

SLOUGH BOROUGH COUNCIL

REPORT TO: Cabinet **DATE:** 18th January 2021

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PORTFOLIO Cllr Swindlehurst – Leader of the Council

PART I KEY-DECISION

COUNCIL TAXBASES FOR 2021/22

1. Purpose of Report

- 1.1 This report presents information to Members on the properties in Slough and their categories of occupation for the purpose of determining the council taxbase for the borough for the 2021/22 financial year.
- 1.2 Section 31B of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 requires the council as the Billing Authority to calculate a Council Tax Base for its area by 31 January for the forthcoming financial year and duly notify precepting authorities (Parishes, Fire and Police).
- 1.3 The level of council Taxbase will be used in the calculation of Slough Borough Council's council tax for 2021/22.

2. Recommendations

That Cabinet approve:

2.1 The Tax Base calculation for 2021/22 of

i)	Parish of Britwell	810.4
ii)	Parish of Colnbrook with Poyle	1,830.3
iii)	Parish of Wexham Court	1,348.3
iv)	Slough Town	36,839.7
v)	All areas	40,828.7

Band D equivalent properties;

That Cabinet note:

- 2.2 A Council Tax collection rate of 98.2% for 2021/22; and
- 2.3 That the estimated deficit on the Council Tax Collection Fund as at 31 March 2021 is estimated to be £3,456k, of which £931k of this relates to 2019-20 and £2,525k relates to 2020-21. The Council's share of the deficit is £2,881k, of which £2,105k relates to 2020-21 and will be spread across 3 years as instructed by the Government. The deficit to be repaid in 2021-22 by the Council is £1,478k.

3. The Slough Joint Wellbeing Strategy, the JSNA and the Corporate Plan

This report indirectly supports all of the strategic priorities and cross cutting themes. The maintenance of excellent governance within the Council helps to ensure that it is efficient, effective and economic in everything it does. It helps to achieve the corporate objectives by detailing how the Council is delivering services to its residents within the financial parameters of the approved budget.

4 Other Implications

(a) Financial

There is a significant financial implication to the Council due to this report. The number of properties within the Borough, determined as equivalent to Band D, are a key number for the Revenue Budget for 2021/22 and the Medium Term Financial Strategy (MTFS). The larger the tax base, the more Council Tax income the Council will receive.

(b) Risk Management

Risk	Mitigating action	Opportunities
Legal		
Property		
Human Rights		
Health and Safety		
Employment Issues		
Equalities Issues		
Community Support		
Communications		
Community Safety		
<p>Financial</p> <p>1. The tax base is lower than expected because either growth does not materialise or there is a higher caseload of Council Tax Support claimants than estimated</p> <p>2. The actual collection rate is lower than the estimated collection rate of 98.2%</p>	<p>This would result in a collection fund deficit which would need to be funded in 2022/23 either from reserves if available or from further savings to the revenue budget.</p> <p>This would result in a collection fund deficit which would materialise in 2022/23 and need to be funded.</p>	<p>If the taxbase is higher than forecast there will be a collection fund surplus which will benefit the 2022/23 financial position.</p> <p>If collection is better than forecast then this would result in a one-off collection fund surplus in 2022/23.</p>

Timetable for delivery		
Project Capacity		
Other		

(c) Human Rights Act and Other Legal Implications

(d) Equalities Impact Assessment

There is no identified need for an EIA as this report is solely based on counting the number of taxbase properties in the borough.

5. Supporting Information

Council Tax Base

- 5.1 The various tax-bases for 2021/22 proposed in this report have been calculated by reference to data available relating to dwellings within the borough provided by the Valuation Office Agency at 30th November 2020.
- 5.2 The calculation of the council's taxbase or 'T' can be expressed as the sum of 'Relevant Amounts' known as 'A' for each valuation band multiplied by the collection rate known as 'B'. In summary, 'Relevant Amounts' are to be calculated as the number of dwellings on the valuation lists supplied by the District Valuer adjusted for discounts, disabled persons reductions and anticipated changes to the valuation lists (e.g. successful valuation appeals) during 2021/22.
- 5.3 The Band D equivalents for each property band in the Slough Area for 2021/22 are summarised as follows:

	Bands	Britwell	Colnbrook with Poyle	Wexham Court	Balance of Slough	Total Slough
5/9	A*	0.0	0.0	0.0	0.6	0.6
6/9	A	1.3	14.1	10.0	717.9	743.3
7/9	B	73.7	175.7	110.2	5,025.4	5,385.0
8/9	C	626.2	890.4	290.8	14,681.7	16,489.1
9/9	D	109.7	560.4	857.0	9,620.8	11,147.9
11/9	E	6.7	162.9	91.5	4,873.7	5,134.8
13/9	F	11.9	37.6	15.9	2,226.4	2,291.8
15/9	G	1.7	17.5	11.7	492.3	523.2
18/9	H	0.0	0.0	0.0	9.0	9.0
Total Band D Equivalents		831.2	1,858.6	1,387.1	37,647.8	41,724.7

* Disabled person's reductions

New Properties

- 5.4 Local information indicates the following estimates for new properties being completed and occupied between 1st April 2021 and 31st March 2022. This has been converted to Band D full year equivalents.

	Britwell	Colnbrook with Poyle	Wexham Court	Balance of Slough	Total Slough
New Properties	12	71	0	603	686
Band D Equivalents	4.3	25.2	0.0	214.4	243.9

Local Council Tax Support Claimants

- 5.5 Eligibility for discounts and exemptions is factored into the calculated Tax Base. These include student discounts, single person discount and Council Tax Support. Working Age claimants of Council Tax Support is particularly difficult to forecast at the current time as the impacts of Covid and Brexit on employment are unprecedented. The forecast reduction in tax base due to increased Council Tax Support claimants is shown in the table below:

	Britwell	Colnbrook with Poyle	Wexham Court	Balance of Slough	Total Slough
Band D Equivalents	(8.6)	(10.6)	(14.1)	(266.8)	(300.1)

Adjusted Tax Base

- 5.6 This gives a forecast tax base before adjusting for collection as follows:

	Britwell	Colnbrook with Poyle	Wexham Court	Balance of Slough	Total Slough
Band D Equivalents	831.2	1,858.6	1,387.1	37,647.8	41,724.7
Growth	4.3	25.2	0.0	214.4	243.9
LCTS	(8.6)	(10.6)	(14.1)	(266.8)	(300.1)
Relevant Amounts	825.3	1,863.8	1,373.0	37,515.0	41,577.1

Collection Rate

- 5.7 For 2021/22, Cabinet is requested to approve a collection rate of 98.2%, which is lower than the collection rate set for 2020-21 which was 98.4%. The estimated collection rate has been reduced as it is expected to be more difficult to collect Council Tax in 2021-20 due to Covid-19.
- 5.8 With a 98.2% collection rate, the statutory calculation of the 2021/22 council tax base 'T' will be as follows:

Aggregate of Relevant Amounts or 'A' (i.e. **41,577.1**) x Collection Rate or 'B' (i.e. **98.2%**) = council tax base 'T' (i.e. **40,828.7**).

Change in Taxbase 2020/21 to 2021/22

- 5.9 The table below sets out the change in the Council's taxbase between 2020/21 and 2021/22:

	2020/21	2021/22	Change from 2020/21	
	No's	No's	No's	%
Slough Borough Aggregate of Relevant Amount	43,615.9	41,577.1	(2,038.8)	(4.7)%
Collection Rate	98.4%	98.2%	(0.2)%	
Taxbase after allowing for assumed collection rate	42,918.1	40,828.7	(2,089.4)	(4.9)%

- 5.10 The aggregate figure of 41,577.1 is lower than the figure for 2020-21 of 43,615.9 because Slough has seen a significant increase in Council Tax Support claimants in 2020-21 which reduces the tax base. Working Age claimants have increased by 74.7% as at Q2 2020-21 compared to Q2 2019-20.
- 5.11 The tax base has been further reduced as the collection rate is expected to decrease to 98.2% from 98.4% to reflect the likely increase in non-collection due to the impact of Covid-19.

Collection Fund Position

- 5.12 Any difference between the estimated Tax Base and that actually realised in year has no impact on the in-year revenue position, but is transferred to the Collection Fund Adjustment Account unusable reserve and distributed in the following year.
- 5.13 The Council assumed a break-even position in its Council Tax Base report last year. However, when the accounts for 2019-20 were closed, they showed a deficit position of £931k which must be paid back to the Collection Fund in 2021/22. Slough's share of the 2019-20 deficit is £776k.
- 5.14 Due mainly to an increase in Council Tax Support Claimants in 2020/21, the Council is also forecasting a deficit this year. The deficit is estimated as £2,525k of which the Council's share is £2,105k. The Government is allowing Councils and Preceptors to spread this in-year deficit over three years.

6. Legal Implications

- 6.1 The Council as Billing Authority is required to determine the Council Tax Base for the next financial year by 31st January 2021 and to notify other precepting authorities of the determination.

7 Background Papers

- '1' - the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012