

# BRIDGEND COUNTY BOROUGH COUNCIL

## REPORT TO COUNCIL

1 MARCH 2023

### REPORT OF THE CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

#### COUNCIL TAX 2023-24

#### 1. Purpose of report

- 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 and Crime Commissioner for South Wales and Town and Community Councils, and to seek Council approval of the Band D council tax for Bridgend County Borough Council and the community areas 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 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 focused 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** – ensuring 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, as the billing authority, is required to formally approve the council tax for its area. Council tax collected from local residents makes up almost 27% 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 2023-24.
- 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 Town and Community Council precept requirement.

- 3.3 The Council collects the council tax on behalf of the Town and Community Councils and the Police and Crime Commissioner for South Wales. The monies collected are then paid over to the relevant bodies in line with the amount they have included in their budget to be charged to households in the county borough of Bridgend.
- 3.4 The council tax base determines the amount of council tax which can be raised to fund the Council's budget and is the measure of the relative taxable capacity of different areas within the County Borough. 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.
- 3.5 When the council tax base for 2023-24 was approved by Council on 16 November 2022 the estimated collection rate was kept at 97.5%, to reflect the current economic circumstances surrounding the ongoing effects of the Covid-19 pandemic, the higher number of citizens facing economic hardship and current collection rates.

#### 4. Current situation/proposal

- 4.1 Council is expected to approve the Bridgend County Borough Council budget for 2023-24 at its meeting on 1 March 2023, and the proposed budget is shown in Table 1 below:

**Table 1: Net Revenue Budget 2023-24**

	<b>Revenue Budget 2023-24 £000</b>
<b><u>Service Directorate Budgets:</u></b>	
Central Education & Family Support	27,700
Schools	109,788
<i>Education and Family Support</i>	<i>137,488</i>
Social Services & Wellbeing	92,791
Communities	30,545
Chief Executive's	24,003
<b>Total Directorate Budgets</b>	<b>284,827</b>
<b><u>Council Wide Budgets:</u></b>	
Capital Financing	7,203
Levies	8,907
Repairs and Maintenance	670
Council Tax Reduction Scheme	16,054
Apprenticeship Levy	650
Pension Related Costs	430
Insurance Premiums	1,363
Other Council Wide Budgets	21,943
<b>Total Council Wide Budgets</b>	<b>57,220</b>
<b>Net Budget Requirement</b>	<b>342,047</b>

4.2 The net budget requirement for Bridgend County Borough Council for 2023-24 is £342,047,227, and the amount to be funded from council tax is £92,152,401 as shown in Table 2 below. This equates to a council tax of £1,675.26 on a Band D property, a 4.9% increase from 2022-23. This is lower than the originally proposed increase of 6%, following consideration of responses received through the public budget consultation and budget scrutiny process. In 2022-23 council tax had been frozen on a one-off basis to support the citizens of Bridgend in dealing with the rising cost of living, but due to the immense number of pressures facing the Council for 2023-24 onwards, unfortunately it has not been possible to repeat this for 2023-24.

**Table 2 – Net Budget Funding**

	£	%
Revenue Support Grant	202,269,300	59.14
Non-Domestic Rates	47,625,526	13.92
Council Tax Income	92,152,401	26.94
<b>Total</b>	<b>342,047,227</b>	<b>100.00</b>

4.3 The Police and Crime Commissioner for South Wales has notified the Council that their precept for the financial year ending 31 March 2024 will rise to £17,848,387 which equates to a council tax of £324.47 on a Band D property, a 7.4% increase. The 2023-24 precept was agreed by the South Wales Police and Crime Panel on 7 February 2023.

4.4 For the 2023-24 financial year, the Police and Crime Commissioner for South Wales has stated that the following amounts are to be levied by the Council in respect of policing services, in accordance with section 40 of the Local Government Act 1992, for each of the categories of dwellings shown in Table 3 below:

**Table 3 – Council Tax Bandings 2023-24 – South Wales Police Precept**

<b>Police &amp; Crime Commissioner for South Wales</b>	<b>(£. p)</b>
Band A	216.31
Band B	252.37
Band C	288.42
<b>Band D</b>	<b>324.47</b>
Band E	396.57
Band F	468.68
Band G	540.78
Band H	648.94
Band I	757.10

4.5 The average council tax increase for the County Borough for 2023-24 is shown in Table 4 below.

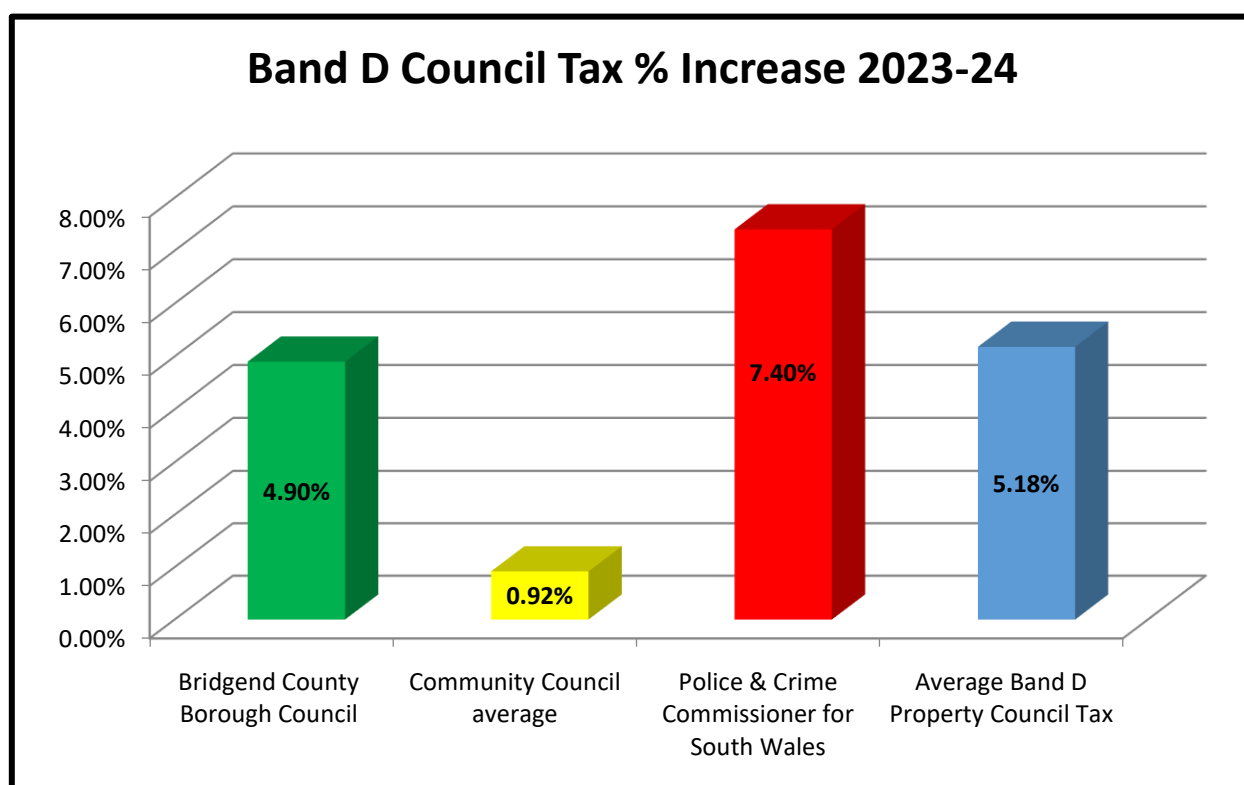
**Table 4 – Average Council Tax Increase 2023-24**

	2022-23	2023-24	% change
Council Tax Base - Band D equivalents	54,568.51	55,007.82	0.81

	£	£	% change
Bridgend County Borough Council	1,597.01	1,675.26	4.90
Community Council average	52.19	52.67	0.92
Police & Crime Commissioner for South Wales	302.11	324.47	7.40
<b>Band D property average council tax</b>	<b>1,951.31</b>	<b>2,052.40</b>	<b>5.18</b>

4.6 The average council tax change by percentage for Bridgend County Borough Council and each of the precepting bodies is provided in Table 5 below:

**Table 5 – Average Council Tax Change by Percentage 2023-24**



4.7 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 6 below.

**Table 6 – Total Average Band D Council Tax Requirement 2023-24**

<b>Authority</b>	<b>Requirement £</b>	<b>Net Tax Base</b>	<b>Band D Council Tax (£. P)</b>
<b>Bridgend County Borough Council</b>	92,152,401	55,007.82	1,675.26
<b>Local Precepts</b>			
Brackla Community Council	177,790	4,160.20	42.74
Bridgend Town Council	637,980	5,979.25	106.70
Cefn Cribwr Community Council	42,000	551.74	76.12
Coity Higher Community Council	114,934	4,128.82	27.84
Cornelly Community Council	150,000	2,559.02	58.62
Coychurch Higher Community Council	11,000	352.04	31.25
Coychurch Lower Community Council	40,750	648.02	62.88
Garw Valley Community Council	120,001	2,276.03	52.72
Laleston Community Council	262,000	5,078.43	51.59
Llangynwyd Lower Community Council	9,500	166.53	57.05
Llangynwyd Middle Community Council	72,000	1,037.34	69.41
Maesteg Town Council	301,107	5,601.80	53.75
Merthyr Mawr Community Council	2,000	149.18	13.41
Newcastle Higher Community Council	53,637	1,949.86	27.51
Ogmore Valley Community Council	92,700	2,565.53	36.13
Pencoed Town Council	165,000	3,450.23	47.82
Porthcawl Town Council	418,075	8,127.17	51.44
Pyle Community Council	120,000	2,519.52	47.63
St Brides Minor Community Council	61,957	2,307.76	26.85
Ynysawdre Community Council	45,000	1,399.35	32.16
Borough Budget Requirement (including Community Councils)	95,049,832	55,007.82	1,727.93
<b>Police and Crime Commissioner for South Wales</b>	17,848,387	55,007.82	324.47
<b>TOTAL</b>	<b>112,898,219</b>	<b>55,007.82</b>	<b>2,052.40</b>

- 4.8 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 20 community areas and these are shown in Table 7 below. All calculations are for a Band D equivalent property.

**Table 7 – Council Tax 2023-24 per Town and Community Council**

<b>Town or Community Council</b>	<b>Bridgend CBC</b>	<b>Community Council</b>	<b>Police &amp; Crime Commissioner for South Wales</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Brackla Community Council	1,675.26	42.74	324.47	2,042.47
Bridgend Town Council	1,675.26	106.70	324.47	2,106.43
Cefn Cribwr Community Council	1,675.26	76.12	324.47	2,075.85
Coity Higher Community Council	1,675.26	27.84	324.47	2,027.57
Cornelly Community Council	1,675.26	58.62	324.47	2,058.35
Coychurch Higher Community Council	1,675.26	31.25	324.47	2,030.98
Coychurch Lower Community Council	1,675.26	62.88	324.47	2,062.61
Garw Valley Community Council	1,675.26	52.72	324.47	2,052.45
Laleston Community Council	1,675.26	51.59	324.47	2,051.32
Llangynwyd Lower Community Council	1,675.26	57.05	324.47	2,056.78
Llangynwyd Middle Community Council	1,675.26	69.41	324.47	2,069.14
Maesteg Town Council	1,675.26	53.75	324.47	2,053.48
Merthyr Mawr Community Council	1,675.26	13.41	324.47	2,013.14
Newcastle Higher Community Council	1,675.26	27.51	324.47	2,027.24
Ogmore Valley Community Council	1,675.26	36.13	324.47	2,035.86
Pencoed Town Council	1,675.26	47.82	324.47	2,047.55
Porthcawl Town Council	1,675.26	51.44	324.47	2,051.17
Pyle Community Council	1,675.26	47.63	324.47	2,047.36
St Brides Minor Community Council	1,675.26	26.85	324.47	2,026.58
Ynysawdre Community Council	1,675.26	32.16	324.47	2,031.89

4.9 The resulting charges for each Band are set out 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 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.

6.2 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.

- 6.3 The Council tax reduction scheme helps people on low incomes to pay their council tax. Eligibility is based on claiming job seekers allowance or income support if income is below a certain level or residents are in receipt of universal credit.

## **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 within the report.

## **9. Recommendations**

- 9.1 Subject to approval of the Council's proposed net budget requirement for 2023-24, Council is recommended to approve:
- a Band D Council Tax for Bridgend County Borough Council of £1,675.26 for 2023-24, and
  - the Council Tax charges for Band D properties for 2023-24 for each of the community areas as outlined in Table 7.

**Carys Lord**  
**Chief Officer – Finance, Performance and Change and Section 151 Officer**  
**March 2023**

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**Background Papers:**  
Provisional Local Government Revenue and Capital Settlements 2023-24