

## Council Tax 2022/23

### What your Council Tax funds

Your council tax bill is made up of four elements. Your council tax, which is collected by North Hertfordshire District Council, pays for the services you receive from:

- North Hertfordshire District Council
- Hertfordshire County Council (including Social Care precepts)
- Police and Crime Commissioner
- Parish, Community or Town Council (where relevant)

### North Hertfordshire District Council (NHDC)

The funding for NHDC makes up about 12% of your Council Tax bill. This element of your total Council Tax has gone up by 2.08%, or £5 for a Band D property, compared with 2021/22.

The increase for the Hertfordshire County Council element is 3.99% (£58.68 for a Band D) and 4.69% (£10.00 for a Band D) for the Police and Crime Commissioner.

The NHDC element of the Council Tax bill provides funding towards a range of services, including:

- Improving our environment and combating climate change
- Collecting refuse and recycling from all households in the District.
- Providing information and advice about housing to everyone, including people who are homeless or at risk of becoming homeless.
- Providing three key leisure facilities, North Hertfordshire Leisure Centre, Hitchin Swim Centre and Royston Leisure Centre. In addition, we run the Letchworth outdoor pool and manage the sports hall at Fearnhill School, Letchworth.
- Providing parks and open spaces for all to enjoy.
- Managing elections not only for the District and County Council but also for the Police and Crime Commissioner and General Elections.
- Supporting voluntary groups through providing grant funding to organisations such as Citizens Advice North Hertfordshire.
- Dealing with Planning Applications.
- Ensuring public health is maintained by carrying out food safety inspections and investigating noise nuisance complaints.

The budgeted spend for 2022/23 is shown below, alongside a comparison with 2021/22:

	2022/23	2021/22	%
	£m	£m	Change
Gross Service Expenditure	58.6	56.9	+2.9%
<u>Less</u> Service Income	(14.8)	(12.9)	
<u>Less</u> Housing Benefit Subsidy	(24.1)	(24.2)	
<u>Less</u> income from commercial rents	(1.4)	(1.3)	
<u>Less</u> investment interest income	(0.1)	(0.1)	
Net Expenditure	18.2	18.4	-1.1%
Business Rate Baseline	2.7	2.7	
New Homes Bonus	0.3	0.4	
Council Tax	12.2	11.9	
Covid-19 Emergency Funding	0	0.9	
Other general funding	0.6	0.1	
Contribution from / (to) Reserves	2.4	2.4	
Total Funding	18.2	18.4	-1.1%

NHDC's budgeted net expenditure is £0.2m lower than 2021/22. This reflects

- inflationary pressures of £0.7m,
- the expected delivery of savings and cost reductions of -£0.9m
- budget pressures and investments of £0.8m, and
- a -£0.8m reduction in budget provision relating to the financial impacts of Covid-19 (reducing from £2.5m to £1.7m). This shows that the Council is still expecting to have to fund a significant amount of additional costs and reduced income resulting from the pandemic.

In September 2021, Councillors agreed a vision for the Council of: We put people first and deliver sustainable services, to enable a brighter future together. This includes the following detailed priorities:

- **People First-** People make North Herts work. We value all our residents, businesses, staff, contractors, councillors, and other partners, and place them at the heart of everything we do.
- **Sustainability-** We recognise the challenges our towns and district as a whole face and are committed to delivering services which are relevant and sustainable. In doing so we will place our environmental responsibilities, as well as sound financial planning, at the centre of our policymaking.
- **A brighter future together-** We are far-sighted and plan for the long term to secure the best outcomes for our people, towns and villages, and the local economy, ensuring North Herts continues to thrive.

Councillors have also agreed a Medium Term Financial Strategy for the next five years. The strategy identified that the Council's reserves would be used to avoid having to make drastic service changes in response to Covid-19.

In addition, in future years NHDC will see a continuing reduction in funding from Central Government. The delivery of future savings will, therefore, focus on income generation, service transformation, working with others to provide services and capital investment to enable change.

In setting the Council's budget in February 2022, Councillors felt that, taking into account the ongoing financial impacts of the Covid-19 pandemic and also future funding uncertainty, made it necessary to increase Council Tax by 2.08% (£5 per year on a band D property).

NHDC will also make use of its available capital funds to provide investment in the District. For 2022/23 onwards this includes the following:

- Installation of solar thermal technology at Royston Leisure Centre to heat the pool water. Followed by the installation of solar panels at all the Council's Leisure Centres to generate green electricity. This will help reduce the carbon footprint of the facilities.
- Construction of a new mausoleum at Willbury Hills.
- Commence the works to improve storage and archiving of important museum items.
- Replacement of play equipment at two play areas per year, on an ongoing basis.
- Supporting the regeneration of John Barker Place in Hitchin.

NHDC also pays a special levy to the Bedfordshire and River Ivel Drainage Board. In 2022/23 this will be £5.3k (£5.1k in 2021/22).

## Hertfordshire County Council (HCC)

The funding for HCC makes up about 77% of your Council Tax bill. This share of your Council Tax has gone up by 3.99% compared with 2021/22, which comprises an increase of 2% for the adult social care precept and an additional 1.99% for general council tax. The HCC charge also includes a levy for the Environment Agency Thames and Anglian Central Regions and a levy for the Lee Valley Regional Park Authority.

The HCC element of the Council Tax bill provides funding towards a range of services, including:

- Caring and supporting children, young people and families
- Caring for the elderly, and people with disabilities and mental health issues
- Public Health and supporting people with drug or alcohol problems
- Fire and rescue services
- Road maintenance and safety
- Co-ordinating bus services and providing home to school transport for children
- Recycling, waste minimisation and waste disposal
- Delivery of Sustainable Hertfordshire Strategy and working towards making our operations carbon neutral by 2030
- Responding to major planning applications
- Delivering a strong and sustainable economy
- Providing libraries, archives and local studies materials
- Protecting consumers against poor quality goods and services and upholding fair trading laws
- Community safety (crime / reducing anti-social behaviour) and emergency planning

The budgeted spend for 2022/23 is shown below, alongside a comparison with 2021/22:

	<b>2022/23</b>	2021/22	%
	<b>£m</b>	£m	Change
Gross Service Expenditure	<b>2,268</b>	2,088	+8.6%
<u>Less</u> Ring-fenced grants	<b>(1,159)</b>	(1,068)	
<u>Less</u> Sales, fees and charges	<b>(124)</b>	(117)	
<u>Less</u> Partner contributions	<b>(31)</b>	(26)	
<b>Net Expenditure</b>	<b>954</b>	877	+8.8%
Business Rate Retention	<b>140</b>	133	
Ring-fenced funding	<b>51</b>	49	
Non ring-fenced grants	<b>53</b>	32	
Collection Fund	<b>2</b>	1	
Use of reserves	<b>7</b>	0	
Council Tax	<b>701</b>	662	
<b>Total Funding</b>	<b>954</b>	877	+8.8%

HCC's budgeted net expenditure has increased by £77m. The main reasons for this increase are inflation and demography related pressures, £38m, and additional service investment of £49m, which is partially offset by savings proposals of £12m.

Further information on the HCC element (including Social Care precept) can be found here: [www.hertfordshire.gov.uk/whatwedo](http://www.hertfordshire.gov.uk/whatwedo)

The HCC element of the Council Tax also provides funding for the levies in relation to the Environment Agency and the Lee Valley Regional Park.

The Environment Agency is a levying body for its Flood and Coastal Erosion Risk Management Functions. The majority of funding for flood defence comes directly from the Department for the Environment, Food and Rural Affairs (Defra). However, under the Partnership Funding rule not all schemes will attract full central funding. To provide 'matching' funding the Agency may seek funding from County Councils in the form of a local levy. The local levy is shared on the basis of Band D equivalents between all contributing bodies within the area.

Lee Valley Regional Park is a unique leisure, sports and environmental destination for all residents of London, Essex and Hertfordshire. The 26 mile long, 10,000-acre park, much of it former derelict land, is partly funded by a levy on the council tax.

	<b>2022/23</b>	2021/22	% Change
	<b>£m</b>	£m	
<b>Environment Agency Thames</b>			
Gross Expenditure	<b>148.034</b>	116.470	+27.10%
Less: Other Funding	<b>(135.732)</b>	(104.428)	
Council Tax Levy	<b>12.282</b>	12.042	+1.99%
<b>Environment Agency Anglian Central</b>			
Gross Expenditure	<b>29.165</b>	24.023	+21.4%
Less: Other Funding	<b>(27.916)</b>	(22.810)	
Council Tax Levy	<b>1.249</b>	1.213	+3.0%
<b>Lee Valley Regional Park</b>			
Gross Expenditure	<b>15.1</b>	20.9	-27.8%
Financing Costs	<b>1.8</b>	1.3	
Less: Income	<b>(7.0)</b>	(12.7)	
Contribution to / (from) reserves	<b>(0.1)</b>	0.3	
Council Tax Levy	<b>9.8</b>	9.8	+0.0%

Further information on the Lee Valley Regional Park Authority element can be found here: [www.leevalleypark.org.uk](http://www.leevalleypark.org.uk)

## Hertfordshire Police and Crime Commissioner (PCC)

The funding for the PCC makes up about 11% of your Council Tax bill. This share of your Council Tax has gone up by 4.69% compared with 2021/22.

The budgeted spend for 2022/23 is shown below, alongside a comparison with 2021/22:

	<b>2022/23</b>	2021/22	%
	<b>£m</b>	£m	<b>Change</b>
Net Expenditure	<b>243.6</b>	230.1	+5.9%
Central Government Funding	<b>141.8</b>	134.3	
Collection Fund	<b>(0.5)</b>	(0.1)	
Council Tax	<b>102.3</b>	95.9	
Total Funding	<b>243.6</b>	230.1	+5.9%

The PCC's budgeted net expenditure has increased by £13.5m. The main reasons for this increase are cost pressures of £8.4m and investments of £6.4m. This has been partly offset by savings of £1.3m.

Further information on this element can be found here:

<http://www.hertscommissioner.org/my-budget-herts-pcc>

## Parish, Community and Town Councils

Across the District there are 36 parish areas. Not all of these have a local Council and therefore do not have a precept (do not make a charge for Council Tax). If you live in an area with a Parish, Town or Community Council, the following amounts will be added to your Council Tax bill for an equivalent Band D property:

Area	Band D Precept (£)	Area	Band D Precept (£)
Ashwell	93.47	Knebworth	81.84
Baldock	n/a	Langley	0
Barkway	93.42	Letchworth	n/a
Barley	83.47	Lilley	88.20
Bygrave	54.35	Nuthampstead	0
Caldecote & Newnham	27.30	Offley	65.18
Clothall	22.15	Pirton	63.59
Codicote	64.50	Preston	45.13
Graveley	57.78	Radwell	20.83
Great Ashby	19.81	Reed	50.01
Hexton	0	Royston	52.15
Hinxworth	64.31	Rushden & Wallington	21.49
Hitchin	n/a	St. Ippolyts	29.52
Holwell	59.16	St. Pauls Walden	75.59
Ickleford	68.85	Sandon	34.08
Kelshall	37.35	Therfield	21.56
Kimpton	74.51	Weston	46.26
Kings Walden	72.69	Wymondley	90.84

Royston Town Council raises more than £140,000 from Council Tax and as a result there is a requirement to disclose further information about their budget. This is shown below:

	2022/23 £000	2021/22 £000	% Change
<b>Royston Town Council</b>			
Gross Expenditure	484	452	+7.1%
<u>Less</u> Income	(128)	(109)	
<u>Less</u> Other Funding	(11)	(11)	
Council Tax Levy	345	332	+3.9%

## Council Tax by band

Your council tax band is based on how much your property was worth when council tax was introduced. Your council tax band is shown on your bill. Your council tax band is decided by the Valuation Office Agency <https://www.gov.uk/topic/local-government/council-tax>

Your Council Tax for 2022/23 (excluding any Parish, Community or Town Council element) will be as follows:

	NHDC	HCC	Social Care Precept	PCC	Total
Band A	163.42	899.09	120.45	148.67	<b>1,331.63</b>
Band B	190.66	1,048.93	140.53	173.44	<b>1,553.56</b>
Band C	217.89	1,198.78	160.60	198.22	<b>1,775.49</b>
Band D	245.13	1,348.63	180.68	223.00	<b>1,997.44</b>
Band E	299.60	1,648.33	220.83	272.56	<b>2,441.32</b>
Band F	354.08	1,948.02	260.98	322.11	<b>2,885.19</b>
Band G	408.55	2,247.72	301.13	371.67	<b>3,329.07</b>
Band H	490.26	2,697.26	361.36	446.00	<b>3,994.88</b>

The overall increase (excluding any Parish, Community or Town council element) compared with 2021/22 is 3.83%.