

TITLE	Council Tax Base 21/22
FOR CONSIDERATION BY	Council on 21 January 2021
WARD	None specific
LEAD OFFICER	Deputy Chief Executive - Graham Ebers

OUTCOME / BENEFITS TO THE COMMUNITY

Set the Council Tax Base for 2021/22 in respect of the whole Borough and all constituent parts so that each precepting body can subsequently set their Council Tax budgets for the year. The higher the tax base, the greater opportunity to generate much needed income to help fund council services.

RECOMMENDATION

Council is asked to agree the proposed Council Tax Base, for the whole area and by Parish, as set out in the report.

SUMMARY OF REPORT

Council Tax Base

The council tax base is the total number of Band D equivalent dwellings liable for Council Tax after discounts, exemptions.

Local authorities must ensure their council tax base for the forthcoming financial year is approved by Council, or a delegated body, by 31st January each year. This year's tax base calculation continues to include the significant changes to the council tax base from 1 April 2013 arising from the changes to the council tax benefits system. Financial support to individuals for council tax, formerly known as council tax benefit, is now offered as a discount within the council tax system, known as council tax reduction.

This year's tax base calculations show that with a total of 70,810 properties on the Council Tax register as of 1st October 2020, after making all relevant adjustments for discounts, exemptions, new builds, bad debts, etc. the proposed tax base of band D equivalent is 73297.1 for 2021/22.

The proposed tax base for 2021/22 reflects an increase of 1.75% on the equivalent figure for the 2020/21 financial year.

A summary of the impact of the movements on the council tax base is as follows:

(i) The Borough had 73,220.9 properties on 1 October 2020 net of the loss due to any Council Tax Reduction.

(ii) The increase arising from the estimated new properties in 2021/22 and other changes is estimated at 816.5 band D equivalent properties.

iii) The total of (i) to (ii) above is 74,037.4 properties. The bad debt provision for

2021/22 is 1% of this amount, i.e., 740.3 properties.

The net total of (i) to (iii) above is 73,297.1 properties as set out in the analysis.

Background

The Local Authorities (Calculation of Tax Base) Regulations require the billing authority (Wokingham Borough Council) to notify its major precepting bodies (The Police and Fire Authorities) and its Parishes of the tax base for the following financial year. The precepting bodies may request this information between the 1st December 2020 and 31st January 2021.

Analysis of Issues

The prescribed calculation is made as follows.

- (i) A return is made to the Ministry of Housing, Communities and Local Government (form CTB1). This analyses the valuation list as at a prescribed date into the various property bands and then provides details of discounts and exemptions.
- (ii) The Band D equivalent property numbers for tax purposes for the whole of the area are broken down into each constituent Parish area.
- (iii) An adjustment is made to allow for the impact of council tax reduction grant (which reduces the Band D equivalent property numbers in each area and overall).
- (iv) An estimate of unbanded and new properties expected to be banded during 2021/22 are added.
- (v) An adjustment is then made to take account of bad debts. This has been maintained at 1.0% as in previous years.

The resultant outcome reflects the tax base for the coming financial year in accordance with the table overleaf:

TAX BASE BY PARISH & WHOLE DISTRICT – 2021/22

	LOCAL TAX BASE 2021/22	LOCAL TAX BASE 2020/21 (last yr)	CHANGE FROM 2020/21 TO 2021/22	% CHANGE FROM 20/21
PARISHES				
ARBORFIELD & NEWLAND	1,324.2	1,304.6	19.6	1.50%
BARKHAM	2,012.9	1,830.1	182.8	9.99%
CHARVIL	1,437.2	1,417.4	19.8	1.40%
EARLEY	11,961.2	11,957.0	4.2	0.04%
FINCHAMPSTEAD	6,032.0	6,031.2	0.8	0.01%
REMENHAM	329.0	329.5	(0.5)	(0.15%)
RUSCOMBE	533.0	528.2	4.8	0.91%
ST. NICHOLAS HURST	1,086.3	1,082.7	3.6	0.33%
SHINFIELD	6,703.2	6,295.9	407.3	6.47%
SONNING	835.7	829.0	6.7	0.81%
SWALLOWFIELD	1,075.1	1,074.6	0.5	0.05%
TWYFORD	3,037.2	3,029.9	7.3	0.24%
WARGRAVE	2,128.1	2,130.2	(2.1)	(0.10%)
WINNERSH	4,298.5	4,214.2	84.3	2.00%
WOKINGHAM TOWN	16,396.3	16,032.6	363.7	2.27%
WOKINGHAM WITHOUT	3,300.4	3,290.4	10.0	0.30%
WOODLEY	10,806.8	10,659.0	147.8	1.39%

WHOLE AREA

73,297.1

72,036.5

1,260.6

1.75%

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

	How much will it Cost/ (Save)	Is there sufficient funding – if not quantify the Shortfall	Revenue or Capital?
Current Financial Year (Year 1)	N/A	Yes	Revenue
Next Financial Year (Year 2)	N/A	Yes	Revenue
Following Financial Year (Year 3)	N/A	Yes	Revenue

Other financial information relevant to the Recommendation/Decision
The revised tax base and total grant allocation will be factored in to the 2021/22 budget setting process.

Cross-Council Implications
Council tax income contributes to the funding of all General Fund services.

Public Sector Equality Duty
An equalities assessment is not required in this instance as it relates to setting of the Council Tax Base and does not directly affect individuals.

List of Background Papers
None

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