

ROTHERHAM BOROUGH COUNCIL – REPORT TO COUNCIL

1)	Meeting:	Council
2)	Date:	7th March 2012
3)	Title:	Setting the Council Tax for 2012/13
4)	Directorate:	Resources

5. Summary

This report sets out details of the calculation of the Council Tax for Rotherham both for parished areas and unparished areas for the financial year 2012/13, and includes both the Police and Fire and Rescue Authority Precepts.

6 Recommendations

That Council approve this report and the formal Council Tax Resolution in Appendix A and in doing so:

- **Approve a net revenue budget for the Council in 2012/13 of £213.290m, which after receipt of £2.325m estimated Council Tax Freeze Grant leaves £210.965m to be funded;**
- **Calculates, in accordance with Section 31A(4) of the Act, £95,612,768 as its Council Tax requirement for the year (Item R in the formula in section 31B of the Act);**
- **Approve the calculation of the amounts set out in section 3 of Appendix A for the year 2012/13 in accordance with Sections 31B to 36 of the Local Government Finance Act 1992 as amended by the Localism Act 2011;**
- **Note that the major precepting Authorities (the South Yorkshire Police Authority and the South Yorkshire Fire and Rescue Authority) have stated the following amounts respectively in Precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 (as amended by the Localism Act 2011) – South Yorkshire Police Authority a Band D Tax of £137.55 and South Yorkshire Fire and Rescue Authority a Band D Tax of £62.54;**
- **Note that the Town and Parish Council Precepts for 2012/13 detailed in Appendix C total £2,255,877. The increase in the Average Band D Council Tax for Town and Parish Councils is 3.7% and results in an average Band D Council Tax figure of £1,259.75;**
- **Resolve that the Council sets the amounts presented in section 5 of Appendix A and Appendix B as its Council Tax (including South Yorkshire Police and Fire and Rescue Authority Precepts) for the year 2012/13; and**
- **Determines, that, in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2012/13, that Rotherham Metropolitan Borough Council's relevant basic amount of Council Tax for the year 2012/13 is not excessive.**

7 Proposals and Details

7.1 Background

- 7.1.1 Members have previously considered the 2012/13 Budget at a meeting of the Cabinet on 22nd February 2012 and the Council Tax Base for parished and unparished areas was agreed at the Cabinet meeting held on 18th January 2012.
- 7.1.2 The Localism Act 2011 included amendments to the Local Government Finance Act 1992 updating its requirements in relation to Council Tax. As a Billing Authority the Council must now calculate a **“Council Tax Requirement”** for the financial year 2012/13 not its “Budget Requirement” as previously. The Council Tax Requirement must still be determined prior to 11th March 2012 and the Council must set Council Tax levels for both the parished and unparished areas of the Borough for each Council Tax Band A to H, taking into account the Precepts from both the South Yorkshire Police Authority and the South Yorkshire Fire and Rescue Authority.
- 7.1.3 In addition, the Localism Act 2011 requires that authorities seek the approval of their local electorate if they set Council Tax increases in excess of the principles set out by the Secretary of State and approved by Parliament. In the Council’s case this means a Council Tax increase for 2012/13 of more than 3.5% in the Council’s basic amount of Council Tax modified by excluding Parish Precepts and Levies and Special Levies issued to the authority. The Council’s proposed Council Tax **does not exceed those principles** and paragraph 6 of the tax setting resolution attached at Appendix A addresses this issue. Major Precepting Authorities like the South Yorkshire Police and Fire and Rescue Authorities are also subject to this provision – in their case with a limit of 4% but at present local precepting authorities such as Town and Parish Councils are excluded.
- 7.1.4 Council Tax Freeze Grant – For 2011/12 the Government introduced a new un-ringfenced grant payable to authorities setting their basic Council Tax for 2011/12 at a level which was no more than the basic amount of Council Tax for 2010/11. The grant was the equivalent of a 2.5% increase in 2010/11 tax multiplied by the tax base for 2011/12. The grant will continue to be payable to billing authorities like the Council and to major precepting authorities such as the South Yorkshire Police and Fire and Rescue Authorities for 4 years until 2014/15. Local precepting authorities, such as town and parish councils were not eligible for this support. The Government has given Local Authorities the opportunity to access a second Council Tax Freeze Grant for 2012/13; however, **the 2012/13 Grant is for one year only**. In Rotherham’s case the estimated recurrent grant from 2011/12 is £2,315,888 and the 2012/13 one off grant is £2,325,184. The 2011/12 and 2012/13 Council Tax Freeze Grant allocations have been taken into account in determining the Council’s Net Revenue Budget in the Council Tax Requirement calculations.
- 7.1.5 It is now necessary to agree the Council's Net Revenue Budget of £210,964,816 for 2012/13 after allowing for Specific Grants and other Income and Balances which will be financed as follows:-

7.1.6

	£
Formula Grant as notified in the Revenue Support Grant Settlement	115,309,314
Collection Fund Surplus	2,298,611
Which will leave	93,356,891
To be raised from Council Tax (which equates to a freeze in the Council Tax levied in 2010/11 allowing the Council to qualify for the Government's Council Tax Freeze grants for 2011/12 and 2012/13)	

7.1.7 The Council has received details of the Police and Fire and Rescue Authority Precepts and also the Precepts from the Borough's Parish Councils and Parish Meetings. Accordingly, Members are asked to approve the financing of the Council's Budget (as reported in section 7.1.6 of this report) and to pass a resolution as set out at Appendix A.

7.1.8 If this resolution is approved the total Band D Council Tax will be as follows:

	2011/12 £	2012/13 £
Rotherham MBC	<u>1,230.03</u>	<u>1,230.03</u>
South Yorkshire Police Authority	132.33	137.55
South Yorkshire Fire and Rescue Authority	60.17	62.54
Sub Total	1,422.53	1,430.12
Parish Council and Parish Meeting Average	28.65	29.72

8 Finance

There are no direct costs arising from this report, however the Council Tax represents a significant element of the Council's resources for the coming financial year.

9 Risks and Uncertainties

Although all budgets involve risks, the Council's budget process has been reviewed and redesigned to minimise the incidence and impact of any budget risks.

10. Policy and Performance Agenda Implications

The setting of the Council Tax as a significant part of the Council's resources is essential in underpinning all parts of the Council's activities.

11. Background Papers and Consultation

- Local Government Finance Act 1992. as amended by the Localism Act 2011
- Localism Act 2011
- Section 84 of the Local Government Act 2003
- Council Tax Base Report to Cabinet of 18th January 2012.
- The Localism Act 2011 (Commencement No.1 and Transitional Provisions) Order 2011
- The Council Tax (Demand Notices) (England) Regulations 2011.
- Proposed Revenue Budget and Council Tax - Report to Cabinet on 22nd February 2012.
- South Yorkshire Fire and Rescue Authority Precept Notification letter 20th February 2012
- South Yorkshire Police Authority Precept Notification letter 17th February 2012
- CIPFA – Draft Model Resolution for Council Tax Setting – January 2012

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The Council is recommended to resolve as follows:

1. It be noted that at its meeting on 18th January 2012 (minute C129) the Council calculated the Council Tax Base 2012/13;
 - a. For the whole Council area as **75,898.06** (Item T in the formula in Section 31B of the Local Government Finance Act 1992 as amended (the Act)).
 - b. For dwellings in those parts of its area to which a Parish Precept relates as set out in Appendix C.

2. **Council Tax requirement for the Council's own purposes**

Calculate that the Council Tax requirement for the Council's own purposes for 2012/13 (excluding Parish Precepts) is **£93,356,891** (as outlined in the Budget report to Cabinet on February 22nd)

3. That the following amounts be calculated for the year 2012/13 in accordance with sections 31 to 36 of the Act.
 - a. **£692,343,731** 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 (Gross Council Expenditure including Parish Precepts).
 - b. **£596,730,963** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A (3) of the Act. (Council Income including Formula Grant, Council Tax Freeze Grant and the Collection Fund Balance).
 - c. **£95,612,768** being the amount by which the aggregate at 3a above exceeds the aggregate at 3b 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. **£1259.7525** being the amount at 3c above (Item R) divided by Item T (1a 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. **£2,255,877.18** being the aggregate amount of all special items (Parish Precepts) referred to in Section 34(1) of the Act as per the attached Appendix C.
 - f. **£1,230.0300** being the amount at 3d above less the result given by dividing the amount at 3e above by item T (1a 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 precept relates. (Band D Council Tax for Rotherham MBC services).

4. To note that the South Yorkshire Police Authority and the South Yorkshire Fire and Rescue Authority have issued Precepts to the Council in accordance with Section 40 of the Local Government Finance Act for each category of dwellings in the Council's area as indicated in the table below.
5. That the Council in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts (rounded to the nearest penny) shown in the table below and in Appendix B (for those parts of its area to which one or more special items relate) as the amounts of Council Tax for 2012/13 for each part of its area and for each of the categories of dwellings.

	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Rotherham Metropolitan District Council Only	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
South Yorkshire Police Authority	91.70	106.98	122.27	137.55	168.12	198.68	229.25	275.10
South Yorkshire Fire and Rescue Authority	41.69	48.64	55.59	62.54	76.44	90.34	104.23	125.08
Aggregate Council Tax Requirement	953.41	1,112.31	1,271.22	1,430.12	1,747.93	2,065.73	2,383.53	2,860.24

6. That, in accordance with the principles determined by the Secretary of State and set out in the Referendums Relating to Council Tax Increases (Principles) (England) Report 2012/ 13, it be determined that Rotherham Metropolitan Borough Council's relevant basic amount of Council Tax for the year 2012/13 **is not excessive**.

Appendix B

1. Council Tax by bands

The amounts below being the amount at section 3f of Appendix A above and the amounts given by adding the amounts shown in Appendix C as the basic amount of Council Tax for the year for dwellings in those parts of the Council's area to which Parish Precepts relate to the amount at Appendix A 3f, then multiplied 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.

Tax Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Rotherham Metropolitan District Council Only	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
Parished Areas								
Anston	877.13	1,023.32	1,169.51	1,315.70	1,608.07	1,900.45	2,192.83	2,631.39
Aston-cum-Aughton	856.64	999.41	1,142.18	1,284.96	1,570.50	1,856.05	2,141.59	2,569.91
Bramley	844.43	985.17	1,125.91	1,266.65	1,548.12	1,829.60	2,111.08	2,533.29
Brampton Bierlow	854.29	996.67	1,139.05	1,281.44	1,566.20	1,850.96	2,135.73	2,562.87
Brinsworth	869.24	1,014.11	1,158.99	1,303.86	1,593.61	1,883.35	2,173.10	2,607.72
Catcliffe	877.25	1,023.46	1,169.67	1,315.88	1,608.30	1,900.72	2,193.14	2,631.76
Dalton	854.63	997.07	1,139.51	1,281.95	1,566.82	1,851.70	2,136.58	2,563.89
Dinnington St. John's	858.13	1,001.16	1,144.18	1,287.20	1,573.24	1,859.29	2,145.33	2,574.40
Firbeck	838.34	978.06	1,117.78	1,257.51	1,536.95	1,816.40	2,095.84	2,515.01
Gildingwells	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
Harthill with Woodall	863.91	1,007.89	1,151.87	1,295.86	1,583.83	1,871.80	2,159.77	2,591.72
Hellaby	843.74	984.36	1,124.98	1,265.61	1,546.85	1,828.10	2,109.35	2,531.21
Hooton Levitt	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
Hooton Roberts	820.02	956.69	1,093.36	1,230.03	1,503.37	1,776.71	2,050.05	2,460.06
Laughton-en-le-Morthen	851.88	993.86	1,135.84	1,277.82	1,561.78	1,845.74	2,129.70	2,555.64
Letwell	836.90	976.38	1,115.86	1,255.34	1,534.31	1,813.27	2,092.24	2,510.69
Maltby	847.53	988.78	1,130.04	1,271.29	1,553.80	1,836.31	2,118.82	2,542.58
Orgreave	841.43	981.67	1,121.91	1,262.14	1,542.62	1,823.10	2,103.57	2,524.29
Ravenfield	843.84	984.48	1,125.12	1,265.76	1,547.04	1,828.32	2,109.60	2,531.52
Thorpe Salvin	848.00	989.33	1,130.67	1,272.00	1,554.67	1,837.33	2,120.00	2,544.00
Thrybergh	862.49	1,006.24	1,149.99	1,293.74	1,581.24	1,868.74	2,156.23	2,587.48
Thurcroft	864.33	1,008.39	1,152.44	1,296.50	1,584.61	1,872.72	2,160.83	2,593.00
Todwick	864.86	1,009.01	1,153.15	1,297.29	1,585.58	1,873.87	2,162.16	2,594.59
Treeton	859.29	1,002.51	1,145.72	1,288.94	1,575.37	1,861.80	2,148.23	2,577.87
Ulley	883.98	1,031.31	1,178.64	1,325.97	1,620.63	1,915.29	2,209.95	2,651.94
Wales	869.82	1,014.79	1,159.76	1,304.73	1,594.67	1,884.61	2,174.55	2,609.45
Wentworth	830.32	968.71	1,107.09	1,245.48	1,522.25	1,799.03	2,075.80	2,490.96
Whiston	846.35	987.41	1,128.47	1,269.53	1,551.65	1,833.76	2,115.88	2,539.06
Wickersley	854.11	996.46	1,138.81	1,281.16	1,565.86	1,850.56	2,135.26	2,562.32
Woodsetts	880.25	1,026.96	1,173.67	1,320.38	1,613.80	1,907.22	2,200.63	2,640.76

2. South Yorkshire Precepts

The South Yorkshire Police and Fire and Rescue Authorities have stated the following amounts in precepts issued to the Council in accordance with Section 40 of the Local Government Finance Act for each of the categories of dwelling.

South Yorkshire Police Authority	91.70	106.98	122.27	137.55	168.12	198.68	229.25	275.10
South Yorkshire Fire and Rescue Authority	41.69	48.64	55.59	62.54	76.44	90.34	104.23	125.08

3. Aggregate Council Tax Requirements

The amounts shown in the table below are set by the Council in accordance Sections 30 and 36 of the Local Government Finance Act 1992, as the aggregate amounts (rounded to the nearest penny) and for those parts of its area to which one or more special items relate as the amounts of Council Tax for 2012/13 for each part of its area and for each of the categories of dwellings.

Tax Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Unparished Parts of the Council	953.41	1,112.31	1,271.22	1,430.12	1,747.93	2,065.73	2,383.53	2,860.24
Parished Areas								
Anston	1,010.52	1,178.94	1,347.37	1,515.79	1,852.63	2,189.47	2,526.31	3,031.57
Aston-cum-Aughton	990.03	1,155.03	1,320.04	1,485.05	1,815.06	2,145.07	2,475.07	2,970.09
Bramley	977.82	1,140.79	1,303.77	1,466.74	1,792.68	2,118.62	2,444.56	2,933.47
Brampton Bierlow	987.68	1,152.29	1,316.91	1,481.53	1,810.76	2,139.98	2,469.21	2,963.05
Brinsworth	1,002.63	1,169.73	1,336.85	1,503.95	1,838.17	2,172.37	2,506.58	3,007.90
Catcliffe	1,010.64	1,179.08	1,347.53	1,515.97	1,852.86	2,189.74	2,526.62	3,031.94
Dalton	988.02	1,152.69	1,317.37	1,482.04	1,811.38	2,140.72	2,470.06	2,964.07
Dinnington St. John's	991.52	1,156.78	1,322.04	1,487.29	1,817.80	2,148.31	2,478.81	2,974.58
Firbeck	971.73	1,133.68	1,295.64	1,457.60	1,781.51	2,105.42	2,429.32	2,915.19
Gildingwells	953.41	1,112.31	1,271.22	1,430.12	1,747.93	2,065.73	2,383.53	2,860.24
Harthill with Woodall	997.30	1,163.51	1,329.73	1,495.95	1,828.39	2,160.82	2,493.25	2,991.90
Hellaby	977.13	1,139.98	1,302.84	1,465.70	1,791.41	2,117.12	2,442.83	2,931.39
Hooton Levitt	953.41	1,112.31	1,271.22	1,430.12	1,747.93	2,065.73	2,383.53	2,860.24
Hooton Roberts	953.41	1,112.31	1,271.22	1,430.12	1,747.93	2,065.73	2,383.53	2,860.24
Laughton-en-le-Morthen	985.27	1,149.48	1,313.70	1,477.91	1,806.34	2,134.76	2,463.18	2,955.82
Letwell	970.29	1,132.00	1,293.72	1,455.43	1,778.87	2,102.29	2,425.72	2,910.87
Maltby	980.92	1,144.40	1,307.90	1,471.38	1,798.36	2,125.33	2,452.30	2,942.76
Orgreave	974.82	1,137.29	1,299.77	1,462.23	1,787.18	2,112.12	2,437.05	2,924.47
Ravenfield	977.23	1,140.10	1,302.98	1,465.85	1,791.60	2,117.34	2,443.08	2,931.70
Thorpe Salvin	981.39	1,144.95	1,308.53	1,472.09	1,799.23	2,126.35	2,453.48	2,944.18
Thrybergh	995.88	1,161.86	1,327.85	1,493.83	1,825.80	2,157.76	2,489.71	2,987.66
Thurcroft	997.72	1,164.01	1,330.30	1,496.59	1,829.17	2,161.74	2,494.31	2,993.18
Todwick	998.25	1,164.63	1,331.01	1,497.38	1,830.14	2,162.89	2,495.64	2,994.77
Treeton	992.68	1,158.13	1,323.58	1,489.03	1,819.93	2,150.82	2,481.71	2,978.05
Ulley	1,017.37	1,186.93	1,356.50	1,526.06	1,865.19	2,204.31	2,543.43	3,052.12
Wales	1,003.21	1,170.41	1,337.62	1,504.82	1,839.23	2,173.63	2,508.03	3,009.63
Wentworth	963.71	1,124.33	1,284.95	1,445.57	1,766.81	2,088.05	2,409.28	2,891.14
Whiston	979.74	1,143.03	1,306.33	1,469.62	1,796.21	2,122.78	2,449.36	2,939.24
Wickersley	987.50	1,152.08	1,316.67	1,481.25	1,810.42	2,139.58	2,468.74	2,962.50
Woodsetts	1,013.64	1,182.58	1,351.53	1,520.47	1,858.36	2,196.24	2,534.11	3,040.94

Appendix C

Parish Council and Parish Meeting Tax Bases, Precepts and Band D Council Taxes

<u>Parish Council/Meeting</u>	<u>2011/12</u>			<u>2012/13</u>			<u>Change in Council Tax %</u>	
	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>		<u>G</u>
	<u>Tax Base</u>	<u>Precept £</u>	<u>Band D Council Tax £</u>	<u>Tax Base</u>	<u>Precept £</u>	<u>Band D Council Tax £</u>		<u>Tax %</u>
Anston	3,027.95	260,000	85.87	3,035.03	260,000.00	85.67	-0.2	
Aston-cum-Aughton	4,568.22	224,000	49.03	4,597.07	252,500.00	54.93	12.0	
Bramley	2,387.07	81,000	33.93	2,430.64	89,000.00	36.62	7.9	
Brampton Bierlow	1,276.13	66,000	51.72	1,283.89	66,000.00	51.41	-0.6	
Brinsworth	2,435.77	173,040	71.04	2,451.58	181,000.00	73.83	3.9	
Catcliffe	572.88	49,050	85.62	571.33	49,050.00	85.85	0.3	
Dalton	2,896.91	130,000	44.88	2,889.30	150,000.00	51.92	15.7	
Dinnington St John's	2,589.03	143,000	55.23	2,576.36	147,290.00	57.17	3.5	
Firbeck	135.02	3,750	27.77	136.48	3,750.00	27.48	-1.0	
Gildingwells	41.71	0.00	0.00	42.00	0.00	0.00	0.0	
Harthill with Woodall	667.36	42,046	63.00	669.99	44,105.00	65.83	4.5	
Hellaby	256.76	8,486	33.05	250.45	8,910.30	35.58	7.7	
Hooton Levitt	55.10	0.00	0.00	56.74	0.00	0.00	0.0	
Hooton Roberts	81.38	500	6.14	81.77	0.00	0.00	-100.0	
Laughton-en-le-Morthen	464.05	22,408	48.29	468.90	22,408.00	47.79	-1.0	
Letwell	61.40	1,574	25.64	62.18	1,574.00	25.31	-1.3	
Maltby	4,694.90	192,034	40.90	4,700.62	193,954.00	41.26	0.9	
Orgreave	215.73	6,500	30.13	216.41	6,950.00	32.11	6.6	
Ravenfield	1,055.56	40,000	37.89	1,049.49	37,500.00	35.73	-5.7	
Thorpe Salvin	202.54	8,125	40.12	198.36	8,325.00	41.97	4.6	
Thrybergh	1,094.16	70,000	63.98	1,098.73	70,000.00	63.71	-0.4	
Thurcroft	1,966.09	126,700	64.44	1,975.65	131,320.00	66.47	3.2	
Todwick	650.48	34,400	52.88	660.08	44,400.00	67.26	27.2	
Treeton	870.28	52,000	59.75	882.77	52,000.00	58.91	-1.4	
Ulley	64.21	6,360	99.05	66.29	6,360.00	95.94	-3.1	
Wales	2,141.66	159,371	74.41	2,152.17	160,761.00	74.70	0.4	
Wentworth	583.36	9,000	15.43	582.48	9,000.00	15.45	0.1	
Whiston	1,640.95	63,315	38.58	1,643.07	64,897.88	39.50	2.4	
Wickersley	2,712.99	128,750	47.46	2,713.79	138,750.00	51.13	7.7	
Woodsetts	623.32	56,072	89.96	620.61	56,072.00	90.35	0.4	
	40,032.97	2,157,481	28.65	40,164.23	2,255,877.18	29.72	3.7	

The amounts in column F being the amounts to be added to the amount at 3f in Appendix A above to give the basic amounts of its Council Tax for the year for dwellings in those parts of the Council's area to which Parish Precepts relate.