|  |
| --- |
| Report of the Portfolio Holder for Corporate and FinanceToCOUNCILOn9 MARCH 2021 |
| **PROPOSED COUNCIL TAX SETTING RESOLUTION FOR****THE FINANCIAL YEAR 2021/22** |

**1. SUMMARY**

1.1 This report presents a recommendation for the resolution required to set the Council Tax for the financial year 2021/22. The recommendation is based on the Council’s own rate of Council Tax, plus the amounts in respect of precepts received from Nottinghamshire County Council, Nottinghamshire Police and Crime Commissioner, Nottinghamshire Fire and Rescue Service and Warsop Parish Council (where applicable).

**2. TO BE RESOLVED BY COUNCIL:**

1. That the Council Tax Resolution set out at Appendix A be approved.

**3. BACKGROUND**

3.1 As part of the Budget and the Council Tax setting process, the Localism Act 2011 requires the billing authority (Mansfield District Council) to calculate a **Council Tax Requirement** for the year.

**3.2 COUNCIL TAX REFERENDUMS**

3.2.1 Schedule 5 to the Localism Act 2011 introduced a new section into the Local Government Finance Act 1992 (“the 1992 Act”), making provision for Council Tax referendums to be held if an authority increases its relevant basic amount of Council Tax by an amount exceeding principles determined by the Secretary of State and agreed by the House of Commons.

3.2.2 “*The Referendums Relating to Council Tax Increases (Principles) (England) Report 2021/22”* (published 5 February 2021) sets out the Council Tax referendum principles and authorities’ responsibilities in the event that they are required to arrange for a referendum to be held in 2021/22.

3.2.3 Each Authority must determine whether its relevant basic amount of Council Tax for a financial year (the year under consideration) is excessive. If it is deemed to be so, then a referendum must be held in relation to that amount. For District Shire Councils, the authority will be required to seek the approval of their local electorate in a referendum if:

• the Council sets a Council Tax increase (calculated on the relevant basic amount of Council Tax) of 2.0% or more than the equivalent 2020/21 figure,

• and, is more than £5.00 greater than its relevant basic amount of Council Tax for 2020/21.

3.2.4 The Council would need to exceed both referendum principles in order to be considered as excessive and be ultimately subject to a referendum.

**3.3 PROPOSALS**

3.3.1 **Mansfield District Council**

On 27 January 2021 Council approved the 2021/22 Band D Council Tax at £194.72, being a £5.00 increase on a band D property from the 2020/21 financial year (which equates to a 2.64% increase on all other bands). The Council’s own precept for 2021/22 is detailed in Appendix A and totals £5,746,616.

3.3.2 Since the Council’s meeting on 27 January 2021, the precept levels of the other precepting bodies have been received. These are detailed below:

 **OTHER PRECEPTING BODIES**

3.3.3 **Warsop Parish Council**

The Warsop Parish Council Precept for 2021/22 totals £104,808. The Band D for the 2021/22 financial year is a nil increase on 2020/21, being £34.28.

3.3.4 **Nottinghamshire County Council**

Nottinghamshire County Council met on 25 February 2021 and set their precept at £45,299,751. This includes an additional precept solely for Adult Social Care and results in a Band D Council Tax of £1,580.85 (£1,431.21 + £149.64).

3.3.5 **Nottinghamshire Police & Crime Commissioner**

Nottinghamshire Police & Crime Commissioner met on 4 February 2021 and set their precept at £7,208,650. This results in a Band D Council Tax of £244.26.

3.3.6 **Nottinghamshire Fire & Rescue Authority**

Nottinghamshire Fire & Rescue Authority met on 26 February 2021 and set their precept at £2,448,037. This results in a Band D Council Tax of £82.95.

3.4 If the formal Council Tax Resolution at Appendix A is approved, the total Band D Council Tax for 2021/22 will be as follows:

|  |
| --- |
| **Total Band D Council Tax** |
|  | **2021/22** | **2020/21** | **Increase** |
|   | **£** | **£** | **%** |
| Mansfield District Council | 194.72 | 189.72 | 2.64% |
| Nottinghamshire County Council (including adult social care) | 1,580.85 | 1,534.95 | 2.99% |
| Nottinghamshire Police and Crime Commissioner | 244.26 | 229.32 | 6.51% |
| Nottinghamshire Fire and Rescue Authority | 82.95 | 81.36 | 1.95% |
| **Sub-Total** |  **2,102.78**  |  **2,035.35**  | 3.31% |
| Warsop Parish Council | 34.28 | 34.28 | 0.00% |
| **Total** |  **2,137.06**  |  **2,069.63**  | 3.26% |

**4. OPTIONS AVAILABLE**

Not applicable – the Council is required to set a Council Tax figure for the upcoming financial year. The Mansfield District Council element of Council Tax was approved at Council on 27th January 2021, and the Council has no control over the elements set by precepting authorities. This means that there is no option available to the Council other than to set the figures proposed.

**5. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS**

|  |  |  |  |
| --- | --- | --- | --- |
| **Risk**  | **Risk Assessment**  | **Risk Level**  | **Risk Management**  |
| Council Tax levels being incorrectly calculated | This report shows the proposed Council Tax calculated in accordance with legislation and as notified by the Precepting authorities. | Medium | To mitigate this risk checks and cross calculations have been carried out within Financial Services  |

**6. ALIGNMENT TO COUNCIL PRIORITIES**

6.1 This report is aligned to all of the Council’s priorities.

**7. IMPLICATIONS**

(a) Relevant Legislation

Localism Act 2011

Local Authorities (Calculation of Council Tax Base) Regulations 1992

Local Government Finance Act 1992

Local Government Finance Act 1988

(b) Human Rights - No impact

(c) Equality and Diversity - No impact

(d) Climate change and environmental sustainability - No impact

(e) Crime and Disorder - No impact

(f) Budget /Resource - Resource implications were considered when the budgets were approved by Council on 27 January 2021.

**8. COMMENTS OF STATUTORY OFFICERS**

Section 151 Officer – The resolution brings together the information from all the Precepting authorities in relation to the level of council tax to be collected from the residents of Mansfield District Council area.

Monitoring Officer – Members should note that there is a statutory bar, in accordance with s 106 of the Local Government Finance Act 1992, on Members participating in decisions regarding Council Tax or its administration (which this report does) if they have two months or more arrears of Council Tax. Any Member in this position must declare the fact at the meeting and may not vote. Failure to comply with these requirements is a criminal offence.

The Local Authorities (Standing Orders) (England) Regulations 2001 (as amended) require that where a vote has been taken at a budget decision meeting of the authority there must be recorded in the minutes of the proceedings of that meeting the names of the persons who cast a vote for the decision or against or who abstained from voting. A budget decision meeting of the authority is one which makes a calculation in accordance with any sections of 31A, 31B, 34 to 36A, 42A, 42B, 45 to 49, 52ZF, 52ZJ of the Local Government and Finance Act 1992 or issues a precept under Chapter 4 of Part 1 of that Act.

**9. CONSULTATION**

None

**10. BACKGROUND PAPERS**

Precepting authority notification of Council Tax levels available from Financial Services

Report Author - Emma Cable

Designation - Financial Services Manager

Telephone - 01623 463495

Email - ecable@mansfield.gov.uk

**APPENDIX A**

**The Council is recommended to resolve as follows:**

1. It be noted that on 19 December 2020 the Head of Finance calculated the Council Tax Base 2021/22:
2. For the whole Council area as **29,512.2** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended by the Localism Act 2011 (the “Act”)]; and
3. For dwellings in those parts of its area to which one or more special items relate as Part of the Council’s Area:
* The Parish of Warsop as **3,057.4**

2. Calculate that the Council Tax requirement for the Council’s own purpose for 2021/22 (excluding parish precepts) is **£5,746,616**.

1. That the following amounts be calculated by the Council for the year 2020/2021 in accordance with sections 31 to 36 of the Act:

 (a) **£47,603,418** 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 Councils.

 (b) **£41,751,995** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

 (c) **£5,851,423** 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 31A(4) of the Act as its Council Tax requirement for the year (Item R in the formula in Section 31B of the Act).

 (d) **£198.28** being the amount at 3(c) above (Item R), all divided by Item T (1(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 (including Parish precepts).

 (e) **£104,808** being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act.

 (f) **£194.72** being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by Item T (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 Parish precepts relates.

 Part of the Council’s Area – Warsop Parish

 (g) **£229.00** being the amount given by adding to the amount at 2(f) above the amount of the special item relating to dwellings in this part of the Council’s area mentioned above at 2(e) divided in each case by the amount of 1(b) above, calculated by the Council, in accordance with Section 34(3) of the Act, as the basic amount of its Council Tax for the year for those dwellings in those parts of its area to which one or more special items relate.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Valuation Bands** | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
| £ | £ | £ | £ | £ | £ | £ | £ |
| Warsop Parish Council |  22.85  |  26.66  |  30.47  |  34.28  |  41.90  |  49.52  |  57.13  |  68.56  |

1. All other parts of the Council

 Being the amounts given by multiplying the amounts at 2(f) and 2(g) above by the number which, in the proportions 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.

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Valuation Bands** | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
| £ | £ | £ | £ | £ | £ | £ | £ |
| Other parts of the Council |  129.82  |  151.45  |  173.09  |  194.72  |  237.99  |  281.26  |  324.54  |  389.44  |

4. That it be noted for the year 2021/22 the Nottinghamshire County Council, the Nottinghamshire Police and Crime Commissioner and the Nottinghamshire Fire and Rescue Service 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 in the Council’s area as shown below:-

|  |
| --- |
| **Valuation Bands** |
|  | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
|   | £ | £ | £ | £ | £ | £ | £ | £ |
| Nottinghamshire County Council | 954.14  | 1,113.16  | 1,272.19  | 1,431.21  | 1,749.26  | 2,067.30  | 2,385.35  | 2,862.42  |
| Nottinghamshire County Council – Adult Social Care | 99.76  | 116.39  | 133.01  | 149.64  | 182.89  | 216.15  | 249.40  | 299.28  |
| Nottinghamshire Police & Crime Commissioner | 162.84  | 189.98  | 217.12  | 244.26  | 298.54  | 352.82  | 407.10  | 488.52  |
| Nottinghamshire Fire & Rescue Authority | 55.30  | 64.52  | 73.73  | 82.95  | 101.38  | 119.82  | 138.25  | 165.90  |

1. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts as shown below as the amounts of Council Tax for the financial year 2021/22 for each part of its area and for each of the categories of dwellings:

|  |
| --- |
| **Valuation Bands** |
|  | **A** | **B** | **C** | **D** | **E** | **F** | **G** | **H** |
|   | £ | £ | £ | £ | £ | £ | £ | £ |
| **Aggregate Council Tax Requirements (excluding Warsop Parish Council)** | **1,401.86**  | **1,635.50**  | **1,869.14**  | **2,102.78**  | **2,570.06**  | **3,037.35**  | **3,504.64**  | **4,205.56**  |
| Warsop Parish Council | 22.85  | 26.66  | 30.47  | 34.28  | 41.90  | 49.52  | 57.13  | 68.56  |
| **Aggregate Council Tax Requirements (including Warsop Parish Council)** | **1,424.71**  | **1,662.16**  | **1,899.61**  | **2,137.06**  | **2,611.96**  | **3,086.87**  | **3,561.77**  | **4,274.12**  |

6. That the Council’s basic amount of council tax for 2021/22 is not excessive in accordance with principles approved under Section 52ZB Local Government Finance Act 1992 and that the referendum provisions in Chapter4ZA do not apply for 2021/22. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2021/22 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK Local Government Finance Act 1992.