

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

26 FEBRUARY 2020

REPORT OF THE INTERIM HEAD OF FINANCE AND SECTION 151 OFFICER

COUNCIL TAX 2020-21

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 Well-Being Objectives / Other Corporate Priorities

- 2.1 This report assists in the achievement of the following well-being objectives:-
1. Supporting a successful sustainable 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 and communities to be more healthy and resilient – 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 2020-21.
- 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 2020-21 at its meeting on 26 February 2020, and the budget is shown in Table 1 below:

Table 1: Net Revenue Budget 2020-21

	Revenue Budget 2020-21
	£000
<u>Service Directorate Budgets:</u>	
Central Education & Family Support	21,379
Schools	99,552
Education and Family Support	120,931
Social Services & Wellbeing	70,894
Communities	27,790
Chief Executive's	18,228
Total Directorate Budgets	237,843
<u>Corporate Budgets:</u>	
Capital Financing	7,329
Levies	7,459
Repairs and Maintenance	870
Council Tax Reduction Scheme	15,254
Apprenticeship Levy	650
Pension Related Costs	430
Insurance Premiums	1,438
Other Corporate Budgets	15,612
Total Corporate Budgets	49,042
Net Budget Requirement	286,885

- 4.2 The net budget requirement for Bridgend County Borough Council for 2020-21 is £286.885 million, and the amount to be funded from Council Tax is £83,757,919, as shown in Table 2 below. This equates to a Council Tax of £1,537.06 on a Band D property, an increase of 4.5%. This proposed increase of 4.50% equates to 85p per week for a person living in a Band A property and £1.27 per week for someone living in a Band D property (62% of properties in Bridgend are lower than a Band D).

Table 2 – Net Budget Funding

	£	%
Revenue Support Grant	153,441,858	53.48
Non Domestic Rates	49,685,392	17.32
Council Tax Income	83,757,919	29.20
Total	286,885,169	100%

- 4.3 The Police & Crime Commissioner for South Wales has notified the Council that their precept for the financial year ending 31 March 2021 will rise to £14,860,870 which equates to a Council Tax of £272.72 on a Band D property, a 5.9% increase. The 2020-21 precept was agreed by the South Wales Police and Crime Panel on 30 January 2020.
- 4.4 The average Council Tax for the County Borough for 2020-21 is shown in Table 3 below.

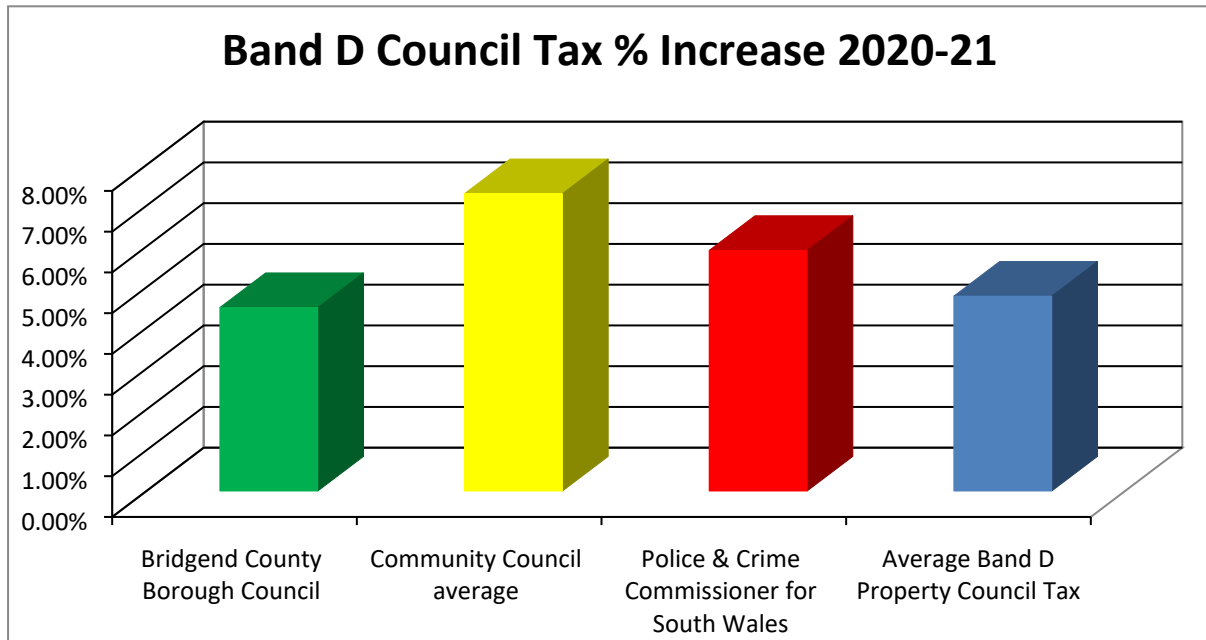
Table 3 – Average Council Tax Increase 2020-21

	2019-20	2020-21	% change
Council Tax Base - Band D equivalents	53,710.97	54,492.29	1.45%

	£	£	% change
Bridgend County Borough Council	1,470.87	1,537.06	4.5%
Community Council average	48.80	52.36	7.3%
Police & Crime Commissioner for South Wales	257.52	272.72	5.9%
Band D Property average council tax	1,777.19	1,862.14	4.78%

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 2020-21



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 2020-21

Authority	Requirement £	Net Tax Base	Band D Council Tax £
Bridgend County Borough Council <u>Local Precepts</u>	83,757,919	54,492.29	1,537.06
Brackla Community Council	169,630	4,193.59	40.45
Bridgend Town Council	637,980	5,946.79	107.28
Cefn Cribwr Community Council	40,000	549.40	72.81
Coity Higher Community Council	109,100	3,918.73	27.84
Cornelly Community Council	150,000	2,587.42	57.97
Coychurch Higher Community Council	10,600	341.99	31.00
Coychurch Lower Community Council	26,155	652.16	40.11
Garw Valley Community Council	120,630	2,294.35	52.58
Laleston Community Council	218,246	4,957.59	44.02
Llangynwyd Lower Community Council	9,000	168.78	53.32
Llangynwyd Middle Community Council	58,000	1,051.80	55.14
Maesteg Town Council	330,919	5,648.89	58.58
Merthyr Mawr Community Council	4,000	150.60	26.56
Newcastle Higher Community Council	50,000	1,740.94	28.72
Ogmore Valley Community Council	93,796	2,605.44	36.00
Pencoed Town Council	160,000	3,455.19	46.31
Porthcawl Town Council	441,000	8,047.67	54.80
Pyle Community Council	120,000	2,506.52	47.88
St Brides Minor Community Council	59,400	2,317.95	25.63
Ynysawdre Community Council	45,000	1,356.49	33.17
Borough Budget Requirement (including Community Councils)	86,611,375	54,492.29	1,589.42
Police & Crime Commissioner for South Wales	14,860,870	54,492.29	272.72
TOTAL	101,472,245	54,492.29	1,862.14

- 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 2020-21 per Town and Community Council

Town or Community Council	Bridgend CBC	Community Council	Police & Crime Commissioner for South Wales	Total
	£	£	£	£
Brackla Community Council	1,537.06	40.45	272.72	1,850.23
Bridgend Town Council	1,537.06	107.28	272.72	1,917.06
Cefn Cribwr Community Council	1,537.06	72.81	272.72	1,882.59
Coity Higher Community Council	1,537.06	27.84	272.72	1,837.62
Cornelly Community Council	1,537.06	57.97	272.72	1,867.75
Coychurch Higher Community Council	1,537.06	31.00	272.72	1,840.78
Coychurch Lower Community Council	1,537.06	40.11	272.72	1,849.89
Garw Valley Community Council	1,537.06	52.58	272.72	1,862.36
Laleston Community Council	1,537.06	44.02	272.72	1,853.80
Llangynwyd Lower Community Council	1,537.06	53.32	272.72	1,863.10
Llangynwyd Middle Community Council	1,537.06	55.14	272.72	1,864.92
Maesteg Town Council	1,537.06	58.58	272.72	1,868.36
Merthyr Mawr Community Council	1,537.06	26.56	272.72	1,836.34
Newcastle Higher Community Council	1,537.06	28.72	272.72	1,838.50
Ogmore Valley Community Council	1,537.06	36.00	272.72	1,845.78
Pencoed Town Council	1,537.06	46.31	272.72	1,856.09
Porthcawl Town Council	1,537.06	54.80	272.72	1,864.58
Pyle Community Council	1,537.06	47.88	272.72	1,857.66
St Brides Minor Community Council	1,537.06	25.63	272.72	1,835.41
Ynysawdre Community Council	1,537.06	33.17	272.72	1,842.95

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 2020-21, Council is asked to approve:

- a Band D Council Tax for Bridgend County Borough Council of £1,537.06 for 2020-21, and
- the Council Tax charges for Band D properties for 2020-21 for each of the community areas as outlined in Table 6.

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Background Papers:

Final Local Government Revenue and Capital Settlements 2020-21
Cabinet Report – MTFS 2020-21 to 2023-24 – 25 February 2020
Council Report – MTFS 2020-21 to 2023-24 – 26 February 2020