

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO COUNCIL

16 NOVEMBER 2022

REPORT OF THE CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

COUNCIL TAX BASE 2023-24

1. Purpose of report

- 1.1 The purpose of this report is to seek Council approval for the estimated council tax base and collection rate for 2023-24.

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

- 2.1 This report assists in the achievement of the following corporate well-being objective/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 31 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 2023-24 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 2023-24 is 56,418.28 Band D equivalent properties and the estimated collection rate is 97.5%. The net council tax base is, therefore, 55,007.82. The estimated collection rate has been at a rate of 97.5% to reflect the current challenging economic circumstances globally, the cost-of-living crisis leading to a 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 (RSG) that a local authority receives in the Local Government Revenue Settlement. In order to ensure consistency across Wales, when determining the RSG, Welsh Government takes no account of Councils' assumptions about collection rates - for the purpose of distributing RSG, collection rates are assumed to be 100%. 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 55,007.82. 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 wellbeing 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 statutory 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 2023-24 as shown in paragraph 4.1 of this report.
- to approve the tax bases for the town and community areas set out in Appendix A.

Carys Lord
CHIEF OFFICER – FINANCE, PERFORMANCE & CHANGE
7 November 2022

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Background documents:	None

Estimated County Borough Tax Base 2023-24

Community Council Area	Total Tax Base (No. Band D Equivalent Properties)	Estimated Collection Percentage	Net Tax Base (No. Band D Equivalent Properties)
Brackla	4266.87	97.5%	4160.20
Bridgend	6132.56	97.5%	5979.25
Cefn Cribwr	565.89	97.5%	551.74
Coity Higher	4234.69	97.5%	4128.82
Cornelly	2624.64	97.5%	2559.02
Coychurch Higher	361.07	97.5%	352.04
Coychurch Lower	664.64	97.5%	648.02
Garw Valley	2334.39	97.5%	2276.03
Laleston	5208.65	97.5%	5078.43
Llangynwyd Lower	170.80	97.5%	166.53
Llangynwyd Middle	1063.94	97.5%	1037.34
Maesteg	5745.43	97.5%	5601.80
Merthyr Mawr	153.00	97.5%	149.18
Newcastle Higher	1999.86	97.5%	1949.86
Ogmore Valley	2631.31	97.5%	2565.53
Pencoed	3538.70	97.5%	3450.23
Porthcawl	8335.56	97.5%	8127.17
Pyle	2584.12	97.5%	2519.52
St Brides Minor	2366.93	97.5%	2307.76
Ynysawdre	1435.23	97.5%	1399.35
Total County Borough	56418.28	97.5%	55007.82