

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

20 FEBRUARY 2019

REPORT OF THE INTERIM HEAD OF FINANCE AND SECTION 151 OFFICER

COUNCIL TAX 2019-20

1. Purpose

- 1.1 The purpose of this report is to provide Council with details of the Council Tax requirement for the County Borough Council together with the requirements of the Police & Crime Commissioner for South Wales and Community/Town Councils.

2. Connections to Corporate Improvement Objectives / Other Corporate Priorities

- 2.1 This report assists in the achievement of the following corporate priorities:-

1. Supporting a successful economy – taking steps to make the county a good place to do business, for people to live, work, study and visit, and to ensure that our schools are focused on raising the skills, qualifications and ambitions of all people in the county.
2. Helping people to be more self-reliant – taking early steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services.
3. Smarter use of resources – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.

- 2.2 The Council, as the billing authority, is required to formally approve the Council Tax for its area. Council tax collected from local residents makes up around one quarter of the funding for the Council's net revenue budget.

3. Background

- 3.1 The final budget proposals have been placed before Council for approval as the Council has to calculate its budget requirement in accordance with Section 32 of the Local Government Finance Act 1992 and set the level of Council Tax for 2019-20.
- 3.2 Section 33 of the Local Government Finance Act 1992 requires billing authorities to calculate the basic amount of council tax in a financial year. Section 34 of the Act further requires the billing authority to calculate the basic

amount of council tax for dwellings in those parts of its area to which one or more special items relate, such as a Community/Town Council precept requirement.

4. Current Situation / Proposal

- 4.1 Council is expected to approve the Bridgend County Borough Council budget for 2019-20 at its meeting on 20 February 2019, and the budget is shown in Table 1 below:

Table 1: Net Revenue Budget 2019-20

	Revenue Budget 2019-20
	£000
<u>Service Directorate Budgets:</u>	
Central Education & Family Support	21,347
Schools	94,861
Education and Family Support	116,208
Social Services & Wellbeing	70,834
Communities	25,331
Chief Executive's	18,609
Total Directorate Budgets	230,982
<u>Corporate Budgets:</u>	
Capital Financing	7,430
Levies	7,376
Repairs and Maintenance	870
Council Tax Reduction Scheme	14,854
Apprenticeship Levy	700
Pension Related Costs	430
Insurance Premiums	1,588
Other Corporate Budgets	6,579
Total Corporate Budgets	39,827
Net Budget Requirement	270,809

- 4.2 The net budget requirement for Bridgend County Borough Council for 2019-20 is £270.809 million, and the amount to be funded from Council Tax is £79,001,854, as shown in Table 2 below. This equates to a Council Tax of £1,470.87 on a Band D property, an increase of 5.4%.

Table 2 – Net Budget Funding

	£	%
Revenue Support Grant	145,354,407	53.67
Non Domestic Rates	46,452,373	17.15
Council Tax Income	79,001,854	29.17
Total	270,808,634	100%

4.3 The Police & Crime Commissioner for South Wales has notified the Council that their precept for the financial year ending 31 March 2020 will rise to £13,831,719 which equates to a Council Tax of £257.52 on a Band D property, a 10.28% increase. This increase is in line with a recent Home Office announcement which doubled the precept flexibility for locally accountable Police and Crime Commissioners by giving Police and Crime Commissioners the freedom to ask for an additional £2 a month in 2019-20, and to increase their Band D precept by £24 in 2019-20 without the need to call a local referendum. Consequently in line with the Home Office statement and to ensure a balanced budget the Police & Crime Commissioner for South Wales has increased Band D properties by £24 in 2019-20. The 2019-20 precept was agreed by the South Wales Police and Crime Panel on 29 January 2019.

4.4 The average Council Tax for the County Borough for 2019-20 is shown in Table 3 below.

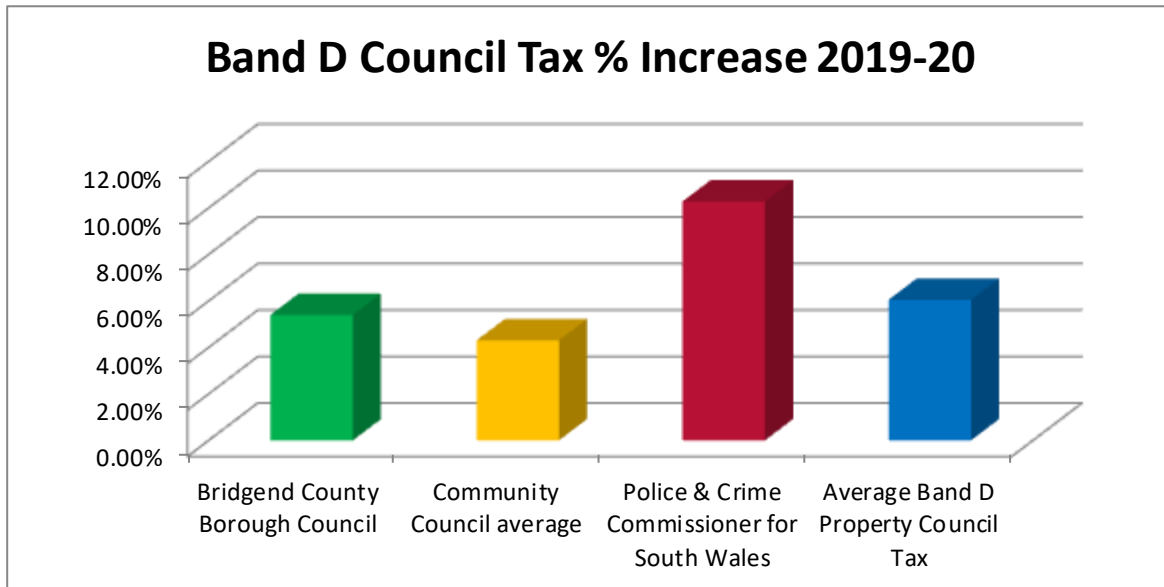
Table 3 – Average Council Tax Increase 2019-20

	2018-19	2019-20	% change
Council Tax Base - Band D equivalents	53,315.53	53,710.97	0.74%

	£	£	% change
Bridgend County Borough Council	1,395.51	1,470.87	5.4%
Community Council average	46.79	48.80	4.3%
Police & Crime Commissioner for South Wales	233.52	257.52	10.28%
Band D Property average council tax	1,675.82	1,777.19	6.05%

4.5 The average Council Tax increase for Bridgend County Borough Council and each of the precepting bodies is provided in Table 4 below:

Table 4 – Average Council Tax Increase 2019-20



4.6 The Council, as the billing authority, is required to formally approve the Council Tax for its area. This must be set to meet the net budget requirement of the Council and its precepting authorities and is set out in Table 5 below.

Table 5 – Total Average Band D Council Tax Requirement 2019-20

Authority	Requirement £	Net Tax Base	Band D Council Tax £
Bridgend County Borough Council <u>Local Precepts</u>	79,001,854	53,710.97	1470.87
Brackla Community Council	169,000	4,178.29	40.45
Bridgend Town Council	553,849	5,876.88	94.24
Cefn Cribbwr Community Council	30,000	544.63	55.08
Coity Higher Community Council	96,300	3,753.12	25.66
Cornelly Community Council	135,000	2,584.04	52.24
Coychurch Higher Community Council	10,300	337.81	30.49
Coychurch Lower Community Council	25,500	647.46	39.38
Garw Valley Community Council	111,000	2,259.61	49.12
Laleston Community Council	185,000	4,899.59	37.76
Llangynwyd Lower Community Council	8,500	172.23	49.35
Llangynwyd Middle Community Council	56,000	1,046.81	53.50
Maesteg Town Council	333,401	5,556.68	60.00
Merthyr Mawr Community Council	4,800	147.51	32.54
Newcastle Higher Community Council	44,000	1,706.69	25.78
Ogmore Vale Community Council	73,150	2,534.69	28.86
Pencoed Town Council	155,000	3,426.78	45.23
Porthcawl Town Council	417,200	7,978.86	52.29
Pyle Community Council	110,000	2,492.35	44.14
St Brides Minor Community Council	58,170	2,271.38	25.61
Ynysawdre Community Council	45,000	1,295.56	34.73
Borough Budget Requirement (including Community Councils)	81,623,024	53,710.97	1,519.67
Police & Crime Commissioner for South Wales	13,831,719	53,710.97	257.52
TOTAL	95,454,743	53,710.97	1,777.19

- 4.7 The Council is also required to approve the Council Tax charges for Band D properties for the chargeable financial year beginning 1 April for each of the community areas and these are shown in Table 6 below. All calculations are for a Band D equivalent property.

Table 6 – Council Tax 2019-20 per Town and Community Council

Town or Community Council	Bridgend CBC	Community Council	Police & Crime Commissioner for South Wales	Total
	£	£	£	£
Brackla Community Council	1,470.87	40.45	257.52	1,768.84
Bridgend Town Council	1,470.87	94.24	257.52	1,822.63
Cefn Cribbwr Community Council	1,470.87	55.08	257.52	1,783.47
Coity Higher Community Council	1,470.87	25.66	257.52	1,754.05
Cornelly Community Council	1,470.87	52.24	257.52	1,780.63
Coychurch Higher Community Council	1,470.87	30.49	257.52	1,758.88
Coychurch Lower Community Council	1,470.87	39.38	257.52	1,767.77
Garw Valley Community Council	1,470.87	49.12	257.52	1,777.51
Laleston Community Council	1,470.87	37.76	257.52	1,766.15
Llangynwyd Lower Community Council	1,470.87	49.35	257.52	1,777.74
Llangynwyd Middle Community Council	1,470.87	53.50	257.52	1,781.89
Maesteg Town Council	1,470.87	60.00	257.52	1,788.39
Merthyr Mawr Community Council	1,470.87	32.54	257.52	1,760.93
Newcastle Higher Community Council	1,470.87	25.78	257.52	1,754.17
Ogmore Vale Community Council	1,470.87	28.86	257.52	1,757.25
Pencoed Town Council	1,470.87	45.23	257.52	1,773.62
Porthcawl Town Council	1,470.87	52.29	257.52	1,780.68
Pyle Community Council	1,470.87	44.14	257.52	1,772.53
St Brides Minor Community Council	1,470.87	25.61	257.52	1,754.00
Ynysawdre Community Council	1,470.87	34.73	257.52	1,763.12

4.8 For sake of clarity, the resulting charges for each Band are reproduced in Appendix A.

5. Effect on Policy Framework and Procedure Rules

5.1 The budget setting process is outlined within the Council's Constitution and Financial Procedure Rules. The budget is set in accordance with the statutory provisions set out in Local Government Finance Act 1992.

6. Equality Impact Assessment

6.1 The Council Tax is determined as part of the Medium Term Financial Strategy (MTFS) budgetary process. The MTFS is reported separately to Council and contains details of the high level Equality Impact Assessment which has been undertaken on the budget setting process. The proposals contained within that report cover a wide range of services and it is inevitable that the necessary budget reductions will impact on the local population in different ways. Council Tax charges do not have a negative equality impact.

7. Well-being of Future Generations (Wales) Act 2015 Implications

7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of wellbeing goals/objectives as a result of this report.

8. Financial Implications

8.1 These are outlined within the report.

9. Recommendations

9.1 Subject to approval of the Council's proposed net budget requirement for 2019-20, Council is asked to approve:

- a Band D Council Tax for Bridgend County Borough Council of £1,470.87 for 2019-20, and
- the Council Tax charges for Band D properties for 2019-20 for each of the community areas as outlined in Table 6.

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February 2019

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Background Papers:
Final Local Government Revenue and Capital Settlements 2019-20
Cabinet Report – MTFS 2019-20 to 2022-23 – 12 February 2019
Council Report – MTFS 2019-20 to 2022-23 – 27 February 2019

