirement for the year;
  - £1,874.18** being the amount at 4.3c, divided by the item at 4.1a, 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 Council precepts);

- e. **£4,156,236.22** being the aggregate amount of all special items (Parish and Town Council precepts) referred to in Section 34(1) of the Act;
- f. **£1,827.76** being the Basic Amount of its Council Tax for the year for dwellings in those parts of its area to which no Parish precept relates as set out in Section 52ZX of the Act.

4.4 That it be noted that for the year 2024/25, Police & Crime Commissioner for Cumbria, and Cumbria Commissioner Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each of the categories of dwellings as shown in Table 8.

**Table 8 – Other Major Preceptors**

Council Tax	Police & Crime Commissioner for Cumbria	Cumbria Commissioner Fire and Rescue Authority
Band A	£206.70	£62.16
Band B	£241.15	£72.52
Band C	£275.60	£82.88
<b>Band D</b>	<b>£310.05</b>	<b>£93.24</b>
Band E	£378.95	£113.96
Band F	£447.85	£134.68
Band G	£516.75	£155.40
Band H	£620.10	£186.48

4.5 That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts of Council Tax for the year 2024/25 for each of the categories of dwellings is as detailed at **Appendix 3**.

4.6 Determine that, in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992, the Council's Basic Amount of Council Tax for 2024/25 of **£1,827.76** compared to **£1,740.89** for the previous year is not excessive.

**5. Link to Council Plan Priorities: (People, Climate, Communities, Economy and Culture, Customers, Workforce)**

5.1 The Council Tax is a key aspect of the Council's budget financing; the delivery of the Council Plan Priorities relies upon financial stability and resilience; the Council Tax Requirement is determined in achieving a balanced budget.

**6. Consultation Outcomes**

6.1 Consultation is not relevant to the recommendations; this report sets out the statutory calculation of the Council Taxbase and aggregated Council Tax charges, and the required formal resolution.

## **7. Alternative Options Considered**

- 7.1 There are no alternative options proposed; the Council has a statutory duty, as the Billing Authority, to set the Council Tax.
- 7.2 Westmorland & Furness Council's Council Tax Requirement is considered as part of the 2024/25 budget setting process considered at Agenda Item 8.
- 7.3 If the Council Tax Requirement for Westmorland & Furness Council is different to the proposals reported at Agenda Item 8, then these calculations will need to be updated to reflect any change.
- 7.4 The other Preceptors demands are not subject to the approval of Westmorland & Furness Council.

## **8. Financial Implications and risk**

- 8.1 This report sets out the aggregation of the Precepts to form the whole Council Tax bandings for 2024/25.
- 8.2 The annual billing process is managed by the Revenues & Benefits Team and a thorough plan is in place to ensure the efficient and effective coordination of officers, systems, internal and external support services.
- 8.3 If annual billing is delayed, then the collection of some Council Tax would be delayed to ensure the proper notices are given for direct debit payers.
- 8.4 Any delay would place the annual billing plan at risk whilst the various required resources were rearranged.

## **9. Legal and Governance Implications**

- 9.1 It is a statutory requirement for the Council to set a balanced budget and the Council Tax for the following financial year before the 11 March.
- 9.2 Members should be aware of the provisions of Section 106 of the Local Government Finance Act 1992, which applies to Members where they are present at a meeting of the Council and at the time of the meeting an amount of Council Tax is payable by them and has remained unpaid for at least two months, and any budget setting or Council Tax calculation, or recommendation or decision which might affect the making of any such calculation, is the subject of consideration at the meeting.
- 9.3 In these circumstances, any such Members shall at the meeting and as soon practicable after its commencement disclose the fact that Section 106 applies to them and shall not vote on any question concerning these matters. It should be noted that such Members are not debarred from speaking on these matters.
- 9.4 Failure to comply with these requirements constitutes a criminal offence, unless any such Members can prove they did not know that Section 106 applied to them at the time of the meeting or that the matter in question was the subject of consideration at the meeting.

**10. Human Resources Implications**

10.1 There are no implications arising from this report.

**11. Equality and Diversity Implications (including the public sector equality duty, Armed Forces Families, Care Leavers, and Health inequalities implications)**

11.1 There are no implications arising from this report.

**12. Background Documents**

12.1 None.