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| Meeting of: | COUNCIL |
| Date of Meeting: | 20 NOVEMBER 2024 |
| Report Title: | COUNCIL TAX BASE 2025-26 |
| Report Owner / Corporate Director: | CHIEF OFFICER – FINANCE, HOUSING AND CHANGE |
| Responsible Officer: | HELEN RODGERS REVENUES MANAGER |
| Policy Framework and Procedure Rules: | The council tax base is set in accordance with the Policy Framework and Budget Procedure Rules |
| Executive Summary: | <p>The purpose of this report is to seek Council approval for the estimated council tax base for 2025-26, as required by legislation.</p> <p>The estimated net council tax base is 55660.20 based on a collection rate of 97.5%, which takes into account the current economic climate.</p> <p>Council is also required to approve the tax bases for the individual town and community areas for 2025-26.</p> |

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 2025-26. This includes approval of the individual tax bases for the town and community areas as detailed in **Appendix A.**

2. Background

- 2.1 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 2025-26 budget.

2.2 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% |

2.3 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.

3. Current situation / proposal

3.1 The gross estimated council tax base for 2025-26 is 57087.39 Band D equivalent properties and the estimated collection rate is 97.5%. The net council tax base is, therefore, 55660.20. The estimated collection rate has been maintained at a rate of 97.5% to reflect the current challenging economic circumstances globally, the ongoing cost-of-living crisis leading to a higher number of citizens facing economic hardship, and current collection rates. The collection of council tax income will be monitored during the financial year and any proposed changes to the collection rate included within the council tax base report for 2026-27 in November 2025.

3.2 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%. Welsh Government also disregards local decisions around council tax premiums when calculating the RSG allocations. 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.

- 3.3 The council tax element of the Council's budget requirement for 2025-26 will be based on the net council tax base of 55660.20. 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**.

4. Equality implications (including Socio-economic Duty and Welsh Language)

- 4.1 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.

5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives

- 5.1 The Act provides the basis for driving a different kind of public service in Wales, with five ways of working to guide how public services should work to deliver for people. The well-being objectives are designed to complement each other and are part of an integrated way of working to improve well-being for the people of Bridgend. It is considered that there will be no significant or unacceptable impacts upon the achievement of the well-being goals or objectives as a result of this report.

6. Climate Change Implications

- 6.1 There are no climate change implications arising from this report.

7 Safeguarding and Corporate Parent Implications

- 7.1 There are no safeguarding and corporate parent implications arising from this report.

8. Financial Implications

- 8.1 These are outlined in the report.

9. Recommendations

- 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 2025-26 as shown in paragraph 3.1 of this report.
- to approve the tax bases for the town and community areas set out in **Appendix A**.

Background documents:

None

Estimated County Borough Tax Base 2025-26

| Community Council Area | Total Tax Base (No. Band D Equivalent Properties) | Estimated Collection Percentage | Net Tax Base (No. Band D Equivalent Properties) |
|-----------------------------|--|---------------------------------------|---|
| Brackla | 4271.08 | 97.5% | 4164.30 |
| Bridgend | 6284.64 | 97.5% | 6127.52 |
| Cefn Cribwr | 571.44 | 97.5% | 557.15 |
| Coity Higher | 4283.69 | 97.5% | 4176.60 |
| Cornelly | 2647.08 | 97.5% | 2580.90 |
| Coychurch Higher | 365.61 | 97.5% | 356.47 |
| Coychurch Lower | 692.83 | 97.5% | 675.51 |
| Garw Valley | 2362.78 | 97.5% | 2303.71 |
| Laleston | 5163.67 | 97.5% | 5034.58 |
| Llangynwyd Lower | 174.33 | 97.5% | 169.97 |
| Llangynwyd Middle | 1073.47 | 97.5% | 1046.63 |
| Maesteg | 5815.67 | 97.5% | 5670.28 |
| Merthyr Mawr | 151.69 | 97.5% | 147.90 |
| Newcastle Higher | 1973.68 | 97.5% | 1924.34 |
| Ogmore Valley | 2691.08 | 97.5% | 2623.80 |
| Pencoed | 3568.53 | 97.5% | 3479.32 |
| Porthcawl | 8546.42 | 97.5% | 8332.76 |
| Pyle | 2610.17 | 97.5% | 2544.92 |
| St Brides Minor | 2381.61 | 97.5% | 2322.07 |
| Ynysawdre | 1457.92 | 97.5% | 1421.47 |
| Total County Borough | 57087.39 | 97.5% | 55660.20 |