

Council Tax Resolution

Council Tax Resolution – An Explanation

The Council Tax resolution has to be very precise legally and so has to quote the sections of the appropriate Acts of Parliament. The following is a simplified explanation of each of the significant parts of the resolution:

- (1) the number of Band D equivalent properties to be used in the calculation of the Council Tax;
- (2) the Council Tax Requirement, excluding parish precepts;
- (3)(a) the Council's budgeted gross expenditure, including parish precepts and special expenses;
- (3)(b) the Council's budgeted income;
- (3)(c) the Council's Budget Requirement, including parish precepts;
- (3)(d) the budgeted income from Business Rates, Revenue Support Grant, other non-service specific grant and Collection Fund surpluses/deficits;
- (3)(e) the Council Tax Requirement, including parish precepts;
- (3)(f) the average band D Council Tax being levied in the district, for the Council and all the parishes;
- (3)(g) the amount of parish precepts and special expenses;
- (3)(h) the headline Council Tax amount for the Council. This is the amount required to fund this Council's general expense services that cover the whole district.

For those areas that raise a parish precept, the figure in Schedule B of Attachment H shows the Council's band D equivalent Council Tax figure inclusive of the relevant parish precept;

The figures in Schedule C of Attachment H shows the amount of the Council Tax for each of the valuation bands, by County, Police, District and Parish, and

Schedule D of Attachment H shows the total aggregate Council Tax for each of the valuation bands, (i.e. inclusive of County, Police, District and Parish precepts).

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The Council is recommended to resolve as follows:

1. It be noted that the Council calculated the Council Tax Base 2020/21:
 - (a) for the whole Council area as **56,138.14** [Item T in the formula in Section 31B of the Local Government Finance Act 1992, as amended (the "Act")];
 - (b) for the predecessor area of St Edmundsbury Borough Council as **37,258.52** and for the predecessor area of Forest Heath District Council as **18,879.62**; and
 - (b) for dwellings in those parts of its area to which one or more special items relate as in the attached Schedule A of Attachment H.
2. That the Council Tax requirement for the Council's own purposes for 2020/21 (excluding Town and Parish precepts) is **£9,943,251**.
3. The following amounts be now calculated by the Council for the year 2020/21 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992:
 - (a) **£92,660,141**, 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 Town and Parish Councils.
 - (b) **£67,709,047**, being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) **£24,951,094**, 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 Budget requirement for the year. (Item R in the formula in Section 31B of the Act).
 - (d) **£10,662,009**, being the aggregate of the sums which the Council estimates will be payable for the year into its General Fund in respect of Business Rates, Revenue Support Grant or additional grant, increased or reduced by the amount of the sums which the Council estimates will be transferred in the year from its Collection Fund to its General Fund, in accordance with Section 97(3) and 98(4) of the Local Government Finance Act 1988. (Item P in the formula in Section 31B of the Act).
 - (e) **£14,289,085** being the amount at 3(c) above less the amount at 3(d) above, broken down as follows:

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- Forest Heath Predecessor Area being **£4,931,381**
 - St Edmundsbury Predecessor Area being **£9,357,702**
- (f) the amount at 3(e) above, 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 Town and Parish) being:
- Forest Heath Predecessor Area being **£261.20**
 - St Edmundsbury Predecessor Area being **£251.16**
- (g) **£4,345,832**, being the aggregate amount of all special items (Town and Parish precepts) referred to in Section 34(1) of the Act (as per the attached Schedule A of Attachment H), broken down as follows:
- Forest Heath Predecessor Area being **£1,835,501**
 - St Edmundsbury Predecessor Area being **£2,510,331**
- (h) the amount at 3(f) above less the result given by dividing the amount at 3(g) 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 Town and Parish precept relates being:
- Forest Heath Predecessor Area being **£163.98**
 - St Edmundsbury Predecessor Area being **£183.78**
- (i) the figures in Schedule B of Attachment H, being the amounts given by adding to the amount at 3(h) above the amounts of the special item relating to dwellings in those parts of the Council's area mentioned above divided, in each case, by the amount at 1(a) 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; and
- (j) the figures in Schedule C of Attachment H, being the amounts given by multiplying the amounts at 3(h) and 3(i) above 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.

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4. The Council's basic amount of Council Tax for 2020/21 is not excessive in accordance with principles approved under Section 54(2) Local Government Finance Act 1992.