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Please ask for:  
Graham Seal

15 February 2017

Dear Councillor

You are requested to attend a meeting of the WELWYN HATFIELD BOROUGH COUNCIL to be held on Thursday 23 February 2017 at 7.30pm in the Council Chamber, Council Offices, The Campus, Welwyn Garden City, Herts AL8 6AE

Yours faithfully



Executive Director  
Public Protection, Planning and Governance

**A G E N D A  
P A R T 1**

1. APOLOGIES:

To receive apologies for absence, if any.

2. MINUTES:

To confirm as a correct record the Minutes of the special meeting held on 6 February 2017 (circulated separately).

3. DECLARATIONS OF INTERESTS BY MEMBERS:

To note declarations of Members' disclosable pecuniary interests, non-disclosable pecuniary interests and non-pecuniary interests in respect of items on the Agenda.

4. COUNCIL TAX SETTING 2017/18: (Pages 3 - 12)

Report of the Director (Resources, Environment and Cultural Services) on the Council Tax setting for 2017/18.

Circulation: The Mayor and Members of the Welwyn Hatfield Borough Council  
Executive Board  
Press and Public (except Part II Items)

**If you require any further information about this Agenda please contact Graham Seal, Governance Services Unit on 01707 357444 or email – g.seal@welhat.gov.uk**

Part I  
Item No: 4  
Main author: Lexi Schultz  
Executive Member: Duncan Bell  
All Wards

WELWYN HATFIELD BOROUGH COUNCIL  
SPECIAL COUNCIL – 23 FEBRUARY 2017  
REPORT OF THE EXECUTIVE DIRECTOR (RESOURCES, ENVIRONMENT AND  
CULTURAL SERVICES)

## COUNCIL TAX SETTING 2017/18

### **1 Executive Summary**

- 1.1 The Council is required under the Local Government Finance Act 1992 to set the Council Tax for its area by no later than 11th March. The Council has always aimed to approve the budget by early March in order to ensure prompt despatch of bills and hence quicker collection of sums due. The Council has already approved the 2017/18 budget on 6<sup>th</sup> February and the purpose of this report is to set the Council tax for 2017/18.
- 1.2 At the time of writing the final 2017/18 Local Government Finance Settlement has not been announced. The announcement is expected around the time of this Council meeting and an update will be provided. Given the confirmation of the four year multi-year settlement the final settlement is not expected to be significantly different to the provisional settlement.
- 1.3 As reported previously, the Council will increase the average Band D Council tax (excluding parish precepts) by £5 (i.e. average Band D of £201.61 in 2017/18).
- 1.4 Parish Precepts have increased by 5.7% overall to £1.632m and this is the spending for which the council has no control over. The average band D council tax increase for the borough (excluding county and police precepts) will be 2.69% higher when the parish precepts are taken into account.
- 1.5 Members should note that the Council will be paying a total of £28k of council tax support funding to parish and town councils in 2017/18, without this funding, the overall parish precepts would increase by 7.5%.
- 1.6 From 2017/18, any local authorities, fire authorities and Police and Crime Commissioners in England, which set an increase of 2% or more will need to arrange for a binding referendum to be held. However, for district authorities, the referendum threshold is the higher of 2% or £5, whichever is the higher. The proposed increase of £5 is the maximum allowable without requiring a referendum. In addition to this, in 2017/18 the government have permitted a 3% adult social care precept which may be levied by adult social care authorities, an opportunity that Hertfordshire County Council are utilising.
- 1.7 The government's austerity period is set to continue until at least 2019/20 and the local government sector including Welwyn Hatfield will continue to face

significant challenges. The Council must use reserves wisely and must ensure adequate balances in the longer term, particularly during the transition to locally derived revenue.

## 2 Recommendation(s)

2.1 In accordance with the statutory legislation the Council is recommended to resolve.

2.2 That it be noted that at the Cabinet and Special Council meeting on the 10<sup>th</sup> January and 6<sup>th</sup> February respectively, the following amounts for the year 2017/18 were agreed in accordance with regulations made under Section 31B of the Local Government Finance Act 1992, as amended (the "Act").

a) The gross 2017/18 Tax base for the District is 41,273.50 equivalent Band D properties before the application of a collection rate.

b) 40,324.2 being the amount calculated by the Council, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (the Regulations), as its Council Tax Base for the year 2017/18; including deductions for council tax support and a collection rate of 97.70%.

2.3 Part of the Council's Area being the amounts calculated by the Council, in accordance with Regulation 6 of the Regulations, as the amounts of its Council Tax Base for the year for dwellings in those parts of its area to which one or more special items relate;

	<u>100% TAXBASE</u>	<u>97.70% TAXBASE</u>
Ayot St Lawrence	70.9	69.3
Ayot St Peter	119.2	116.5
Essendon	431.1	421.2
Hatfield	11206.1	10948.3
North Mymms	4325.2	4225.7
Northaw & Cuffley	3343.0	3266.1
Welwyn	4556.2	4451.4
Welwyn Garden City	16683.5	16299.8
Woolmer Green	538.3	525.9

2.4 That the following amounts be now calculated by the Council for the year 2017/18 in accordance with sections 31 - 36 of the Local Government Finance Act 1992.

a) £151,196,911 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) £141,434,993 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of the Act.

- c) £9,761,918 being the amount by which the aggregate at 2.4(a) above exceeds the aggregate at 2.4(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax requirement for the year.
- d) £242.09 being the amount at 2.4(c) above, all divided by the Council tax base at 2.2(b) above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.
- e) £2,211,946 being the aggregate amount of all special items referred to in Section 34(1) of the Act.
- f) £187.24 being the amount at 2.4(d) above less the result given by dividing the amount at 2.4(e) by 2.2(b) 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 special item relates.
- g) Part of the Council's area:

Being the amounts given by adding to the amount at 2.4(f) above the amounts of the special item or items relating to dwellings in those parts of the Council's area mentioned above divided in each case by the amount at 2.3 above, calculated by the Council, in accordance with Section 34 (3) of the Act, as the basic amounts of its Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

	<b>Band D Amount</b>
	<b>£</b>
Ayot St Lawrence	198.77
Ayot St Peter	200.12
Essendon	228.17
Hatfield	265.45
North Mymms	228.36
Northaw & Cuffley	271.21
Welwyn	274.89
Welwyn Garden City	216.27
Woolmer Green	234.25

- h) Part of the Council's Area:

Amounts given by multiplying the amounts at 2.4(g) above by the number which, in the proportion set out in Section 5(1) of the 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 Act, as

the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

### Valuation bands £

	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Ayot St Lawrence	132.51	154.60	176.68	198.77	242.94	287.11	331.28	397.54
Ayot St Peter	133.41	155.65	177.88	200.12	244.59	289.06	333.53	400.24
Essendon	152.11	177.47	202.82	228.17	278.87	329.58	380.28	456.34
Hatfield	176.97	206.46	235.96	265.45	324.44	383.43	442.42	530.90
North Mymms	152.24	177.61	202.99	228.36	279.11	329.85	380.60	456.72
Northaw & Cuffley	180.81	210.94	241.08	271.21	331.48	391.75	452.02	542.42
Welwyn	183.26	213.80	244.35	274.89	335.98	397.06	458.15	549.78
Welwyn Garden City	144.18	168.21	192.24	216.27	264.33	312.39	360.45	432.54
Woolmer Green	156.17	182.19	208.22	234.25	286.31	338.36	390.42	468.50

- 2.5 That it be noted that for the year 2017/18 the major precepting authorities, Hertfordshire County Council and the Police and Crime Commissioner for Hertfordshire have stated the amounts in precepts issued to the Council, in accordance with Section 40 of the Local Government Act 1992, for each of the categories of dwellings in the Council's area as indicated in the table below.

### Hertfordshire County Council

Hertfordshire County Council	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Ayot St Lawrence	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66
Ayot St Peter	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66
Essendon	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66
Hatfield	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66
North Mymms	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66
Northaw & Cuffley	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66
Welwyn	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66
Welwyn Garden City	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66
Woolmer Green	830.55	968.98	1,107.40	1,245.83	1,522.68	1,799.53	2,076.38	2,491.66

## Police and Crime Commissioner for Hertfordshire

Police and Crime Commissioner for Hertfordshire								
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Ayot St Lawrence	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00
Ayot St Peter	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00
Essendon	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00
Hatfield	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00
North Mymms	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00
Northaw & Cuffley	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00
Welwyn	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00
Welwyn Garden City	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00
Woolmer Green	101.33	118.22	135.11	152.00	185.78	219.56	253.33	304.00

2.6 That having calculated the aggregate in each case of the amounts at 2.4(h) and 2.5 (a) and (b) above, the Council, in accordance with Section 30 and 36 of the Local Government Finance Act 1992, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2017/18 for each part of its area and for each categories of dwellings.

Part of the Council's Area								
	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H
Ayot St Lawrence	1,064.39	1,241.80	1,419.19	1,596.60	1,951.40	2,306.20	2,660.99	3,193.20
Ayot St Peter	1,065.29	1,242.85	1,420.39	1,597.95	1,953.05	2,308.15	2,663.24	3,195.90
Essendon	1,083.99	1,264.67	1,445.33	1,626.00	1,987.33	2,348.67	2,709.99	3,252.00
Hatfield	1,108.85	1,293.66	1,478.47	1,663.28	2,032.90	2,402.52	2,772.13	3,326.56
North Mymms	1,084.12	1,264.81	1,445.50	1,626.19	1,987.57	2,348.94	2,710.31	3,252.38
Northaw & Cuffley	1,112.69	1,298.14	1,483.59	1,669.04	2,039.94	2,410.84	2,781.73	3,338.08
Welwyn	1,115.14	1,301.00	1,486.86	1,672.72	2,044.44	2,416.15	2,787.86	3,345.44
Welwyn Garden City	1,076.06	1,255.41	1,434.75	1,614.10	1,972.79	2,331.48	2,690.16	3,228.20
Woolmer Green	1,088.05	1,269.39	1,450.73	1,632.08	1,994.77	2,357.45	2,720.13	3,264.16

2.7 Members should also note any changes in the budget estimates as a result of the final settlement announcement and if necessary, approve the revised 2017/18 general fund budget summary provided.

### 3 Special items - Parish Precepts

3.1 In accordance with the legislation under the Local Government Finance Act 1992, all Parish Precepts have to be charged to the Council's General Fund.

- 3.2 For 2017/18, the total parish precepts (net of the council tax support grant) will be increased by £88,067 (or 5.7%). The table below shows the precepts for each of the parish councils in 2017/18 and year on year change.

Parish Councils	2016/17 Parish Precepts (net of the Council Tax Support grant)	2017/18 Parish Precepts (net of the Council Tax Support grant)	Change	Change
	£	£	£	%
Ayot St Lawrence	798.30	799.27	0.97	0.1%
Ayot St Peter	1,500.00	1,500.00	-	0.0%
Essendon	12,052.38	14,808.92	2,756.54	22.9%
Hatfield	785,890.00	783,279.17	- 2,610.83	- 0.3%
North Mymms	170,338.00	173,745.00	3,407.00	2.0%
Northaw & Cuffley	194,330.00	254,097.42	59,767.42	30.8%
Welwyn	354,919.58	379,204.75	24,285.17	6.8%
Welwyn Garden City	-	-	-	0.0%
Woolmer Green	24,260.00	24,721.00	461.00	1.9%
<b>Total</b>	<b>1,544,088.26</b>	<b>1,632,155.53</b>	<b>88,067.27</b>	<b>5.7%</b>

#### 4 Special items – Special Expenses

- 4.1 The Special Council meeting held on 6<sup>th</sup> February agreed the amounts to be included in the “Special Expenses” scheme for 2017/18 as £579,790, which is an increase of £66,140 from 2016/17.

#### 5 Billing Authority Precepts

- 5.1 The Borough’s Council Tax requirement for 2017/18 including the parish precept will be £9,761,918 (see Appendix A for details).

#### 6 Hertfordshire County Council

- 6.1 The Hertfordshire County precept for 2017/18 is expected to be formally approved on the 21<sup>st</sup> February 2017. The band D council tax will be £1,245.83 and the County precept is £50,237,098.09 for 2017/18. This is a 1.99% increase in their Band D council tax, along with a 3% increase for the adult social care precept.

#### 7 Police and Crime Commissioner for Hertfordshire

- 7.1 The Police and Crime Commissioner for Hertfordshire’s precept for 2017/18 is expected to be formally approved at their meeting on 23<sup>rd</sup> February 2017. Their decision is anticipated to be to increase the council tax precept for 2017/18, by 3.4%, i.e. the band D council tax will increase to £152.00. The Police precept for 2017/18 is £6,129,278.40.



## 8 Overall average band D council tax

- 8.1 To summarise, after taking into account the precepts from Parish Councils, Hertfordshire County Council and Police and Crime Commissioner for Hertfordshire, the average band D Council tax for the borough area for 2017/18 is £1,639.92, this is an increase of £70.57 or 4.5%. However, the band D council tax varies from £1,569.60 to £1,672.72 and the table below also shows that the tax change for 2017/18 will range from 3.42% to 4.98%.

	2016/17	2017/18	
	Band D £	Band D £	% Change
Ayot St Lawrence	1,543.75	1,596.60	3.42%
Ayot St Peter	1,530.20	1,597.95	4.43%
Essendon	1,552.45	1,626.00	4.74%
Hatfield	1,595.27	1,663.28	4.26%
North Mymms	1,558.09	1,626.19	4.37%
Northaw & Cuffley	1,589.81	1,669.04	4.98%
Welwyn	1,602.21	1,672.72	4.40%
Welwyn Garden City	1,542.98	1,614.10	4.61%
Woolmer Green	1,564.24	1,632.08	4.34%
<b>Borough Area Council Tax</b>	<b>1,569.35</b>	<b>1,639.92</b>	<b>4.50%</b>

## Implications

### 9 Financial Implication(s)

- 9.1 The financial implications are set out within this report.

### 10 Link to Corporate Priorities

I confirm that the subject of this report is linked to the Council's Corporate Priority "Engage with our communities and provide value for money".

### 11 Legal Implication(s)

- 11.1 The Council is required by the Local Government Finance Act 1992 to make estimates of gross revenue expenditure and anticipated income, leading to a calculation of a council tax requirement and the setting of an overall budget and Council Tax. The amount of the budget must be sufficient to meet the Council's legal and financial obligations, ensure the proper discharge of its statutory duties, and lead to a balanced budget. The Council should be satisfied that the proposals put forward are a reasonably prudent use of resources in both the short and long term, and that the interests of both Council Tax payers and ratepayers on the one hand and the users of Council services on the other are both taken into account.

11.2 Section 25 of the 2003 Local Government Act requires the Chief Finance Officer, currently the Head of Resources, to make a formal report to the Council on the robustness of the budget and adequacy of reserves. This report was presented as Appendix I to the Budget report presented to Council at its meeting on 6<sup>th</sup> February 2017.

## **12 Climate Change Implication(s)**

12.1 None.

## **13 Risk Management Implications**

13.1 There are considerable risks to the council's short and medium term budget strategy including continued government funding restrictions, the impact of the economic downturn, inflation and other changes in the national economy, spending exceeding budgets, pressures on existing budgets, legislative change demands for new spend and the delivery of a challenging efficiency target. The budget process includes the recognition of these risks in determining the 2017/18 budget and relevant risk provisions are set out in the body of the report.

## **14 Equality and Diversity**

14.1 In developing individual budget proposals officers have undertaken an equality impact assessment, where applicable.

Name of author	Lexi Schultz
Title	Corporate Finance Business Partner
Date	15/02/2017

WELWYN HATFIELD BOROUGH COUNCIL

**APPENDIX A - BUDGET SUMMARY BY DIRECTOR 2017/18**

Description	Original Budget 2016/17	Original Budget 2017/18	Difference	Difference
	£	£	£	%
<b>DIRECT SERVICES</b>				
<b>The Executive Director (Public Protection, Planning and Governance Director)</b>				
Head of Law and Administration	1,688,970	1,111,380	£577,590	34.2%
Head of Public Health & Protection	1,543,940	1,483,990	£59,950	3.9%
Head of Planning	2,654,920	2,502,970	£151,950	5.7%
<b>Total for The Executive Director (Public Protection, Planning and Governance Director)</b>	<b>5,887,830</b>	<b>5,098,340</b>	<b>£789,490</b>	<b>13.4%</b>
<b>The Executive Director (Resources, Environment &amp; Cultural Services)</b>				
Head of Resources	443,470	1,528,190	(£1,084,720)	-244.6%
Head of Environment	6,275,960	5,924,870	£351,090	5.6%
Head of Policy & Culture	3,155,190	3,531,780	(£376,590)	-11.9%
<b>Total for The Executive Director (Resources, Environment &amp; Cultural Services)</b>	<b>9,874,620</b>	<b>10,984,840</b>	<b>(£1,110,220)</b>	<b>-11.2%</b>
<b>The Executive Director (Housing and Communities Director)</b>				
Head of Housing & Community	2,329,420	2,779,250	(£449,830)	-19.3%
<b>Total for The Executive Director (Housing and Communities Director)</b>	<b>2,329,420</b>	<b>2,779,250</b>	<b>(£449,830)</b>	<b>-19.3%</b>
<b>Chief Executive</b>	<b>426,350</b>	<b>276,270</b>	<b>£150,080</b>	<b>35.2%</b>
<b>TOTAL</b>	<b>18,518,220</b>	<b>19,138,700</b>	<b>(£620,480)</b>	<b>-3.4%</b>
Less Interest & Investment Income	(328,055)	(272,998)	(£55,057)	16.8%
Plus interest payable on finance leases	499,000	320,341	£178,659	35.8%
Less IAS19 & Capital Financing Charges	(3,337,520)	(4,374,570)	£1,037,050	-31.1%
<b>Net Operating Expenditure</b>	<b>15,351,645</b>	<b>14,811,473</b>	<b>£540,172</b>	<b>3.5%</b>
<b>Contribution from Funds &amp; General Fund Balances</b>				
Contribution (from) / to Strategic Initiatives Reserve	263,112	31,558	£231,554	88.0%
Contribution (from) / to GF balances to fund revenue spending	0	(139,000)	£139,000	0.0%
<b>Contribution to/(from) ringfenced reserves</b>				
Resources Earmarked Reserves	0	(198,000)	£198,000	0.0%
Governance earmarked reserves	0	(31,630)	£31,630	0.0%
Building Control	231,309	0	£231,309	100.0%
Hackney Carriages	0	(13,030)	£13,030	0.0%
<b>Budget after contribution to/(from) reserves</b>	<b>15,846,066</b>	<b>14,461,371</b>	<b>£1,384,695</b>	<b>8.7%</b>
<b>Special Expenses included above:</b>				
Ayot St Lawrence	1,040	0	£1,040	100.0%
Ayot St Peter	0	0	£0	0.0%
Essendon	2,430	2,430	£0	0.0%
Hatfield	71,420	73,030	(£1,610)	-2.3%
North Myrms	0	0	£0	0.0%
Northaw & Cuffley	18,470	20,160	(£1,690)	-9.1%
Welwyn	8,010	10,931	(£2,921)	-36.5%
Welwyn Garden City	412,280	473,239	(£60,959)	-14.8%
Woolmer Green	0	0	£0	0.0%
<b>Total Special Expenses</b>	<b>513,650</b>	<b>579,790</b>	<b>(£66,140)</b>	<b>-13.8%</b>
<b>Parish Precepts:</b>				
Ayot St Lawrence	798	799	(£1)	-0.2%
Ayot St Peter	1,500	1,500	£0	0.0%
Essendon	12,052	14,809	(£2,757)	-22.9%
Hatfield	785,890	783,279	£2,611	0.3%
North Myrms	170,338	173,745	(£3,407)	-2.0%
Northaw & Cuffley	194,330	254,097	(£59,767)	-30.8%
Welwyn	354,920	379,205	(£24,285)	-6.8%
Welwyn Garden City	0	24,721	(£24,721)	0.0%
Woolmer Green	24,260	0	£24,260	100.0%
<b>Total Parish Precepts</b>	<b>1,544,088</b>	<b>1,632,156</b>	<b>(£88,068)</b>	<b>-5.9%</b>
Less New Burdens Grant	0	0	£0	0.0%
Less Council Tax freeze Grant	0	0	£0	0.0%
Less New Homes Bonus Grant	(2,243,183)	(2,042,392)	(£200,791)	9.0%
Less Individual Electoral Registration Grant	0	0	£0	0.0%
Less Council Tax Reduction Administration	0	(117,000)	£117,000	0.0%
Less Business Rates Cap Compensation Grant	0	0	£0	0.0%
Less Business Rates S31 Grants	(501,159)	(501,382)	£223	0.0%
Add Business Rates Levy	957,820	1,008,729	(£50,909)	-5.3%
Less Revenue Support Grant	(1,306,990)	(557,941)	(£749,048)	57.3%
Less Transition Grant	(78,242)	(77,963)	(£279)	0.4%
Less Business Rates Baseline	(2,664,022)	(2,716,419)	£52,397	-2.0%
Less Additional Retained Business Rates income	(1,441,540)	(1,553,663)	£112,123	-7.8%
Plus/Less collection fund deficit/(surplus)	(875,000)	198,100	(£1,073,100)	122.6%
Plus payment to Parishes for Council Tax Support	66,346	28,322	£38,024	57.3%
<b>Council Tax Requirement (including Parish Precepts)</b>	<b>9,304,185</b>	<b>9,761,918</b>	<b>(£457,733)</b>	<b>-4.9%</b>

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