

Part A

Report to: Council Functions Committee

Date of meeting: Wednesday, 23 February 2022

Report author: Head of Finance

Title: Setting the Council Tax for 2022/23

1.0 Summary

1.1 This report consolidates the decisions of this Council and the two precepting bodies, Hertfordshire County Council and the Police and Crime Commissioner for Hertfordshire to give the overall Council Tax for residents of Watford for 2022/23.

2.0 Risks

2.1 All risks around the Council budget are listed below. There are no direct risks arising from the recommendation of this report as it is a legal requirement that it is agreed.

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
That Cabinet does not agree the council tax base before the statutory date	The Council tax charge is not set	Revert to prior year's tax base	Treat	1
That Cabinet does not recommend revenue and capital estimates for 2021/22 to Council	The Council does not legally set a budget	Revert to previous MTFS	Treat	1
That the Council will exceed its borrowing parameters	Breach of Treasury Management Strategy (TMS)	Revision of TMS Prudential indicators	Treat	1

That the Council will be unable to service its annual borrowing costs	Budget Pressure	Provision in MTFS for anticipated borrowing	Tolerate	1
Investment with a counterparty that subsequently defaults	Recovery of principal will take longer	Invest in accordance with TMS	Tolerate	2
That the estimates used in the preparation of the report will not be sufficiently accurate.	Budget not correct	Mitigate through in year budget monitoring. Reset Budget at period 8	Treat	3
That the Council will not have adequate reserves to manage emerging risks.	Reserves diminish	General fund balance is £2M	Treat	3

3.0 Recommendations

- 3.1 That the Committee formally sets the total Council Tax for Watford Borough Council, which includes the precepts for Hertfordshire County Council and the Police and Crime Commissioner for Hertfordshire, as set out in the report.

Further information:

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Report approved by:

Alison Scott, Shared Director of Finance

4.0 Detailed proposal

- 4.1 Council approved its budget and Council Tax (a 1.5% increase for a Band D property) for 2022/23 at its meeting on 24 January 2022. The Police & Crime Commissioner for Hertfordshire and Hertfordshire County Council have stated the following amounts in precepts issued to the Council, in accordance with Section 40 of the Act,

for each of the categories of dwellings shown in paragraph 4.2 below for 2022/23 and the Committee is now required to set the total Council Tax for 2022/23.

- 4.2 The figures for all Council Tax bands for each body are set out in the table below. Having calculated the aggregate in each case, the Council, in accordance with Section 30 (2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of Council Tax for the year 2022/23 for each of the categories of dwellings as outlined below.

2022/23			Watford BC	Herts CC	Herts CC Social Care	Police & Crime Commissioner	Total
			<i>Precepting Authorities</i>				
Valuation Band	Ratio		£	£	£	£	£
A	6	9	188.27	899.09	120.45	148.67	1,356.48
B	7	9	219.65	1,048.93	140.53	173.44	1,582.55
C	8	9	251.03	1,198.78	160.60	198.22	1,808.63
D	9	9	282.41	1,348.63	180.68	223.00	2,034.72
E	11	9	345.17	1,648.33	220.83	272.56	2,486.89
F	13	9	407.93	1,948.02	260.98	322.11	2,939.04
G	15	9	470.68	2,247.72	301.13	371.67	3,391.20
H	18	9	564.82	2,697.26	361.36	446.00	4,069.44

- 4.3 The Police and Crime Commissioner for Hertfordshire agreed a £10 increase (Band D property) in his precept requirement for 2022/23. Hertfordshire County Council agreed a 1.99% increase on its relevant basic amount of council tax and a 2% increase relating to the social care fund for 2022/23.

5.0 Implications

5.1 Financial

- 5.1.1 The financial implications that apply to this Council were set out in the budget report to Council on 24 January 2022.

5.2 Legal Issues (Monitoring Officer)

- 5.2.1 The Group Head of Democracy and Governance comments that this is the final part in the process of setting the Council Tax prior to billing. It is a legal requirement that this is agreed.

5.3 Equalities, Human Rights and Data Protection

5.3.1 Under s149 (1) of the Equality Act the council must have due regard, in the exercise of its functions, to the need to –

- eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Act
- advance equality of opportunity between persons who share relevant protected characteristics and persons who do not share them
- foster good relations between persons who share relevant protected characteristics and persons who do not share them.

5.3.2 Having had regard to the council's obligations under s149, it is considered that there are no implications arising directly from this report.

5.3.3 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

5.4 Staffing

5.4.1 There are no staffing issues arising directly from this report.

5.5 Accommodation

5.5.1 There are no accommodation issues arising directly from this report.

5.6 Community Safety/Crime and Disorder

5.6.1 There are no Community Safety or Crime and Disorder issues included in this report.

5.7 Sustainability

5.7.1 There are no sustainability issues arising directly from this report.

Background papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

- Report to Council 24 January 2022