

Council Tax 2019/20

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 13% of your Council Tax bill. This share of your Council Tax has gone up by 2.99% compared with 2018/19.

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

- 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. These facilities have had over a million visits in the past year.
- 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 over 2,000 Planning Applications per year.
- Ensuring public health is maintained by carrying out 400 food safety inspections and investigating 600 noise nuisance complaints each year.

The budgeted spend for 2019/20 is shown below, alongside a comparison with 2018/19:

	2019/20 £m	2018/19 £m	% Change
Gross Service Expenditure	62.6	61.5	+1.8%
<u>Less</u> Service Income	(12.7)	(11.5)	
<u>Less</u> Housing Benefit Subsidy	(33.1)	(34.1)	
<u>Less</u> income from commercial rents	(1.2)	(1.1)	
<u>Less</u> investment interest income	(0.3)	(0.2)	
Net Expenditure	15.3	14.6	+4.8%
Business Rate Baseline	2.7	2.6	
New Homes Bonus	1.0	1.3	
Council Tax	11.4	11.0	
Other general funding	0.3	0	
Contribution from/ (to) Reserves	(0.1)	(0.3)	
Total Funding	15.3	14.6	+4.8%

NHDC's budgeted net expenditure is £0.7m higher than 2018/19. This reflects inflationary pressures of £0.5m, the expected delivery of savings and cost reductions of -£1.4m and budget pressures and investments of £1.6m. The Council has chosen to increase Council Tax by 2.99% in response to reductions in New Homes Bonus funding and to reflect expected future funding reductions.

In September 2018, Councillors agreed that the NHDC objectives for 2019/20 would be:

- Attractive & Thriving- To work with our partners to provide an attractive and safe environment for our residents, where diversity is welcomed and disadvantaged people are supported
- Prosper & Protect- To promote sustainable growth within our district to ensure economic and social opportunities exist for our communities, whilst remaining mindful of our cultural and physical heritage
- Responsive & Efficient- To ensure that the Council delivers cost effective and necessary services to our residents that are responsive to developing need and financial constraints.

At the same time, Councillors also agreed a Medium Term Financial Strategy. This was based on the assumption that in future years, NHDC would see a continuing reduction in funding from Central Government. Reflecting on the delivery of significant savings (almost £9 million since 2011/12) without a serious impact of front line services, it was determined that the delivery of future savings will initially focus on income generation, working with others and capital investment to enable change. However if that does not deliver the level of savings required, then there will be a need to determine the level of non-statutory services that are provided.

In setting the Council's budget in February 2019, Councillors felt that future funding uncertainty made it necessary to increase Council Tax by 2.99%. For 2019/20 this enabled the delivery of some additional investments in communities

NHDC will also make use of its available capital funds to provide investment in the District. In 2018/19 this included funding for:

- Community facility improvements (continuing in to 2019/20)
- Bancroft Multi-Use Games Area in Hitchin (to be completed in 2019/20)
- Renovation of the play area at the District Park in Great Ashby (to be completed in 2019/20)
- Replacement of items of play equipment at Chiltern Road in Baldock
- Renewal of the pathways at Bancroft Park in Hitchin

In 2019/20 the following are planned:

- Renovation of the play area at Howard Park in Letchworth
- Renovation of the play area at King George V Recreation Ground in Letchworth
- Replacement of items of play equipment at Holroyd Crescent in Baldock
- Replacement of items of play equipment at Wilbury Recreation Ground in Letchworth
- Supporting settle's regeneration of John Barker Place in Hitchin to provide new homes and better shops

NHDC also pays a special levy to the Bedfordshire and River Ivel Drainage Board. In 2019/20 this will be £4.7k (£4.6k in 2018/19).

Hertfordshire County Council (HCC)

The funding for HCC makes up about 76% of your Council Tax bill. This share of your Council Tax has gone up by 2.99% compared with 2018/19.

The HCC charge also includes:

- A social care precept
- A levy for the Environment Agency Thames and Anglian Central Regions
- 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 vulnerable and people with disabilities, mental health, drugs or alcohol problems
- Fire and rescue services
- Road maintenance and safety
- Co-ordinating bus services and providing home to school transport for children
- Recycling and waste disposal
- Responding to major planning applications
- Economic development
- Providing libraries, archives and local studies materials
- Protecting consumers against poor quality goods and services and upholding fair trading laws
- Community safety and emergency planning

The budgeted spend for 2019/20 is shown below, alongside a comparison with 2018/19:

	2019/20 £m	2018/19 £m	% Change
Gross Service Expenditure	1,934	1,901	+1.7%%
<u>Less</u> Ring-fenced grants	(977)	(957)	
<u>Less</u> Sales, fees and charges	(118)	(119)	
<u>Less</u> Partner contributions	(20)	(20)	
Net Expenditure	819	805	+1.7%
Business Rate Retention	126	143	
Ring-fenced funding	59	52	
Non ring-fenced grants	22	15	
Collection Fund	4	12	
Council Tax	608	583	
Total Funding	819	805	+1.7%

HCC's budgeted net expenditure has increased by £14m. The main reasons for this increase are:

- Inflationary, demographic and other unavoidable costs of delivering existing services £49m
- Provisions set aside for investments to improve service delivery, reduce costs, enable organisational change and promote economic growth, £4m
- Less removal of one-off expenditure in 2018/19 £20m
- Less council savings, mainly by finding ways to be more efficient, with only £4.0 million of savings being taken from policy decisions affecting frontline services, £19m

Further information on the HCC element (including Social Care precept) can be found here: <https://www.hertfordshire.gov.uk/about-the-council/how-the-council-works/council-tax-in-hertfordshire.aspx>

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. The levy contribution for Hertfordshire overall is £927k for the Thames Area and £68k for the Anglian Central 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. The levy contribution for Hertfordshire overall is £1.07m.

	2019/20 £m	2018/19 £m	% Change
Environment Agency Thames			
Gross Expenditure	112.9	86.4	+30.7%
<u>Less</u> Other Funding	(101.3)	(75.0)	
Council Tax Levy	11.6	11.4	+1.8%
Environment Agency Anglian Central			
Gross Expenditure	26.6	11.0	+141.8%
<u>Less</u> Other Funding	(25.5)	(9.9)	
Council Tax Levy	1.1	1.1	0%
Lee Valley Regional Park			
Gross Expenditure	10.6	11.2	-5.4%
Financing Costs	1.7	1.7	
<u>Less</u> Income	(2.7)	(3.3)	
Council Tax Levy	9.6	9.6	0%

Further information on the Lee Valley Regional Park Authority element can be found here <https://www.leevalleypark.org.uk/en/content/cms/corporate/business-finance/funding/>

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 6.8% compared with 2018/19.

The budgeted spend for 2019/20 is shown below, alongside a comparison with 2018/19:

	2019/20	2018/19	%
	£m	£m	Change
Gross Service Expenditure	221.1	208.8	+5.9%
<u>Less</u> Other government grants	(4.8)	(3.7)	
<u>Less</u> Fees and charges	(7.5)	(6.8)	
<u>Less</u> Partner contributions	(0.7)	(0.7)	
Net Expenditure	208.1	197.6	+5.3%
Central Government Funding	118.7	116.5	
Collection Fund	0.6	1.3	
Use of Reserves	4.7	7.4	
Council Tax	84.1	72.4	
Total Funding	208.1	197.6	+5.3%

The PCC's budgeted net expenditure has increased by £10.5m. The main reasons for this increase are cost pressures of £6.4m and investments of £5.9m. This has been partly off-set by savings of £0.8m and a reduced use of reserve funding.

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	89.96	Knebworth	74.71
Baldock	n/a	Langley	0
Barkway	90.86	Letchworth	n/a
Barley	66.69	Lilley	61.18
Bygrave	51.55	Nuthampstead	0
Caldecote & Newnham	27.47	Offley	65.85
Clothall	10.89	Pirton	62.93
Codicote	63.70	Preston	29.01
Graveley	35.44	Radwell	18.19
Great Ashby	19.76	Reed	32.83
Hexton	0	Royston	47.29
Hinxworth	63.76	Rushden & Wallington	20.62
Hitchin	n/a	St. Ippolyts	28.53
Holwell	57.37	St. Pauls Walden	80.67
Ickleford	62.68	Sandon	33.68
Kelshall	37.21	Therfield	21.69
Kimpton	70.59	Weston	43.58
Kings Walden	67.46	Wymondley	76.26

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:

	2019/20 £000	2018/19 £000	% Change
Royston Town Council			
Gross Expenditure	448	413	+8.5%
<u>Less</u> Income	(131)	(127)	
<u>Less</u> Other Funding	(11)	(11)	
<u>Less</u> Use of Reserves	0	(3)	
Council Tax Levy	306	272	+12.5%

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 2019/20 (excluding any Parish, Community or Town council element) will be as follows:

	NHDC	HCC	Social Care Precept	PCC	Total
Band A	153.42	842.78	63.85	125.33	1,185.38
Band B	178.99	983.22	74.51	146.22	1,382.94
Band C	204.56	1,123.70	85.14	167.11	1,580.51
Band D	230.13	1,264.15	95.79	188.00	1,778.07
Band E	281.27	1,545.08	117.07	229.78	2,173.20
Band F	332.41	1,825.99	138.37	271.56	2,568.33
Band G	383.55	2,106.93	159.64	313.33	2,963.45
Band H	460.26	2,528.30	191.58	376.00	3,556.14

The overall increase (excluding any Parish, Community or Town council element) compared with 2018/19 is 4.1%.