



Neath Port Talbot County Borough Council

Cabinet

11 November 2020

Report of the Head of Financial Services – Huw Jones

MATTER FOR: DECISION

Calculation of Council Tax Base For 2021-22

Wards Affected: All

Purpose of report

1. To formally set the Council Tax Base for the 2021/22 financial year.

Background

2. The Council Tax Base is an amount required by the Local Government Finance Act 1992 to be used in the calculation of Council Tax by billing authorities and major precepting authorities and in the calculation of the amount of a precept payable by each billing authority to a major precepting authority. The Base is a measure of the tax-raising capacity of an authority. It is expressed in terms of the number of Band D equivalent dwellings in an authority's area, taking into account exemptions, discounts, disablement relief, and the authority's estimate of its collection rate for Council Tax.
3. The rules for the calculation of the Council Tax Base are contained in The Local Authorities (Calculation of Tax Base) (Wales) (Amendment) Regulations 2016 which amend The Local Authorities (Calculation of Council Tax Base) (Wales) Regulations

1995. The amendments in the 2016 Regulations have been made as a consequence of amendments to the Local Government Finance Act 1992 by section 139 of the Housing (Wales) Act 2014. Those amendments enable billing authorities to apply a higher amount of Council Tax (“a premium”) in respect of long-term empty dwellings and dwellings that are occupied periodically. It must be noted that this authority has not considered this option to date.

The calculation of the Council Tax Base is required to be made before 31st December. The Tax Base must also be notified to all Precepting Authorities (e.g. Police Authority) by that date. Although this is still the statutory timetable, this year the Welsh Government have requested a provisional calculation be supplied by the 13th November 2020 in order to meet the deadline for the calculation of the distribution of Revenue Support Grant for 2021-22.

Calculation

4. The gross Council Tax Base calculated for 2021-22 is 49,653.05 and using a collection rate of 97% produces a net Council Tax base of 48,163.46. This means that for next year and for every £1 levied in council tax terms will generate £48,163 to meet the Council’s Budget Requirement. The detailed calculation is contained in Appendix 1.
5. Members should note that this is an increase from the 2020/21 base of 48,098.04 (calculated at 97% collection rate) by some 65 Band D equivalent dwellings.
6. It is also necessary to calculate the Council Tax Base in respect of areas which are served by Town and Community Councils, and these are summarized in the following table (Band D equivalent at 97% collection rate):

Town and Community Council	Council Tax Base
Blaengwrach	359.80
Blaenhonddan	4,588.42
Briton Ferry	1,868.73
Clyne and Melincourt	276.15
Coedffranc	3,630.62
Crynant	682.58

Town and Community Council	Council Tax Base
Dyffryn Clydach	1,097.65
Glynneath	1,381.99
Neath	6,520.54
Onllwyn	370.46
Pelenna	405.70
Resolven	741.17
Seven Sisters	633.24
Tonna	972.85
Cilybebyll	1,979.61
Cwmllynfell	382.71
Gwaun Cae Gurwen	1,336.94
Pontardawe	2,529.51
Ystalyfera	1,595.30

7. Further details of the calculation for each Town and Community Council area is shown in Appendix 2.

Financial Impact

8. The Council must approve the Council Tax Base by 31st December of the preceding financial year. The gross tax base is used by the Welsh Government to distribute Revenue Support Grant to individual Authorities. Together with the Council Tax level it determines the quantum of Council Tax proceeds available to fund the Council's Budget and Services. This will be dealt with as part of the Budget Requirement and Council Tax setting reports that will be considered by Council in February/March 2021.

Integrated Impact Assessment

- 9 There is no requirement for an Integrated Impact Assessment in respect of this item

Valleys Communities Impacts

10. No implications.

Workforce Impacts

11. No implications.

Legal impact

12. There is a statutory requirement to agree and set the Council Tax Base for the forthcoming financial year prior to 31st December.

Risk management Impact

13. There are no risk management issues arising from this report.

Consultation

14. There is no requirement under the Constitution for external consultation on this item.

Recommendations

15. It is recommended that members approve the 2021/22 Council Tax Base
 - of 49,653.05 Band D properties (gross of collection rate)
 - of 48,163.46 Band D properties (net at 97% collection rate) for the whole of the County Borough; and
 - for each Town and Community Council area the amount shown in paragraph 6 of this report.

Reason for Proposed Decisions

16. To determine the Council Tax Base for 2021/22.

Implementation of Decisions

17. The decisions are urgent ones for immediate implementation, subject to the consent of the relevant Scrutiny Chair (and is therefore not subject to the call-in procedure). This will also enable the Council to forward the tax base to the Welsh Government within the required timescales.

Appendices

18. Appendix 1 - Calculation of Council Tax Base

Appendix 2 - Calculation of Council Tax Base for Community Councils

List of Background Papers

- 19.** Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995 (SI 1995/2561)
Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1999 (SI 1999/2935)
Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 2004 (SI 2004/3094) (W268))
Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 2016 (SI 2016/969) (W238))
Local Government Finance Act 1992
NAW Letter - Council Tax Dwellings Return (CT1) for 2021/22
Council Tax Dwellings (CT1) Return 2021/22

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Appendix 1

Council Tax Base Calculation 2021-22												
		Band A Disabled	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Band I	Total
	Chargeable dwellings											
A1	Chargeable dwellings		12,879	26,612	11,376	7,115	4,404	1,377	509	107	23	64,402
A2	Dwellings subject to Disability		61	314	144	103	84	24	18	20	6	774
A3	Adjusted Chargeable Dwellings	61	13,132	26,442	11,335	7,096	4,344	1,371	511	93	17	64,402
B1	Dwellings with no discount	47	5,103	15,515	7,515	5,106	3,525	1,164	396	69	13	38,453
B2a	Dwellings with 25% Discount (exclude 2nd homes/empty)	13	8,019	10,892	3,810	1,973	797	196	93	13	2	25,808
B2b	Dwellings with a 50% Discount (exclude 2nd homes/empty)	1	10	35	10	17	22	11	22	11	2	141
B3a	Dwellings with other than 25% or 50% Discount	0	0	0	0	0	0	0	0	0	0	0
B3b	Dwellings with empty prop or 2nd home discount	0	0	0	0	0	0	0	0	0	0	0
B3c	Dwellings with empty prop or 2nd home premium	0	0	0	0	0	0	0	0	0	0	0
B4	Total Adjusted Chargeable Dwellings (sum B1 to B3c=A3)	61	13,132	26,442	11,335	7,096	4,344	1,371	511	93	17	64,402
	Discount and premium adjustments	0	0	0	0	0	0	0	0	0	0	0
B5	Total variable discounts	0	0	0	0	0	0	0	0	0	0	0
	Calculation of chargeable dwellings with discounts and premiums											
C2	Total discounted dwellings	57.25	11,121.92	23,701.50	10,377.50	6,594.25	4,133.75	1,316.50	476.75	84.25	15.50	57,879
C3	Ratio to band	"5/9	"6/9	"7/9	"8/9	"9/9	"11/9	"13/9	"15/9	"18/9	"21/9	
C4	Band D equivalents (=C2xC3)+D8	31.81	7,414.83	18,434.50	9,224.44	6,594.25	5,052.36	1,901.61	794.58	168.50	36.17	49,653.05
E1	Band D equivalents excluding premiums	31.81	7,414.83	18,434.50	9,224.44	6,594.25	5,052.36	1,901.61	794.58	168.50	36.17	49,653.05
	Collection Rate											97.00%
	Council Tax Base @ 97% Band D Equivalents											48,163.46

Calculation of Council Tax Base for Town and Community Councils

Town or Community Council	Discounted Chargeable Dwellings @ 97% collection rate	New Properties @ 97% collection rate	Total Council Tax Base @ 97% collection rate
	Band D	Band D	Band D
Blaengwrach	359.80	0.00	359.80
Blaenhonddan	4,586.64	1.78	4,588.42
Briton Ferry	1,868.73	0.00	1,868.73
Clyne & Melincourt	263.36	12.79	276.15
Coedffranc	3,623.64	6.98	3,630.62
Crynant	682.58	0.00	682.58
Dyffryn Clydach	1,097.65	0.00	1,097.65
Glynneath	1,381.40	0.59	1,381.99
Neath	6,513.87	6.67	6,520.54
Onllwyn	370.46	0.00	370.46
Pelenna	404.30	1.40	405.70
Resolven	740.47	0.70	741.17
Seven Sisters	629.20	4.04	633.24
Tonna	950.39	22.46	972.85
Cilybebyll	1,968.43	11.18	1,979.61
Cwmllynfell	382.71	0.00	382.71
Gwaun Cae Gurwen	1,336.15	0.79	1,336.94
Pontardawe	2,528.11	1.40	2,529.51
Ystalyfera	1,595.30	0.00	1,595.30