

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

17 NOVEMBER 2021

REPORT OF THE INTERIM CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE AND SECTION 151 OFFICER

2022-23 COUNCIL TAX BASE

1. Purpose of report

- 1.1 The purpose of this report is to provide Council with details of the council tax base and estimated collection rate for 2022-23 for approval.

2. Connection to corporate well-being objectives / other corporate priorities

- 2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015**:-

1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
3. **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

- 2.2 The council tax base determines the amount of council tax which can be raised to fund the Council's budget. The budget strategy is an integral part of the Corporate Planning process.

3. Background

- 3.1 Under the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council tax base) (Wales) Regulations 1995, as amended, the Council is required to set the council tax base upon which council tax is levied by the authority and other precepting bodies, for the following financial year, prior to 31st December each year. This information is required by the Welsh

Government to allocate the Revenue Support Grant (RSG) to local authorities and by the Council to calculate the council tax required to fund the 2022-23 budget.

- 3.2 The council tax base is the measure of the relative taxable capacity of different areas within the County Borough and is calculated in accordance with prescribed rules. Every domestic property in the County Borough has been valued by the Valuation Office. Once valued, properties are allocated one of nine valuation bands (Bands A to I). Each band is multiplied by a given factor to bring it to the Band D equivalent as set out in the table below:

Valuation Band	Tax Proportion	Percentage of Band D
A	6/9	67%
B	7/9	78%
C	8/9	89%
D	9/9	100%
E	11/9	122%
F	13/9	144%
G	15/9	167%
H	18/9	200%
I	21/9	233%

- 3.3 The Tax Base represents the number of chargeable dwellings in the area expressed as Band D equivalents, taking into account the total number of exemptions, discounts and disabled band reductions, with the net tax base calculated by taking account of the Council's estimated collection rate. Council tax is measured in 'Band D' equivalents as the standard for comparing council tax levels between and across local authorities.

4. Current situation/proposal

- 4.1 The gross estimated council tax base for 2022-23 is 55967.70 Band D equivalent properties and the estimated collection rate is 97.5%. The net council tax base is, therefore, 54568.51. The estimated collection rate has been kept at 97.5%, to reflect the current economic circumstances surrounding the Covid-19 pandemic, the higher number of citizens facing economic hardship and current collection rates.
- 4.2 The council tax base is provided to Welsh Government and is used to calculate the amount of Revenue Support Grant that a local authority receives in the Local Government Revenue Settlement. In order to ensure consistency across Wales no account is taken of Councils' assumptions about collection rates. For the purpose of distributing RSG, collection rates are assumed to be 100 per cent. The amount of council tax due for a dwelling in Band D is calculated by dividing the annual budget requirement to be funded by taxpayers by the council tax base. A set formula is then used to calculate the liability for the remaining eight Bands.

4.3 The council tax element of the Council's budget requirement will be based on the net council tax base of 54568.51. Although the Council calculates the tax base for the whole of the county borough, separate calculations are provided for each town and community council. This council tax base is used by precepting authorities in calculating their own individual precepts. Town and community councils base their precepts on the tax base for each town and community area and details of these are shown in **Appendix A**.

5. Effect upon policy framework and procedure rules

5.1 The council tax base is set in accordance with the policy framework and budget procedure rules.

6. Equality Act 2010 implications

6.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

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 well-being goals/objectives as a result of this report.

8. Financial implications

8.1 These are outlined in the report.

9. Recommendation

9.1 It is a requirement for the council tax base to be set in order that it can be submitted to the Welsh Government for use in the RSG, and used by Councils and levying bodies to set precepts.

Council is recommended:

- to approve the council tax base and collection rate for 2022-23 as shown in paragraph 4.1 of this report.
- to approve the tax bases for the town and community council areas set out in **Appendix A**.

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4 November 2021

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Background documents

None

Estimated County Borough Tax Base 2022-23

Town and Community Council Area	Total Tax Base (No. Band D Equivalent Properties)	Estimated Collection Percentage	Net Tax Base (No. Band D Equivalent Properties)
Brackla	4276.50	97.5%	4169.59
Bridgend	6087.48	97.5%	5935.29
Cefn Cribwr	555.34	97.5%	541.46
Coity Higher	4197.38	97.5%	4092.45
Cornelly	2640.50	97.5%	2574.49
Coychurch Higher	352.14	97.5%	343.34
Coychurch Lower	659.69	97.5%	643.20
Garw Valley	2328.86	97.5%	2270.64
Laleston	5144.03	97.5%	5015.43
Llangynwyd Lower	171.03	97.5%	166.75
Llangynwyd Middle	1063.19	97.5%	1036.61
Maesteg	5751.00	97.5%	5607.22
Merthyr Mawr	152.42	97.5%	148.61
Newcastle Higher	1787.81	97.5%	1743.11
Ogmore Valley	2641.67	97.5%	2575.63
Pencoed	3538.91	97.5%	3450.44
Porthcawl	8276.59	97.5%	8069.67
Pyle	2574.36	97.5%	2510.00
St Brides Minor	2368.89	97.5%	2309.67
Ynysawdre	1399.91	97.5%	1364.91
Total County Borough	55967.70	97.5%	54568.51