



Report to Cumberland Council

Meeting Date – 6th March 2024

Key Decision – Yes

Public/Private – Public

Portfolio – Councillor Barbara Cannon, Finance and Assets Portfolio Holder

Directorate – Resources

Report Author – Catherine Bell, Chief Finance Officer, S151 Officer

Title – Council Tax Resolution 2024-25

Brief Summary

To approve the necessary resolutions for Council Tax setting in accordance with Sections 31 – 36 of the Local Government Finance Act 1992.

Recommendation

It is recommended that Council:-

(1) approves the resolutions, set out in Appendix A.

Tracking

Executive:	N/A
Scrutiny:	N/A
Council:	6 March 2024

1. Background

- 1.1. The purpose of this report is to enable the Council to calculate and approve the Council Tax requirement for 2024-25, as required by The Local Government Finance Act 1992 (as amended).

2. Proposals

Local Precepting Authorities

- 1.2. The Local Precepting Authorities for 2024-25 are detailed in Appendix C and total £5,734,908.65. This results in an average Band D Council Tax of £63.74 for 2024-25.
- 1.3. Under section 41(4) of the Local Government Finance Act 1992 a Local Precepting Authority has until the 1 March to submit their Precept to the billing authority.
- 1.4. The Precept figure included in Appendix A and Appendix C is based on the information the Council has received and any changes or substitute amounts received between this report being published and the date of the meeting, will be tabled at the meeting.

Major precepting Authorities

- Cumbria Commissioner Fire and Rescue Authority
- 1.5. Based on information that the Council has received from Cumbria Commissioner Fire & Rescue Authority, their precept is £8,388,504, this results in a Band D Council Tax of £93.24.
- Police & Crime Commissioner for Cumbria
- 1.6. Based on information that the Council has received from The Police and Crime Commissioner for Cumbria, their precept is £27,894,203, this results in a Band D Council Tax of £310.05.

Proposed Tax Levels

- 1.7. If the formal Council Tax Resolution at Appendix A is approved, the total Band D Council Tax will be as follows:

	2023-24	2024-24	Increase	Increase
	£	£	£	%
Local Precepting Authorities (average)	56.09	63.74	7.65	13.64%
Cumbria Commissioner Fire & Rescue Authority	90.54	93.24	2.70	2.98%
Police & Crime Commissioner for Cumbria	297.09	310.05	12.96	4.36%
Cumberland *	1,730.45	1,816.80	86.35	4.99%
TOTAL	2,174.17	2,283.83	109.66	5.04%

- 1.8. The Council Tax figure for the preceding financial year for Cumberland Council is the notional amount, as specified in Annex A of the 'Referendums Relating to Council Tax Increases (Alternative Notional Amounts(ANA)) (England) Report 2024-25'
- 1.9. This notional amount is different from the actual amount for 2023-24. The notional amount is lower following the Charter Trustees of the City of Carlisle becoming a Local Precepting Authority for 2024-25 which has reduced the Cumberland Council element of a band D bill by £39p a year (with relative reductions on other bands).

3. Alternative options considered

- 1.10. The Localism Act 2011 makes provision for Council Tax referendums to be held if an authority increases its basic amount of Council Tax in excess of principles determined by the Secretary of State. Town and Parish Council precepts are excluded when making this calculation.
- 1.11. The referendum threshold levels above which Council Tax would be considered excessive are set each year by Central Government, for 2024-25 a referendum will be triggered if Cumberland Council set a Council Tax increase is 5%, or more than 5% (comprising 2% for expenditure on adult social care and 3% for other expenditure) when compared to the authority's 'relevant basic amount of council tax for the immediately preceding financial year'.
- 1.12. The relevant basic amount of council tax for the immediately preceding financial year for Cumberland Council is the alternative notional amount, as specified in Annex A of the Annex A of the 'Referendums Relating to Council Tax Increases (Alternative Notional Amounts(ANA)) (England) Report 2024-25', this amount being £1,730.45 for the financial year beginning 1 April 2023.

4. Conclusion and reasons for recommendations

- 1.13. The Council is required to set the Council Tax each year in accordance with the legislative requirements summarised in this report.

Implications:

Contribution to the Cumberland Plan Priorities -

The Cumberland Council Tax is based on the Cumberland Budget, which is set to support the Council in achieving its priorities as set out in the Council Plan

Relevant Risks and explain how risks can be mitigated -

This report is a technical financial calculation and does not require a Risk Management Response

Consultation / Engagement -

The Cumberland Council Tax is based on the Cumberland Budget, a public consultation was held between 15th December 2023 and 12th January 2024. A summary of the responses is included within the body of the report budget and the Appendix I

Legal –

The Council must have a balanced budget to deliver its services and also achieve and sustain an appropriate level of reserves. The setting of the overall Council Tax for the Cumberland district is the final stage of the budget process and it is the responsibility of full Council to approve the aggregate charge before 11th March each year, in accordance with s30(6) of the Local Government Finance Act 1992. Members are each reminded that s106 Local Government Finance Act 1992 applies to this report and members who are two months or more in arrears with their Council Tax must declare this to the meeting and must not vote on any budget recommendations, including Council Tax setting, as to do otherwise can be a criminal offence.

Finance –

If the Council Tax is not set in accordance with the legislation then there is a risk the Council will be unable to bill in a timely manner with a consequential loss of revenue that may affect, adversely on the prudent management of the Council's financial affairs

Information Governance –

There are no specific information governance issues arising from this report

Impact Assessments –

This report is a technical financial calculation and does not require an Impact Assessment

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Background papers:

N/A

Appendices attached to report:

Appendix No.	Name of Appendix
A	Recommendations for Council approval
B-1	The amount of Council Tax which relates to the Local Precept applicable to each valuation band
B-2	Aggregate of the Council Tax for Cumberland Council and Local Precept by valuation band
B-3	The total amount of Council Tax to be levied in 2024-25, inclusive of Cumbria Commissioner Fire and Rescue Authority and the Police & Crime Commissioner for Cumbria Precept, applicable to each valuation band in each area
C	Local Precepting Authorities Council Tax Band D charge for 2024-25