

1 Summary

- 1.1 The purpose of this report is to enable the Council to calculate and set the Council Tax for 2024/25.

Recommendation

- a To approve the formal Council Tax resolution at Appendix A; and**
b To approve the updated strategy set out in paragraph 8.1.1.

2 Background

- 2.1 The Local Government Finance Act 1992 requires the billing authority to calculate a Council Tax requirement for the year.
- 2.2 Since the meeting of the Executive Board the precept levels of other precepting bodies have been received. These are detailed below.

3 Town & Parish Councils

- ... 3.1 The Town and Parish Council Precepts for 2024/25 are detailed in Appendix B and total £1,264,313.27. The increase in the average Band D Council Tax for Town and Parish Councils is 6% and results in an average Band D Council Tax figure of £57.81 for 2024/25.

4 Warwickshire County Council

- 4.1 Warwickshire County Council has set a precept of £37,968,843.28 This results in a Band D Council Tax of £1,736.19.

5 Warwickshire Police Authority

- 5.1 The Police and Crime Commissioner for Warwickshire has set a precept of £6,335,842.57 for 2024/25. This results in a Band D Council Tax of £289.71.

6 Conclusions

6.1 The recommendations of the Executive Board, including the 2.99% increase in Council Tax, are set out in the formal Council Tax Resolution in Appendix A.

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

	2023/24 £	2024/25 £	Increase %
North Warwickshire Borough Council	228.86	235.70	2.99
Warwickshire County Council	1,653.57	1,736.19	5.00
Warwickshire Police Authority	276.71	289.71	4.69
Sub-Total	2,159.14	2,261.60	4.75
Town and Parish Council (average)	54.55	57.81	5.97
Total	2,213.69	2,319.41	4.78

7 Restrictions on Voting

7.1 Under Section 106 of the Local Government Finance Act 1992, a Member is not entitled to vote on any decision which affects the budget, if at the time of the decision they owe council tax which has been outstanding for two months or more.

7.2 In these circumstances, the Member affected needs to disclose the fact that Section 106 applies to them. The Member is still able to speak on budget matters, but is not entitled to vote. Failure to comply with Section 106 is a criminal offence.

8 Report Implications

8.1 Financial Implications

8.1.1 The Financial Strategy includes the Council Tax recommendation in Appendix A. This is summarised in the table below.

	2023/24 Revised £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000	2027/28 Estimate £000
Net Service Expenditure	11,977	13,399	13,020	13,388	13,705
Investment Income	(1,300)	(1,094)	(642)	(652)	(547)
Financing Adjustment	(1,006)	(781)	(795)	(648)	(670)
Requirement to reduce expenditure - 25/26	0	0	(500)	(500)	(500)
Requirement to reduce expenditure - 26/27	0	0	0	(500)	(500)
Requirement to reduce expenditure - 27/28	0	0	0		(1,000)
Net Expenditure	9,671	11,524	11,083	11,088	10,488
Council Tax	(4,986)	(5,155)	(5,362)	(5,605)	(5,859)
NDR - Baseline	(1,994)	(2,106)	(2,710)	(2,753)	(2,808)
NDR - Additional rates	(4,967)	(5,119)	0	0	0
Section 31 Grant - business rate multiplier	(340)	(375)	0	0	0
RSG	(81)	(86)	(89)	(90)	(92)
New Homes Bonus	(519)	(192)	0	0	0
Services Grant	(78)	(13)	(59)	(59)	(59)
Funding Guarantee Grant	(312)	(824)	0	0	0
Collection Fund (Surplus) / Deficit	(74)	13	(25)	(27)	(29)
Use of / (Contribution to) Balances	(3,679)	(2,332)	2,838	2,553	1,640
Balances at the Year End	(6,064)	(8,396)	(5,558)	(3,005)	(1,365)

8.2 Safer Communities Implications

8.2.1 The Council provides services and takes part in initiatives that work to improve Crime and Disorder levels within the Borough, and provision is included within the budgets for this.

8.3 Environment and Sustainability Implications

8.3.1 The Financial Strategy is linked to the delivery of targets and actions identified in the Corporate Plan and service plans. Continuing the budget strategy will allow the Council to manage its expected shortfall in resources without disruption of these targets and without disrupting essential services. Progress against both performance and financial targets are reported regularly to Service Boards.

8.3.2 Parts of the corporate and service plans directly support the sustainability agenda, for example, recycling and the green space strategy.

8.4 Equality Implications

8.4.1 Equality Assessments should be undertaken when making financial decisions to determine what the adverse impact on individuals or communities will be.

The Contact Officer for this report is Alison Turner (719374).

Background Papers

Local Government Act 1972 Section 100D, as substituted by the Local Government Act, 2000 Section 97

Background Paper No	Author	Nature of Background Paper	Date
General Fund Revenue Estimates Summary - 2023/24 Revised and Tax Set 2024/25	NWBC	Report to Executive Board	12 Feb 2024
Medium Term Financial Strategy 2023-28	NWBC	Report to Executive Board	27 Nov 2023

GENERAL FUND REVENUE ESTIMATES 2024/25 AND SETTING THE COUNCIL TAX 2024/25

The Council is recommended to resolve as follows:

- a That the revised revenue estimate for 2023/24 and the revenue estimate for 2024/25 be approved (Appendix D);**
- c That a Band D Council Tax increase of 2.99% for 2024/25 be approved;**
- d That the use of the Business Rate Reserve to fund capital expenditure on vehicles of £2.61million and £250,000 to set up a recyclables fluctuation specific reserve fund be approved;**
- e That the Interim Corporate Director Resources (Section 151 Officer) comments on the robustness of the budget and minimum acceptable level of general reserves be noted (Appendix E);**
- f1 That it be noted that in January 2024, the Council calculated the Council Tax Base for 2023/25:**
 - a for the whole Council area as 21,869.06 (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 Appendix B.
- f2 That the Council Tax Requirement for the Council’s own purposes for 2024/25 (excluding Parish precepts) is £5,154,540.00;**
- f3 That the following amounts be calculated by the Council for the year 2024/25, in accordance with Sections 31 to 36 of the Act:-**
 - a £45,037,233.27 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 £38,618,380.00 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act,
 - c £6,418,853.27 being the amount by which the aggregate at g3(a) above exceeds the aggregate of f3(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 £293.51 being the amount at f3(c) above (Item R), all divided by Item T (g1(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 Councils),
 - e £1,264,313.27 being the aggregate amount of all special items (Parish precepts) referred to in Section 34(1) of the Act (as per the attached Appendix B).
 - f £235.70 being the amount of f3(d) above, less the result given by dividing the amount at f3(e) above by Item T (f1(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.

f4 To note that for 2024/25, Warwickshire County Council and the Office of the Police and Crime Commissioner for Warwickshire have issued precepts to the Council, in accordance with Section 40 of the Local Government Finance Act 1992 for each of category of dwellings in the Council’s area as indicated in the table below.

f5 That the Council, in accordance with Sections 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2024/25 for each part of its area and for each of the categories of dwellings.

Precepting Authority	Valuation Bands							
	A £	B £	C £	D £	E £	F £	G £	H £
North Warwickshire BC	157.13	183.32	209.51	235.70	288.08	340.46	392.83	471.40
Warwickshire CC	1,007.43	1,175.34	1,343.24	1,511.15	1,846.96	2,182.78	2,518.58	3,022.30
Warwickshire CC – Adult Social care	150.03	175.03	200.04	225.04	275.05	325.05	375.07	450.08
Warwickshire Police Auth.	193.14	225.33	257.52	289.71	354.09	418.47	482.85	579.42
Aggregate of Council Tax Requirements	1,507.73	1,759.02	2,010.31	2,261.60	2,764.18	3,266.76	3,769.33	4,523.20

f6 The Council has determined that its relevant basic amount of Council Tax for 2024/25 is not excessive, in accordance with the principles approved under section 52ZB of the Local Government Finance Act 1992.

COUNCIL TAX AMOUNTS 2024/25

APPENDIX B

Area Name	A	B	C	A	B	C
	Precept £	2023/24 Taxbase*	Band D £	Precept £	2024/25 Taxbase*	Band D £
<u>Parishes</u>						
Ansley	24,723.00	819.86	30.16	25,762.36	830.34	31.03
Arley	30,000.00	863.64	34.74	42,000.00	863.14	48.66
Astley	2,000.00	78.19	25.58	2,000.00	81.54	24.53
Atherstone	175,298.00	2,765.66	63.38	193,707.00	2778.62	69.71
Austrey	16,560.00	500.44	33.09	17,500.00	503.64	34.75
Baddesley Ensor	69,301.80	555.57	124.74	69,302.00	560.27	123.69
Baxterley	12,050.00	132.22	91.14	13,400.00	130.73	102.50
Bentley/ Merevale	800.00	49.73	16.09	800.00	49.79	16.07
Caldecote	0.00	85.81	-	0.00	86.37	0.00
Coleshill	267,403.18	2,512.37	106.43	282,477.63	2527.62	111.76
Corley	18,250.00	339.30	53.79	18,250.00	337.55	54.07
Curdworth	36,924.00	474.29	77.85	38,032.00	464.65	81.85
Dordon	30,879.13	885.55	34.87	30,590.06	877.26	34.87
Fillongley	26,840.00	673.99	39.82	35,400.00	668.61	52.95
Great Packington	0.00	55.33	-	0.00	54.76	0.00
Grendon	20,225.30	779.15	25.96	20,832.00	783.59	26.59
Hartshill	103,058.33	1,069.18	96.39	105,531.72	1067.29	98.88
Kingsbury	37,821.00	2,375.19	15.92	39,333.84	2396.08	16.42
Lea Marston	12,375.07	144.67	85.54	12,096.21	141.41	85.54
Little Packington	0.00	17.35	-	0.00	14.14	0.00
Mancetter	33,000.00	685.73	48.12	35,000.00	696.72	50.24
Maxstoke	7,350.00	115.04	63.89	7,350.00	118.87	61.83
Middleton	13,394.64	329.43	40.66	13,729.52	335.92	40.87
Nether Whitacre	19,000.00	502.60	37.80	19,000.00	503.87	37.71
Newton Regis/ Seckington	14,000.00	249.87	56.03	14,500.00	255.69	56.71
Over Whitacre	2,500.00	193.21	12.94	2,500.00	195.63	12.78
Polesworth	100,412.00	2,819.79	35.61	105,431.00	2836.02	37.18
Shustoke	17,556.00	218.76	80.25	19,082.00	226.47	84.26
Shuttington	10,000.00	165.51	60.42	10,000.00	167.96	59.54
Water Orton	84,332.63	1,264.18	66.71	87,705.93	1250.46	70.14
Wishaw	2,500.00	65.22	38.33	3,000.00	64.05	46.84
Total Precept	1,188,554.08	21,786.83	54.55	1,264,313.27	21,869.06	57.81

COUNCIL TAX CHARGE BY PRECEPTING AUTHORITY 2024/25

Area Name	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9
	£	£	£	£	£	£	£	£
North Warwickshire Borough Council	195.68	228.29	260.90	293.51	358.74	423.96	489.19	587.03
(including average Parish charge)								
North Warwickshire Borough Council (excluding Parishes)	157.13	183.32	209.51	235.70	288.08	340.46	392.83	471.40
Warwickshire County Council	1,007.43	1,175.34	1,343.24	1,511.15	1,846.96	2,182.78	2,518.58	3,022.30
WCC - Adult Social Care Precept	150.03	175.03	200.04	225.04	275.05	325.05	375.07	450.08
Warwickshire Police Authority	193.14	225.33	257.52	289.71	354.09	418.47	482.85	579.42
Parishes								
Ansley	20.68	24.13	27.58	31.03	37.92	44.82	51.71	62.05
Arley	32.44	37.85	43.25	48.66	59.47	70.29	81.10	97.32
Astley	16.35	19.08	21.80	24.53	29.98	35.43	40.88	49.06
Atherstone	46.48	54.22	61.97	69.71	85.21	100.70	116.19	139.43
Austrey	23.16	27.03	30.89	34.75	42.47	50.19	57.91	69.49
Baddesley Ensor	82.46	96.21	109.95	123.69	151.18	178.67	206.16	247.39
Baxterley	68.33	79.72	91.11	102.50	125.28	148.06	170.84	205.00
Bentley/ Merevale	10.71	12.50	14.28	16.07	19.64	23.21	26.78	32.13
Caldecote	-	-	-	-	-	-	-	-
Coleshill	74.50	86.92	99.34	111.76	136.59	161.43	186.26	223.51
Corley	36.04	42.05	48.06	54.07	66.08	78.10	90.11	108.13
Curdworth	54.57	63.66	72.76	81.85	100.04	118.23	136.42	163.70
Dordon	23.25	27.12	31.00	34.87	42.62	50.37	58.12	69.74
Fillongley	35.30	41.18	47.06	52.95	64.71	76.48	88.24	105.89
Great Packington	-	-	-	-	-	-	-	-
Grendon	17.72	20.68	23.63	26.59	32.49	38.40	44.31	53.17
Hartshill	65.92	76.91	87.89	98.88	120.85	142.82	164.80	197.76
Kingsbury	10.94	12.77	14.59	16.42	20.06	23.71	27.36	32.83
Lea Marston	57.03	66.53	76.04	85.54	104.55	123.56	142.57	171.08
Little Packington	-	-	-	-	-	-	-	-
Mancetter	33.49	39.07	44.65	50.24	61.40	72.56	83.73	100.47
Maxstoke	41.22	48.09	54.96	61.83	75.57	89.31	103.05	123.66
Middleton	27.25	31.79	36.33	40.87	49.95	59.04	68.12	81.74
Nether Whitacre	25.14	29.33	33.52	37.71	46.09	54.47	62.85	75.42
Newton Regis/ Seckington	37.81	44.11	50.41	56.71	69.31	81.91	94.52	113.42
Over Whitacre	8.52	9.94	11.36	12.78	15.62	18.46	21.30	25.56
Polesworth	24.78	28.91	33.05	37.18	45.44	53.70	61.96	74.35
Shustoke	56.17	65.53	74.90	84.26	102.98	121.71	140.43	168.52
Shuttington	39.69	46.31	52.92	59.54	72.77	86.00	99.23	119.08
Water Orton	46.76	54.55	62.35	70.14	85.73	101.31	116.90	140.28
Wishaw	31.23	36.43	41.63	46.84	57.25	67.66	78.06	93.68

SUMMARY OF REVENUE REQUIREMENTS

Revised Budget

2023/2024 Gross Expenditure	2023/2024 Gross Income	2023/2024 Net Expenditure		2024/2025 Gross Expenditure	2024/2025 Gross Income	2024/2025 Net Expenditure
£	£	£		£	£	£
11,007,810	3,677,540	7,330,270	Community and Environment	11,124,010.00	3,437,640.00	7,686,370.00
1,083,560	687,990	395,570	Planning and Development	1,152,750.00	859,500.00	293,250.00
143,780	95,300	48,480	Licensing	155,030.00	98,660.00	56,370.00
13,500,080	9,878,290	3,621,790	Resources	13,139,340.00	9,493,590.00	3,645,750.00
574,310	-	574,310	Executive	568,620.00	-	568,620.00
13,338,790	13,338,790	-	Council Housing	14,152,870.00	14,152,870.00	-
46,870	-	46,870	Contingencies	148,700.00	-	148,700.00
-	-	-	Invest to Save	1,000,000.00	-	1,000,000.00
-	1,300,000	(1,300,000)	Interest on balances	-	1,094,030.00	(1,094,030.00)
-	1,046,210	(1,046,210)	Financing adjustment	-	780,570.00	(780,570.00)
39,695,200	30,024,120	9,671,080		41,441,320.00	29,916,860.00	11,524,460.00
3,678,930	-	3,678,930	Use of balances	2,331,600.00	-	2,331,600.00
43,374,130	30,024,120	13,350,010		43,772,920.00	29,916,860.00	13,856,060.00
1,188,554.08	-	1,188,554.08	Special items - Parish precepts	1,264,313.27	-	1,264,313.27
44,562,684.08	30,024,120	14,538,564.08		45,037,233.27	29,916,860.00	15,120,373.27
		(6,960,420)	Business Rates			(7,225,000.00)
		(339,580)	S31 Grant - Business Rate Multiplier			(375,000.00)
		(518,900)	New Homes Bonus			(192,000.00)
		(78,000)	Services Grant			(13,000.00)
		(312,000)	Funding Guarantee			(824,000.00)
		(80,840)	RSG			(86,000.00)
		(74,140)	(Surplus) / Deficit on Collection Fund			13,480.00
		6,174,684.08				6,418,853.27

STATEMENT FROM THE SECTION 151 OFFICER

The Local Government Act 2003 requires the Chief Financial Officer to report on the robustness of the revenue estimates made for the budget calculations and the adequacy of the proposed financial reserves.

The information used in the preparation of the budget put forward for Members' approval tonight within the revenue budget resolution has undergone extensive and detailed analysis by;

- The Council's Management Team
- Directors and Budget holders within their areas of responsibility
- The Boards of the Council
- The Interim Corporate Director Resources (Section 151 Officer) and staff within the Management Accountancy Section.

The revenue estimates have been prepared within the parameters agreed within the Medium Term Financial Strategy 2023 - 2028, approved by the Executive Board at its meeting in November 2023.

I am therefore confident that the revenue estimates that are put forward for approval in the Council papers today have been prepared upon realistic assumptions of Council service requirements and represent a robust budget for the medium term based on the best information currently available.

The 2024/25 figures presented do not include any reductions, as illustrated in the MTFs reductions and increased income is required during the period of the strategy but these have been factored in from 2025/26 as they need to be deliverable and sustainable before they are included within the budget figures. A robust approach will need to be taken to continue reducing expenditure to meet the shortfall in resources over the remainder of the Medium Term Financial Strategy, to enable the Council to continue to manage its financial position. Where possible, budget reductions should be found and included in the budget as early as possible, as this has a beneficial impact on the level of balances available.

As part of the overall process, a comprehensive risk assessment has been undertaken of the Council's financial position and it has been determined that the Council's minimum general reserve provision of £1.2 million is appropriate for the Council. The budgetary requirement set out for 2024/25 and the forecasts for the subsequent three years, will keep the level of reserves above this minimum level.

Therefore, I am of the view that the budget proposed for 2024/25 does provide for an adequate level of reserves, and this will be maintained over the Medium Term, provided the Council adheres to its approved Medium Term Financial Strategy in terms of Council Tax rises and delivers the required reductions in net expenditure and only progresses capital schemes provided the associated revenue costs are affordable.