

Report from Finance Advisory Group Chairman

A PROPOSED WAY FORWARD FOR 2024-25 BUDGET & PRECEPT ADJUSTMENT IN RESPONSE TO REVISED FIGURE FROM HDC FOR THE NUMBER OF BAND-D-EQUIVALENT DWELLINGS IN BUCKDEN & DIDDINGTON

The number of Band-D-equivalent dwellings is known as the “Tax-base”.

For 2024-25 HDC are proposing to recalculate the tax-base for all councils within the District by amending the formula for the ‘Council Tax Support’ (CTS).

For further details, please see the Appendix which shows the core of the text of the letter about this sent by HDC to our Clerk on 22 November 2023.

The DRAFT values for Buckden & Diddington are:

	Current CTS Scheme	Proposed CTS Scheme
Draft Taxbase 2024/25	1339.9	1331.6

The HDC proposed calculation reduces our 'Band-D equivalent properties' by 25 compared to the value projected in the November 23 discussion of the budget by Council, and is 5 dwellings less than 2023-24, despite extra houses on Bloor site being finished and occupied.

Our Precept request for 2024-25 must be submitted to HDC by the Clerk no later than the 15 December 2023. It is therefore not helpful that these draft values cannot be confirmed by HDC until “after 14 December.

However, if we assume that the proposed change will be agreed by HDC at their meeting on 14 December the impact of the estimated, reduced CTS figure would mean that if nothing were removed from the BPC budget and Precept agreed provisionally in November, then the calculated year-on-year increase in Precept would be about 8.7%

I have therefore reviewed the budget calculations to assess how this change to CTS by HDC, to benefit lower-income households, could be managed.

My suggestion is that an adjustment is made by paying for just one big-ticket non-recurrent item from CIL (i.e. Reserves), to make it simpler to both follow and to administer this change, rather than from Precept as previously Planned; specifically the agreed grant of £6,000 to BVHT for field maintenance which was approved by Council in November 2023:

- The application is to maintain the playing fields on their land for recreation and sport
- This can be funded from CIL as it meets the legal requirements – see Appendix 2

Funding this from CIL (in Earmarked Reserves) would protect BPC’s compliance with JPG recommendations for good financial governance, by keeping more than 50% of our 2024-25 Precept’s value as General Reserves.

My judgement is that BPC can afford to use Reserves for this purpose this year but NOT repeatedly. This year is exceptional in that we have over-achieved on investment income by about £6,000 due to significant CIL capital being held and interest rates rising and the cost of the Buckden-Brampton cycleway is less than anticipated.

Proposal: For 2024-25 only the agreed Field Maintenance Grant is funded from CIL.

This would mean that the year-on-year increase in Precept would then be 5.39%

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Appendix 1 HDC information on tax base calculation 2024-25



Ms R Mimiene
Clerk to Buckden and Diddington Parish Council
clerk@buckdenpc.org.uk

22nd November 2023

Dear Clerk

PARISH/TOWN COUNCIL TAXBASE 2024/25

You will be aware that, when we wrote to you on 28th September 2023 regarding precepts, we advised that we would be unable to confirm the taxbase figure until after 14th December. This is because the Council is currently considering a proposal to amend the Council Tax Support scheme to better support low-income households across the district.

However, we are now in a position to share draft figures for your information as follows:

	Current CTS Scheme	Proposed CTS Scheme
Draft Taxbase 2024/25	1339.9	1331.6

Please note that we are unable to confirm the **final** taxbase figure until after the decision has been formally taken. As such these, **the figure remains an estimate only**. We will, of course, provide confirmation of the final taxbase figure as soon as possible.

Appendix 2 Legal basis for spending CIL

<https://www.gov.uk/guidance/community-infrastructure-levy#spending-the-levy>

What can the Community Infrastructure Levy be spent on?

The levy can be used to fund a wide range of infrastructure, including transport, flood defences, schools, hospitals, and other health and social care facilities (for further details, see [section 216\(2\) of the Planning Act 2008](#), and [regulation 59](#), as amended by the [2012](#) and [2013 Regulations](#)). This definition allows the levy to be used to fund a very broad range of facilities such as play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare facilities, academies and free schools, district heating schemes and police stations and other community safety facilities. This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their relevant plan (the Development Plan and the London Plan in London). Charging authorities [HDC] may not use the levy to fund affordable housing.

Local authorities must spend the levy on infrastructure needed to support the development of their area, and they will decide what infrastructure is needed.

The levy can be used to increase the capacity of existing infrastructure or to repair failing existing infrastructure, if that is necessary to support development. See detail on page3.

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<https://www.legislation.gov.uk/ukpga/2008/29/section/216>

Section 216

(1) Subject to ^[F1]sections 216A(1), 216B(2) and] 219(5)], CIL regulations must require the authority that charges CIL to apply it, or cause it to be applied, to ^[F2] supporting development by funding the **provision, improvement, replacement, operation or maintenance of infrastructure**.

(2) In ^[F3] this section (except subsection (3)) and sections 216A(2) and 216B(2)] **“infrastructure” includes—**

- (a) roads and other transport facilities,
- (b) flood defences,
- (c) schools and other educational facilities,
- (d) medical facilities,
- (e) **sporting and recreational facilities**^[F4] and
- (f) **open spaces** ^[F5.]

Textual Amendments

F1 Words in s. 216(1) substituted (15.1.2012) by [Localism Act 2011 \(c. 20\)](#), ss. [115\(5\)\(a\)\(i\)](#), [240\(2\)](#) (with [s. 144](#)); [S.I. 2012/57](#), art. [4\(1\)\(g\)](#) (with [arts. 6 7 9-11](#))

F2 Words in s. 216(1) substituted (15.1.2012) by [Localism Act 2011 \(c. 20\)](#), ss. [115\(5\)\(a\)\(ii\)](#), [240\(2\)](#) (with [s. 144](#)); [S.I. 2012/57](#), art. [4\(1\)\(g\)](#) (with [arts. 6 7 9-11](#))

F3 Words in s. 216(2) substituted (15.1.2012) by [Localism Act 2011 \(c. 20\)](#), ss. [115\(5\)\(b\)](#), [240\(2\)](#) (with [s. 144](#)); [S.I. 2012/57](#), art. [4\(1\)\(g\)](#) (with [arts. 6 7 9-11](#))

F4 Word in s. 216(2)(e) inserted (6.4.2010) by [The Community Infrastructure Levy Regulations 2010 \(S.I. 2010/948\)](#), [regs. 1, 63\(2\)](#)

F5 Word in s. 216(2)(f) substituted (6.4.2010) by [The Community Infrastructure Levy Regulations 2010 \(S.I. 2010/948\)](#), [regs. 1, 63\(3\)](#)