

SOUTH HAMS DISTRICT COUNCIL

COUNCIL TAX RESOLUTIONS 2004/2005



INTRODUCTION

The Council met to consider its budget on 12 February 2004. The purpose of this meeting is to calculate and set the Council Tax having taken account of the precepts notified to us from Devon County Council, Devon and Cornwall Police Authority, Devon Fire Authority and the Town and Parish Councils.

The way in which the Council Tax resolutions are made is set out very precisely in the Local Government Finance Act (LGF Act) 1992 (as amended by the Local Government Act 2003) and supported by various Regulations.

In the pages that follow the various statutory resolutions have been broken down into manageable steps and supported by explanations and calculations. It is important to stress that neither the explanations nor the calculations form part of the formal resolutions required by statute.

RESOLUTION 1

1. That it be noted that at its meeting on 22 January 2004 the Council calculated the following amounts for the year 2004/2005 in accordance with regulations made under Section 33(5) of the LGF Act 1992:-

(a) **36,662.55** being the amount calculated by the Council, in accordance with the Local Authorities (Calculation of Council Tax Base)(Amendment)(England) Regulations 2003 and regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its **Council Tax Base for 2004/2005**.

(b) Part of the Council's area
See **Appendix A** attached

Being the amounts calculated by the Council, in accordance with regulation 2 of The Local Authorities (Calculation of Council Tax Base) Amendment (England) (No 2) Regulations 2003, 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.

Explanation

This resolution at (a) involves the noting of the Council's tax base calculated at the Council meeting on the 22 January 2004 and at (b) the tax bases for each of the Parishes/Towns calculated at the same meeting.

RESOLUTION 2

2. That the following amounts be now calculated by the Council for the year 2004/2005 in accordance with Sections 32 to 36 of the LGF Act 1992:-
- (a) **£36,469,814** 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) **£26,947,109** 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) **£9,522,705** being the amount by which the aggregate at 2 (a) above exceeds the aggregate at 2(b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.

Explanation

The purpose of this calculation is to produce one total figure of net revenue expenditure for this Council's activities together with all Parish/Town precepts.

The calculation is as follows:

	£
(a) Gross revenue expenditure 2004/2005 estimate (including contributions to reserves)	35,451,400
<u>Add</u> Total Town/Parish precepts 2004/2005	1,018,414
	36,469,814 (2a)
(b) <u>Less</u> Total income 2004/2005 estimate (including contributions from reserves)	(26,947,109) (2b)
(c) Total of District and Parish/Town proposed net revenue expenditure 2004/2005	£9,522,705 (2c)

RESOLUTION 2 (Continued)

- (d) **£4,471,410** 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, and revenue support grant, increased by the amount of the sum which the Council estimates will be transferred to its General Fund from its Collection Fund in accordance with Section 22 of Part III of Schedule 10 of the Act (council tax surplus).
- (e) **£137.78** being the amount at 2 (c) above less the amount at 2 (d) above, all divided by the amount at 1 (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.

Explanation

The purpose of this calculation is to identify government grants and the share of national non-domestic rates that will be available to partly fund the total net revenue expenditure calculated at 2(c) above. Also identified here is the surplus that is estimated from the Collection Fund in respect of council tax. By reducing the net revenue expenditure brought forward and dividing by the tax base the Council is able to calculate a council tax requirement for Band D properties which includes Parish and Town requirements.

Calculation

	£	£
Total of District and Parish/Town proposed net revenue expenditure brought forward (2c)		9,522,705
<u>Less</u> Revenue Support Grant	(2,203,971)	
<u>Less</u> Share of National Non-Domestic Rates	(2,234,939)	
<u>Less</u> Estimated surplus on Collection Fund in respect of Council Tax (SHDC share)	(32,500)	
		(4,471,410) (2d)
Net Expenditure to be met from Council Tax		5,051,295
Band D Council Tax for District & Parish/Town requirements:-		
<u>Net expenditure above</u> = <u>£5,051,295</u>	=	£137.78 (2e)

Tax base 36,662.55

RESOLUTION 2 (Continued)

(f) £1,018,414	being the aggregate amount of all special items referred to in Section 34(1) of the Act. (See Appendix B)
(g) £110.00	being the amount of 2(e) above less the result given by dividing the amount at 2(f) above by the amount at 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 special item relates.

Explanation

This calculation converts the previous calculation from a council tax for the District and Parish/Town Councils to a council tax requirement for the District only.

Calculation

Band D Council Tax for District & Parish/
Town requirements £137.78 (2e)

Less Band D Parish/Town Council requirement only:

Calculated as:

<u>Total Parish/Town Council precepts (2f)</u>	<u>£1,018,414</u>	(£27.78)
Total District tax base (1a)	36,662.55	

Band D Council Tax for District requirement £110.00 (2g)

RESOLUTION 2 (Continued)

(h) Part of the Council's area

See **Appendix C**

being the amounts given by adding to the amount at 2(g) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above, divided in each case by the amount at 1(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 those parts of its area to which one or more special items relate.

(i) Part of the Council's area

See **Appendix D**

being the amounts given by multiplying the amounts at 2(h) 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.

Explanation

The first calculation produces a 'band D' council tax for each Parish/Town within the District. It includes both District and Parish/Town requirements. The second calculation converts the band D council tax to all the other bands.

RESOLUTION 2 (Continued)

Calculation - example

(2h) Band D council tax for South Hams District Council
calculated at (g) above £110.00 (2g)

Add for each Parish the following calculation:
(That which follows relates to the Parish of Ashprington)

Parish Precept	£2,700	=	£10.80
Parish tax base	250.09		

Band D council tax in the Parish of Ashprington in respect of South Hams District Council's requirements together with the requirements of Ashprington Parish Council	_____
	£120.80 (2h)
	=====

(2i) Band D calculation above multiplied as follows:

Band	A	B	C	E	F	G	H
Multiplied							
by	6/9	7/9	8/9	11/9	13/9	15/9	18/9

=	£80.53	£93.96	£107.38	£147.64	£174.49	£201.33	£241.60 (2i)

being the council tax for all bands in the Parish of Ashprington in respect of South Hams District Council's requirement together with the requirement of Ashprington Parish Council.

RESOLUTION 3

3. That it be noted that for the year 2004/2005 Devon County Council, Devon & Cornwall Police Authority and Devon Fire Authority have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the LGF Act 1992 and Section 83 of the Local Government Act 2003, for each of the categories of dwellings as shown below:

Precepting authority	Valuation Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
Devon County Council's tax requirements	600.24	700.28	800.32	900.36	1100.44	1300.52	1500.60	1800.72
Devon & Cornwall Police Authority's tax requirements	75.59	88.19	100.79	113.39	138.59	163.79	188.98	226.78
Devon Fire Authority's tax requirements	37.06	43.24	49.41	55.59	67.94	80.30	92.65	111.18

Explanation

The Council is asked to note that Devon County Council, Devon & Cornwall Police Authority and Devon Fire Authority have provided details of their precepts and council tax requirements for each band of property as shown above.

Other bands calculated pro rata to tax units

Band	A	B	C	E	F	G	H
<i>multiplied by</i>	6/9	7/9	8/9	11/9	13/9	15/9	18/9

RESOLUTION 4

4. That, having calculated the aggregate in each case of the amounts at 2(i) and 3 above, the Council, in accordance with Section 30(2) of the LGF Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2004/2005 for each of the categories of dwellings shown at **Appendix E**.

Explanation

Having calculated the Council Tax arising from Parish and District requirements at 2(i) above it is now necessary to add the requirement of Devon County Council, Devon & Cornwall Police Authority and Devon Fire Authority (4 above).

Calculation - example

The calculation for properties in the **Parish of Ashprington** will be as follows:

Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
District & Parish Requirement (2(i)above)	80.53	93.96	107.38	120.80	147.64	174.49	201.33	241.60
Devon County Council requirement (4 above)	600.24	700.28	800.32	900.36	1100.44	1300.52	1500.60	1800.72
Devon & Cornwall Police Authority requirement (4 above)	75.59	88.19	100.79	113.39	138.59	163.79	188.98	226.78
Devon Fire Authority requirement (4 above)	37.06	43.24	49.41	55.59	67.94	80.30	92.65	111.18
Total tax liability for properties in the Parish of Ashprington	793.42	925.67	1057.90	1190.14	1454.61	1719.10	1983.56	2380.28