

Page 1
Cheltenham Borough Council

Council 20th February 2023

Council Tax Resolution 2023/24

Accountable member:

Cllr Peter Jeffries, Cabinet Member for Finance & Assets

Accountable officer:

Paul Jones, Executive Director Finance Assets and Regeneration

Ward(s) affected:

All

Key Decision: Yes

Executive summary:

The purpose of this report is to enable the Council to set the Council Tax for 2023/24. The Council agreed its budget and level of Council Tax for 2023/24 at its meeting on 20th February 2023. The Council is required to formally approve the total Council Tax for residents of Cheltenham, including the Council Tax requirements of the precepting organisations Gloucestershire County Council (GCC) and The Police and Crime Commissioner for Gloucestershire

Recommendations:

1. Approve the formal Council Tax resolution at Appendix 2 and note the commentary in respect of the increase in Council Tax at Paragraph 6 of Appendix 2
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1. Implications

1.1 Financial, Property and Asset implications

Failure to agree the Council Tax resolution at this meeting would delay the preparation of council tax bills and the collection of the payments from residents. This may result in lost interest on income collected, which given the prevailing low interest rates, would be approximately £1-2k per month.

Signed off by: Gemma Bell, Director of Finance & Assets (Deputy S151 Officer)
gemma.bell@cheltenham.gov.uk

1.2 Legal implications

The legislative context is set out in the report.

Signed off by: One Legal, legalservices@onelegal.org.uk

1.3 Corporate Plan Priorities

None arising from this report.

1.4 Environmental and climate change implications

None arising from this report.

1.5 Equality, Diversity and Inclusion Implications

None arising from this report.

2 Background

2.1 The Localism Act 2011 has made significant changes to the Local Government Finance Act 1992, and now requires the billing authority to calculate a Council Tax requirement for the year, not its budget requirement as previously.

2.2 The Council agreed the budget and level of Council Tax for 2023/24 (previous agenda item) on 20th February 2022. The Council is now required to formally approve the total Council Tax for residents of Cheltenham, including the Council Tax requirements of the precepting organisations, Gloucestershire County Council (GCC) and The Police and Crime Commissioner for Gloucestershire.

2.3 Gloucestershire County Council (GCC) and The Police and Crime Commissioner for Gloucestershire have both met to set their council taxes for 2023/24.

2.4 The total Council Tax to be paid by residents of Cheltenham in 2023/24 by council tax band, including the precepting authorities, is contained in Appendix 2.

3 Reasons for recommendations

3.1 To enable the Council to set the Council Tax for 2023/24.

4 Alternative options considered

4.1 Not applicable.

5 Consultation and feedback

5.1 Not applicable.

6 Key risks

6.1 As outlined in the financial implications.

Report author:

Jon Whitlock, Finance Business Partner jon.whitlock@cheltenham.gov.uk

Appendices:

- i. Risk Assessment
- ii. Council Tax Resolution 2023/24

Background information:

1. Council Budget Report 20th February 2023

Appendix 1: Risk Assessment

Risk ref	Risk description	Risk owner	Impact score (1-5)	Likelihood score (1-5)	Initial raw risk score (1 - 25)	Risk response	Controls / Mitigating actions	Control / Action owner	Deadline for controls/ actions
c.tax 1	Failure to agree the 2023/24 Council Tax resolution may result in lost interest on income.	Gemma Bell	4	1	4	Accept the risk	Councilors to agree council tax resolution at meeting.	Gemma Bell	20/02/2023

CHELTENHAM BOROUGH COUNCIL

COUNCIL
20 FEBRUARY 2023

COUNCIL TAX RESOLUTION 2023/24

1. It be noted that on 12 December 2022 the Council calculated the Council Tax Base for 2023/24 as follows:
 - (a) for the whole Council area as **43,650.00**
[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 **Table E** below.

2. Calculate that the Council Tax requirement for the Council's own purposes for 2023/24 (excluding Parish precepts) is £10,073,547.

3. That the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Act:
 - (a) £108,744,744 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) £98,243,774 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.
 - (c) £10,500,970 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) £240.57 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) £427,423 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached **Table E** below).
 - (f) £230.78 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 precept relates.

4. To note that Gloucestershire County Council and the Police and Crime Commissioner for Gloucestershire 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 **Table A** below.
5. To note that the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in **Table A** below as the amounts of Council Tax for 2023/24 for Cheltenham Borough Council, Gloucestershire County Council and the Police and Crime Commissioner for Gloucestershire, for each of the categories of dwellings.

Table A

Council Tax for 2023/24 for each of the categories of dwellings shown below:

Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Cheltenham Borough Council	153.85	179.50	205.14	230.78	282.06	333.35	384.63	461.56
Gloucestershire County Council	1,015.85	1,185.16	1,354.47	1,523.78	1,862.40	2,201.02	2,539.63	3,047.56
The Police and Crime Commissioner for Gloucestershire	196.72	229.51	262.29	295.08	360.65	426.23	491.80	590.16
Aggregate Council Tax (Excluding Parishes)	1,366.42	1,594.17	1,821.90	2,049.64	2,505.11	2,960.60	3,416.06	4,099.28

Table B

Parish amount of Council Tax for 2023/24 for each of the categories of dwellings shown below:

Part of the Council's area	Valuation Bands							
Band	A	B	C	D	E	F	G	H
	£	£	£	£	£	£	£	£
Charlton Kings	28.38	33.11	37.84	42.57	52.03	61.49	70.95	85.14
Leckhampton with Warden Hill	12.50	14.58	16.67	18.75	22.92	27.08	31.25	37.50
Prestbury	22.37	26.09	29.82	33.55	41.01	48.46	55.92	67.10
Swindon	11.47	13.39	15.30	17.21	21.03	24.86	28.68	34.42
Up Hatherley	8.07	9.42	10.76	12.11	14.80	17.49	20.18	24.22

Table C

Aggregate of amounts of Council Tax for the year 2023/24 for the Borough of Cheltenham and each Parish, for each of the categories of dwellings shown below:

Part of the Council's area	Valuation Bands							
	A	B	C	D	E	F	G	H
Band	£	£	£	£	£	£	£	£
Charlton Kings	182.23	212.61	242.98	273.35	334.09	394.84	455.58	546.70
Leckhampton with Warden Hill	166.35	194.08	221.81	249.53	304.98	360.43	415.88	499.06
Prestbury	176.22	205.59	234.96	264.33	323.07	381.81	440.55	528.66
Swindon	165.32	192.89	220.44	247.99	303.09	358.21	413.31	495.98
Up Hatherley	161.92	188.92	215.90	242.89	296.86	350.84	404.81	485.78

Table D

Aggregate of amounts of Council Tax the year 2023/24, for Gloucestershire County Council, The Police and Crime Commissioner for Gloucestershire, the Borough of Cheltenham and each Parish, for each of the categories of dwellings shown below:

Part of the Council's area	Valuation Bands							
	A	B	C	D	E	F	G	H
Band	£	£	£	£	£	£	£	£
Charlton Kings	1,394.80	1,627.28	1,859.74	2,092.21	2,557.14	3,022.09	3,487.01	4,184.42
Leckhampton with Warden Hill	1,378.92	1,608.75	1,838.57	2,068.39	2,528.03	2,987.68	3,447.31	4,136.78
Prestbury	1,388.79	1,620.26	1,851.72	2,083.19	2,546.12	3,009.06	3,471.98	4,166.38
Swindon	1,377.89	1,607.56	1,837.20	2,066.85	2,526.14	2,985.46	3,444.74	4,133.70
Up Hatherley	1,374.49	1,603.59	1,832.66	2,061.75	2,519.91	2,978.09	3,436.24	4,123.50
All other parts of the Council's area	1,366.42	1,594.17	1,821.90	2,049.64	2,505.11	2,960.60	3,416.06	4,099.28

Table E

Parish Council Precepts, Tax Base and Council Tax for 2023/24 and 2022/23:

Parish	2022/23			2023/24			Council Tax Increase/ (decrease)
	Tax Base	Precept £	Council Tax Band D (£)	Tax Base	Precept £	Council Tax Band D (£)	
Charlton Kings	5,004.50	177,159.00	35.40	5,006.10	213,095.00	42.57	20.25%
Leckhampton with Warden Hill	3,426.40	64,260.00	18.75	3,440.50	64,509.00	18.75	0.00%
Prestbury	3,172.90	97,132.00	30.61	3,184.80	106,845.20	33.55	9.60%
Swindon	701.40	12,175.58	17.36	707.50	12,175.58	17.21	-0.86%
Up Hatherley	2,523.80	28,974.00	11.48	2,542.80	30,798.00	12.11	5.49%
TOTAL		379,700.58			427,422.78		

6. To note that the relevant basic amount of council tax for the financial year 2023/24, which reflects a 2.99% increase, is not excessive in accordance with the principles approved by the Secretary of State under Section 52ZB of the Local Government Finance Act 1992 as amended and the Referendums Relating to Council Tax Increases (Principles) (England) Report 2023/24 and, therefore, there is no requirement to hold a referendum.