

Chichester District Council

COUNCIL

27 February 2024

Council Tax Resolution

1. Contacts

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2. Recommendation

- 2.1. **That having considered the Cabinet's budget proposals from their meeting of 6 February 2024, Council are asked to also approve the Council Tax Resolutions as set out in Appendix A.**

3. Main Report

3.1 Introduction

- 3.1.1 The Cabinet at its meeting on 6 February 2024 recommended that Council approve a £5.41 (2.99%) Council Tax increase for 2024-25. The purpose of this report is to enable Council to make the necessary resolutions in relation to the setting of Council Tax for 2024-25.
- 3.1.2 Section 30(1) of the Local Government Finance Act 1992 requires the Council to set an amount of Council Tax each financial year for each category of dwelling in its area. Chichester District Council, as a billing authority for the purposes of Council Tax, is required to set its Council Tax before 11 March in the financial year preceding that for which the Council Tax is set.
- 3.1.3 These amounts are based on the Council's own budget, plus precepts from Parish Councils where applicable, plus shares of the budget for West Sussex County Council and The Police and Crime Commissioner for Sussex, all divided by the tax base. At its meeting on 5 December 2023, the Cabinet approved the tax base for the Chichester District and for each of the Parish/Town Council areas for 2024-25 totalling 56,163.0 Band D equivalents.
- 3.1.4 For the purpose of calculating council tax, dwellings are allocated to valuation bands and the amount of Council Tax paid for dwellings in each band is calculated using nationally set weightings for each band.

3.1.5 The precept levels of the other precepting bodies are as follows:

Parish and Town Councils

The Parish and Town Council precepts for 2024-25 are detailed in Appendix C and total £4,678,454.69. The increase in the average Band D Council Tax for Parish and Town Councils is 9.77% and results in an average Band D Council Tax figure of £83.30 for 2024-25.

West Sussex County Council

West Sussex County Council met on 16 February 2024 and set their precept at £96,316,736.85. This results in a Band D Council Tax of £1,714.95, a 4.99% increase on the previous year.

The Police and Crime Commissioner for Sussex

The Police and Crime Commissioner for Sussex met on 8 February 2024 and set their precept at £14,204,184.33. This results in a Band D Council Tax of £252.91, an increase of 5.4% on the previous year.

3.2 Explanatory Note

3.2.1 The Act specifies the calculations required and the resolution is structured to meet those requirements. The resolution is divided into the following sections:

a) Council Tax Base (Resolution 1)

This resolution stipulates the Council Tax Base for the forthcoming financial year, as agreed by the Cabinet at its meeting on 5 December 2023.

b) Council Tax Requirement (Resolution 2)

This resolution sets the Councils own Council Tax Requirement for the purpose of setting council tax. It represents the amount of council tax that the Council must collect from the council tax payers in its area to fund the budget for its own activities for the forthcoming year. The Council Tax Requirement is calculated by taking the Council's Net Revenue Budget for 2024-25 of £17,618,700 and deducting the aggregate of the amount of support the Council receives from the government in the form of the Formula Grant and other Non-specific Grants, and transfers to or from the Collection Fund.

c) Basic Amount of Council Tax (Resolution 3)

This resolution sets the Basic Amount of Council Tax for each part of the Council's area. These amounts are based on precepts from parish councils in addition to the budget for the Council's own activities and hence the Basic Amount of Council Tax differs between parts of the Council's area.

d) Precepts of Major Precepting Authorities (Resolution 4)

As a billing authority, the Council also collects council tax in its area on behalf of West Sussex County Council and The Police and Crime Commissioner for Sussex. The amount that they precept is based on their Council Tax Requirement, divided between West Sussex districts and boroughs in proportion to the number of Band D equivalent dwellings in each district/borough area.

e) Setting of Council Tax (Resolution 5)

This resolution sets out the total amount of council tax payable for each category of dwelling and for each part of the Council's area, including the basic amount for each part of the Council's area plus the amounts precepted by West Sussex County Council and The Police and Crime Commissioner for Sussex.

f) Excessive Council Tax Increases (Resolution 6)

The Localism Act 2011 abolished the council tax capping regime in England and introduced a new chapter into the Local Government Finance 1992 Act, making provision for council tax referendums to be held if an authority increases its council tax by an amount exceeding the principles determined by the Secretary of State and agreed by the House of Commons.

Under Section 52ZC of the 1992 Act, the principles for 2024-25 are, that authorities such as Chichester (i.e. any shire district council) are required to seek approval from their electorate in a referendum if, compared with 2023-24, they set a council tax increase of 3% (or more than 3%) or more than £5.00 whichever is greater.

Section 52ZB of the 1992 Act requires the Council to determine whether its Relevant Basic Amount of Council Tax is excessive in accordance with these principles.

4. Background Papers

4.1. Budget Spending Plans Report submitted to the Cabinet on 6 February 2024.

5. Appendices

- Appendix A Council Tax Resolutions
- Appendix B Council Tax charges 2024-25
- Appendix C Town and Parish Council precepts

Chichester District Council

COUNCIL TAX RESOLUTION

The Council is recommended to resolve as follows:

1. It be noted that on 5 December 2023, the Council calculated the Council Tax Base 2024-25
 - a) for the whole Council area as 56,163.0 [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the “Act”)]; and
 - b) for dwellings in those parts of its area to which a Parish precept relates as in the attached Appendix C.

2. That the Council Tax requirement for the Council’s own purposes for 2024-25 (excluding Parish precepts) is £10,473,300.

3. That the following amounts be calculated by the Council for the year 2024-25 in accordance with Sections 31 to 36 of the Act:
 - a) **£106,950,455** 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) **£91,798,700** being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

 - c) **£15,151,755** 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) **£269.78** 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) **£4,678,455** 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) **£186.48** 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.

4. That it be noted that for the year 2024-25, the West Sussex County Council and The Police and Crime Commissioner for Sussex have issued precepts to the Council in accordance with Section 40 of the Local Government Finance Act 1992 for each category of dwellings in the Council's area as indicated in the tables below:

West Sussex County Council

Valuation Band							
A £	B £	C £	D £	E £	F £	G £	H £
1,143.30	1,333.85	1,524.40	1,714.95	2,096.05	2,477.15	2,858.25	3,429.90

The Police and Crime Commissioner for Sussex

Valuation Band							
A £	B £	C £	D £	E £	F £	G £	H £
168.61	196.71	224.81	252.91	309.11	365.31	421.52	505.82

5. That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the amounts shown in Appendix B as the amounts of Council Tax for the year 2024-25 for each part of its area and for each of the categories of dwellings.
6. That the Council hereby determines in accordance with Section 52ZB of the Local Government Finance Act 1992, that its relevant basic amount of Council Tax for 2024-25 is not excessive in accordance with the principles approved by the Secretary of State under Section 52ZC of the Local Government Finance Act 1992. As the billing authority, the Council has not been notified by a major precepting authority that its relevant basic amount of Council Tax for 2024-25 is excessive and that the billing authority is not required to hold a referendum in accordance with Section 52ZK of the Local Government Finance Act 1992.

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