

CABINET

3 December 2020

REPORT OF THE PORTFOLIO HOLDER FOR ASSETS AND FINANCE

COUNCIL TAX BASE 2021/22

EXEMPT INFORMATION

None

PURPOSE

To report the Council Tax Base for the Borough Council for 2021/22.

RECOMMENDATIONS

That Tamworth Borough Council resolves its calculation of the Council Tax Base for the year 2021/22 to be 22,366 (2020/21 – 22,367).

EXECUTIVE SUMMARY

The Borough Council is required to calculate its Council Tax Base for each financial year and notify Staffordshire County Council, The Office of the Police and Crime Commissioner Staffordshire and Staffordshire Fire Authority by 31 January preceding that financial year.

The Authority is required to approve the Council Tax Base.

The Council Tax Base is the total of the number of domestic properties in the Borough, after making deductions for exempt dwellings and for the granting of reliefs and discounts for disabled occupiers, single occupiers and as appropriate empty properties.

The Tax Base calculation has included an element for the Council Tax Reduction Scheme (the replacement for Council Tax Benefit). The estimated amount of Council Tax Support payable for 2021/22 is converted into the equivalent number of whole properties which are deducted from the total. Local Council Tax Reduction Scheme claims have stabilised at similar levels to 2019/20 (following increases in the early part of the year) but have seen a projected cost increase across all claims within the scheme of £0.4m to £4.5m – which has been reflected in the reduced Council Tax Base. The potential longer-term consequences of recession and unemployment on demand for the scheme have yet to be experienced. It will be many months before we have a clearer idea on how the economy has responded to the recovery process including any lasting effects for individual businesses and their employees.

OPTIONS CONSIDERED

Not applicable.

RESOURCE IMPLICATIONS

The figure for 2021/22 Council Tax Base is calculated at 22,366 which represents a negligible decrease. This is as a result of a projected forecast in respect of the level of Local Council Tax Support required next year as a result of the current pandemic and the effects it will have on our residents.

LEGAL/RISK IMPLICATIONS BACKGROUND

If the base is not set in the legally required timeframe it can be calculated by precepting authorities and imposed upon us.

EQUALITIES IMPLICATIONS

Not applicable.

SUSTAINABILITY IMPLICATIONS

None

BACKGROUND INFORMATION

Under the Local Government Finance Act 1992 as amended the Borough Council is required to calculate its Council Tax Base for each financial year and is required to notify Staffordshire County Council, The Office of the Police and Crime Commissioner Staffordshire and Staffordshire Fire Authority by 31 January preceding that financial year.

In accordance with the Local Authority (Calculation of Council Tax Base) Regulations 1992 as amended, the Tax Base for the year 2021/22 is calculated by applying a formula $A \times B$.

A is the number of properties in each band (expressed as a number of band D equivalents).

B is the Authority's estimate of its collection rate for that year. It is recommended that this should be 97.9%.

Applying the collection rate to A gives a Council Tax Base of 22,366 ($22,846 \times 97.9\%$).

REPORT AUTHOR

Michael Buckland, Head of Revenues, Telephone 01827 709523
e-mail michael-buckland@tamworth.gov.uk

LIST OF BACKGROUND PAPERS

Local Government Finance Act 1992
Local Authority (Calculation of Council Tax Base) Regulations 1992
Local Government Finance Act 2012
Local Authority (Calculation of Council Tax Base) (England) Regulations 2012

APPENDICES

Appendix A – Council Tax Base Calculation 2021/22