



Neath Port Talbot County Borough Council

Cabinet

17th November 2021

Report of the Chief Finance Officer – Huw Jones

MATTER FOR DECISION:

CALCULATION OF COUNCIL TAX BASE FOR 2022/23

Wards Affected: All

Purpose of report

1. To formally set the Council Tax Base for the 2022/23 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 Assembly requested a provisional calculation be supplied by the 8th November 2021 in order to meet the deadline for the calculation of the distribution of Revenue Support Grant for 2022/23.

Calculation

4. The gross Council Tax Base calculated for 2022/23 is 49,634.54 and using a collection rate of 97.5% produces a net Council Tax base of 48,393.68. This means that for next year and for every £1 levied in council tax terms will generate £48,393 to meet the Council’s Budget Requirement. The detailed calculation is contained in Appendix 1.
5. Members should note that this year the assumed collection rate has been increased from 97% to 97.5% due to the council tax collection rate exceeding our targeted collection rate in recent years. This means the council tax base has increased from the 2021/22 base of 48,163.46 (calculated at 97% collection rate) by some 230 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:

Town and Community Council	Council Tax Base
Blaengwrach	375.46
Blaenhonddan	4,407.30
Briton Ferry	1,885.44
Clyne and Melincourt	262.09
Coedffranc	3,649.67
Crynant	682.56
Dyffryn Clydach	1,325.83
Glynneath	1,378.55

Town and Community Council	Council Tax Base
Neath	6,580.96
Onllwyn	381.61
Pelenna	399.06
Resolven	735.43
Seven Sisters	633.67
Tonna	967.74
Cilybebyll	2,000.13
Cwmllynfell	386.88
Gwauncaegurwen	1,346.70
Pontardawe	2,532.95
Ystalyfera	1,607.20

Financial Impact

7. 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 March 2022.

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 2022/23 net Council Tax Base
 - of 48,393.68 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 2022/23.

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

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 2022/23
Council Tax Dwellings (CT1) Return 2022/23

Officer Contact

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Council Tax Base Calculation 2022/23

	Band A	Band A	Band B	Band C	Band D	Band E	Band F	Band G	Band H	Band I	Total	
	Disabled											
Chargeable dwellings												
Chargeable dwellings		12,968	26,514	11,350	7,106	4,437	1,356	515	106	23	64,375	
Dwellings subject to Disability		56	312	146	94	83	24	17	19	7	758	
Adjusted Chargeable Dwellings												
	56	13,224	26,348	11,298	7,095	4,378	1,349	517	94	16	64,375	
Dwellings with no discount	45	5,230	15,510	7,488	5,050	3,549	1,141	411	70	12	38,506	
Dwellings with 25% Discount (exclude 2nd homes/empty)	10	7,985	10,807	3,794	2,026	802	196	85	14	2	25,721	
Dwellings with a 50% Discount (exclude 2nd homes/empty)	1	9	31	16	19	27	12	21	10	2	148	
Dwellings with other than 25% or 50% Discount	0	0	0	0	0	0	0	0	0	0	0	
Dwellings with empty prop or 2nd home discount	0	0	0	0	0	0	0	0	0	0	0	
Dwellings with empty prop or 2nd home premium	0	0	0	0	0	0	0	0	0	0	0	
Total Adjusted Chargeable Dwellings (sum B1 to B3c=A3)	56	13,224	26,348	11,298	7,095	4,378	1,349	517	94	16	64,375	
Discount and premium adjustments	0	0	0	0	0	0	0	0	0	0	0	
Total variable discounts	0	0	0	0	0	0	0	0	0	0	0	
Calc of chargeable dwellings with discounts and premiums												
Total discounted dwellings	53.00	11,223.25	23,630.75	10,341.50	6,579.00	4,164.00	1,294.00	485.25	85.50	14.50	57,871	
Ratio to band	"5/9	"6/9	"7/9	"8/9	"9/9	"11/9	"13/9	"15/9	"18/9	"21/9	0.000	
Band D equivalents (=C2xC3)+D8	29.44	7,482.17	18,379.47	9,192.44	6,579.00	5,089.33	1,869.11	808.75	171.00	33.83	49,634.54	
Band D equivalents excluding premiums	29.44	7,482.17	18,379.47	9,192.44	6,579.00	5,089.33	1,869.11	808.75	171.00	33.83	49,634.54	
Collection Rate											97.50%	
Council Tax Base @ 97.5% Band D Equivalents											actual council tax base	48,393.68