

# CHESHIRE EAST COUNCIL

## Council

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**Date of meeting:** 24 February 2009  
**Report of:** Borough Treasurer & Head of Assets  
**Title:** Council Tax 2009/10 – Statutory Resolution

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### **1.0 Purpose of Report**

- 1.1 To set the Council Tax for the financial year 2009/10.

### **2.0 Decision Required**

- 2.1 To set the Council Tax for the financial year 2009/10, in accordance with the formal resolutions as shown in section 11 of the report.

### **3.0 Background**

- 3.1 In accordance with the Local Government Finance Act 1992 the Council is required to set the amounts of the Council Tax for 2009/10 for each of the categories of dwelling in the Council Tax area. This requirement is achieved by approving the statutory resolution shown in this report.

The Council Tax levied is made up of four elements as follows:

- the Council Tax Base for 2009/10 - Appendix A.
- the statutory calculation required to arrive at the amount of Council Tax for each area in respect of Borough Council, Parish Council and Charter Trustees requirements - Appendices B and C.
- the precepts issued by Cheshire Police Authority and Cheshire Fire Authority under Section 40 of the Act – sections 8 and 9 of the report.
- the statutory calculation of the aggregate of the Borough Council, Parish Council, Charter Trustees, Cheshire Police Authority and Cheshire Fire Authority amount of Council Tax for each of the categories of the dwelling for each Council Tax area – Appendix D.

### **4.0 Council Tax Base**

- 4.1 The Council Tax base for 2009/10 year is 144,761.46. A breakdown of the calculation by Parish and Charter Trustees area is shown in Appendix A.

## 5.0 General Fund Budget

- 5.1 On 17<sup>th</sup> February 2009, Cabinet recommended a General Fund Budget of £234,113,000. The budget is detailed in a separate report on the Council Agenda.

## 6.0 Cheshire East Borough Council Tax

- 6.1 The amount of Council Tax that the Borough Council is to levy is:

	£000
Net Budget Requirement	234,113,000
Add Collection Fund Deficit	773,175
Less Revenue Support Grant	11,579,867
Less Business Rate Pool	50,169,928
<b>Council Tax Requirement</b>	<b>173,136,380</b>

The Band D Council Tax is therefore £1,196.01 (the net requirement of £173,136,380 divided by the tax base of 144,761.46).

## 7 Parish Council Precepts and anticipated amounts for Charter Trustees

- 7.1 Each Parish has notified the Council with its precept requirement for the year and amounts have been anticipated for the Charter Trustees of Crewe and Macclesfield. The total amount of these special items is £2,716,487, which produces an average Band D Council Tax of £18.77.

## 8. Police Authority Precept

- 8.1 The precept demand issued by Cheshire Police Authority is £20,368,293 which produces a Band D Council Tax of £140.70. This represents an increase of £4.95 (3.65%). Cheshire Police Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown below:-

Valuation Bands							
A	B	C	D	E	F	G	H
93.80	109.43	125.07	140.70	171.97	203.23	234.50	281.40

## 9. FIRE AUTHORITY PRECEPT

- 9.1 The precept demand issued by Cheshire Fire Authority is £9,341,457 which produces a Band D Council Tax of £64.53. This represents an increase of £1.82 (2.9%). Cheshire Fire Authority has stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, for each of the categories of dwelling shown below:-

Valuation Bands							
A	B	C	D	E	F	G	H
£43.02	£50.19	£57.36	£64.53	£78.87	£93.21	£107.55	£129.06

## 10 TOTAL COUNCIL TAX

- 10.1 The average Council Tax to be charged to taxpayers in Band D can be summarised as follows:

Element	Charge
	£
Cheshire East Borough Council	1,196.01
Average for Parish Councils and Charter Trustees	18.77
<b>Average Local Council Tax</b>	<b>1,214.78</b>
Cheshire Police Authority	140.70
Cheshire Fire Authority	64.53
<b>Total Council Tax</b>	<b>1,420.01</b>

## 11 FORMAL RESOLUTION

- 11.1 That it be noted that the Council calculated the following amount for the year 2009/10 in accordance with Regulations made under Section 30 - 36 of the Local Government Finance Act 1992:-

- a. £705,997,453 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. £469,167,966 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. £236,829,487 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 32(4) of the Act, as its budget requirement for the year.
- d. £60,976,620 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 (£50,169,928) revenue support grant (£11,579,867) or additional grant reduced by the amount of the sum which the Council estimates will be transferred in the year from its general fund to its collection fund (£773,175) in accordance with Section 97(4) of the Local Government Finance Act 1988.
- e. £1,214.78 being the amount at (c) above less the amount at (d) above, all divided by the amount of the tax base, calculated by the Council, in accordance with Section 33(1) of the Act, as the basic amount of its Council Tax for the year.
- f. £2,716,487 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- g. £1,196.01 being the amount at (e) above less the result given by dividing the amount at (f) above by the amount of the tax base, 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.
- h. Appendix A being the amounts calculated by the Council, in accordance with regulations 3 and 6 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992, as its total council tax base for the year and council tax base for dwellings in those parts of its area to which one or more special items relate.
- i. Appendix B being the amounts given by adding to the amount at (g) above, the amounts of special items relating to dwellings in those parts of the Council's area mentioned above divided by in each case the appropriate tax base from Appendix A, calculated by the Council in accordance with Section 34(3)

of the 1992 Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of the area to which one or more special items relate. (Band D charges for each Parish and Charter Trustees area).

- j. Appendix C being the amounts given by multiplying the amount at (i) above by the number which, in the proportion set out in Section 5(1) of the 1992 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 1992 Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands (Local charges for all Bands).
- k. Appendix D being the aggregate of the local charges in (j) above and the amounts levied by major precepting authorities, calculated in accordance with Section 30(2) of the 1992 Act (The total Council Tax charge for each band in each Parish and Charter Trustees area).

## **12 RISKS ASSOCIATED WITH THE PROPOSED DECISION**

12.1 There is a statutory requirement for the Council to set the Council Tax.

### ***For further information:***

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### ***Background Documents:***

*Cabinet Report – Council Tax Base 2009/10 – 2<sup>nd</sup> December 2008*  
*Cabinet Report – Medium Term Financial Strategy – 17<sup>th</sup> December 2008*  
*Cabinet Report – Medium Term Financial Strategy Budget Setting 2009/10 – 17<sup>th</sup> February 2009*

*Documents are available for inspection at:*

*Cheshire East Democratic Services  
Westfields  
Middlewich Road  
Sandbach  
CW11 1HZ*