

Agenda Item No: 10
Report To: Cabinet
Date of Meeting: 26 November 2020
Report Title: Council Tax Base 2021/22
Report Author & Job Title: Maria Hadfield
Senior Accountant
Portfolio Holder Cllr Neil Bell
Portfolio Holder for: Finance & IT



Summary: This Council is required to approve the tax base used to calculate the level of Council Tax for 2021/22. It is calculated with regard to the number of domestic properties (including a forecast of new properties), which are then converted to Band D equivalents.

The tax base has been calculated at 45,173 band D properties, a decrease of 2,127 (or 4.5%) on the current year.

Key Decision: YES

Significantly Affected Wards: All

Recommendations: The Cabinet is recommended to:-

- I. Agree the 2021/22 'Net' tax base of 45,173 Band D equivalent properties
- II. Note the possibility of further Cabinet and Council decisions being required, before the end of January, should any material change in the tax base be required as a consequence of any further relevant funding announcements from government.

Policy Overview: The Council Tax base is required to be set in accordance with the Local Authorities (Calculations of Tax Base) Regulations 2012

Financial Implications: The tax base will be used to calculate the level of Council Tax requirement that will be recommended to the Council on 4 March 2021.

Legal Implications	The Council is required to set a Council Tax Base.
Equalities Impact Assessment	A full assessment is part of the final budget reported to Cabinet in February.
Other Material Implications:	None
Exempt from Publication:	NO
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Introduction and Background

1. The Council Tax Base for 2021/22 and its distribution across parished and un-parished areas needs to be agreed.
2. By 31 January 2021 the Council as the 'billing authority' is required to notify its major precepting bodies (Kent County Council, Kent Police Authority and Kent and Medway Fire and Rescue Authority) and the parishes of the relevant council tax base for the 2021/22 financial year.
3. As a result of the Council's planned and prudent approach to recovery from the COVID 19 pandemic a number of actions have been taken to ensure that the budget is built on firm foundations.

Parish Grants

4. As part of the draft budget it is proposed to remove the Parish Council grants this year, the Concurrent Functions Grant and the Council Tax Support Grant. This is subject to consultation which will be conducted as part of the draft budget consultation 2021/22. Parish Council's have received notification of these reductions and will be notified when the consultation period starts.

The Tax Base (adjusted for various allowances)

5. The Council has already submitted a tax base return to central government, this figure is 50,768 (2020/21 51,200), it is based on the number of properties on the valuation list as at 7 October 2020 and excludes provisions for new properties, Council Tax Reduction discounts, and allowances for non-collection.
6. The tax base calculation made in this report allows for new properties anticipated to be coming on to the Valuation List. It is forecast that 400 properties will be added to the valuation list in line with the assumption in the Medium Term Financial Plan.
7. In calculating the tax base the authority must also have regard to discounts, exemptions, non-collection and appeals. For the purposes of this calculation 1.5% has been estimated for losses on collections and appeals. This has been increased from the previous year when the provision was 1%. This is to reflect the anticipated drop in collection levels due to the economic effects of the pandemic, an analysis of what is happening this year and is consistent with other Kent Authorities.
8. For 2021/22 the tax base has been calculated at 45,173 (2020/21 was 47,300) as detailed at **Appendices A, B & C**.

Implications and Risk Assessment

9. The Council Tax base is an important element of the budget setting process, estimating the number of properties upon which council tax will be levied.

Next Steps in Process

10. Once agreed by the Council the tax base will be notified to the County Council, Kent Police, Kent and Medway Fire Authority and the Parish Councils.

Conclusion

11. The 2021/22 tax base is in line with the assumptions in the Financial Strategy and the Recovery Plan, the calculation results in a tax base of 45,173 band D equivalent properties. This will be used in the detailed budget and council tax setting calculations.

Portfolio Holder's Views

12. This year due to uncertainty within the economy, the Council Tax Base has seen a reduction of 4.5%. This reflects a realistic approach to the non collection of Council Tax and increased Council Tax Reduction Scheme claimants based on information available at this time.
13. I recommend the tax base be set at 45,173 Band D equivalent properties.

Contact and Email

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**TAX BASE 2020/21
BAND D EQUIVALENTS**

BAND		A	B	C	D	E	F	G	H	TOTAL
PARISH										
Aldington and Bonnington	0	18	23	104	82	83	159	156	3	628
Appledore	0	3	9	42	78	52	68	89	2	343
Bethersden	0	25	44	50	100	141	124	227	12	723
Biddenden	0	87	27	178	98	174	201	331	19	1,115
Bilsington	0	6	5	11	20	24	39	46	0	151
Boughton Aluph and Eastwell	0	9	59	99	230	264	270	123	8	1,062
Brabourne	0	6	18	47	123	170	137	92	10	603
Brook	0	1	1	3	19	58	37	35	0	154
Challock	0	8	6	19	69	86	148	148	9	493
Charing	0	64	89	170	184	224	275	286	12	1,304
Chilham	0	11	31	96	141	183	121	140	20	743
Crundale (PM)	0	1	3	7	10	15	18	36	1	91
Egerton	0	8	21	30	82	102	137	133	4	517
Godmersham	0	1	4	16	30	52	30	33	4	170
Great Chart with Singleton	0	86	348	622	759	370	188	96	6	2,475
Hastingleigh	0	3	2	5	23	12	30	33	4	112
High Halden	0	50	61	145	58	101	166	181	6	768
Hothfield	3	2	53	68	27	26	25	52	1	257
Kennington	0	82	563	952	786	518	620	60	4	3,585
Kenardington	0	3	1	21	7	20	19	34	3	108
Kingsnorth	0	11	274	766	1,033	1,086	1,068	110	2	4,350
Little Chart	0	3	2	14	24	19	18	53	6	139
Mersham	0	7	36	59	81	127	160	120	7	597
Molash	0	1	3	9	18	18	21	34	4	108
Newenden	0	1	1	12	14	16	24	30	2	100
Orlestone	0	2	16	184	121	65	163	42	4	597
Pluckley	0	6	12	57	67	63	95	167	3	470
Rolvenden	0	8	13	135	100	123	119	173	29	700
Ruckinge	0	23	4	19	25	93	106	75	2	347
Sevington	0	1	30	118	177	110	137	16	0	589
Shadoxhurst	0	18	17	65	63	158	176	69	0	566
Smarden	0	13	25	51	69	80	121	255	22	636
Smeeth	0	6	9	71	59	90	62	58	4	359
Sth Willesborough and Newtown	0	59	589	301	198	55	3	0	0	1,205
Stanhope	0	117	526	110	3	4	0	0	2	762
Stone	0	3	4	31	28	30	35	75	4	210

Tenterden (TC)	0	20	119	518	714	815	789	606	51	3,632
Warehorne	0	3	6	17	28	37	21	38	2	152
Westwell	0	7	11	29	75	150	92	128	8	500
Wittersham	0	13	18	88	54	120	92	134	19	538
Woodchurch	1	89	17	103	137	104	169	208	6	834
Wye with Hinxhill	0	25	65	159	210	164	235	158	8	1,024
Unparished Area	1	706	3,731	3,552	1,819	1,095	926	167	5	12,002
	5	1,616	6,896	9,153	8,043	7,297	7,444	5,047	318	45,819
Contributions in Lieu	0	0	0	0	42	0	0	0	0	42
Less 1.5% Provision	0	(24)	(103)	(137)	(122)	(109)	(112)	(76)	(5)	(688)
	5	1,592	6,793	9,016	7,963	7,188	7,332	4,971	313	45,173

Appendix B

ANALYSIS OF PROPERTIES FOR WHOLE AUTHORITY 2021/22

		A No.	B No.	C No.	D No.	E No.	F No.	G No.	H No.	TOTAL No.
Total Chargeable Dwellings	10	4,066	13,143	12,905	9,319	6,660	5,539	3,262	180	55,084
Of which:										
Full Charge	8	1,785	7,425	8,585	6,705	5,068	4,613	2,715	140	37,045
Class C	0	104	322	175	125	59	46	45	5	881
Discount	1	2,060	5,234	4,001	2,367	1,451	809	430	22	16,375
Discount (Disregard Disc)	1	4	9	8	8	7	14	14	1	66
Discount on 2nd Homes	0	100	121	110	100	70	49	52	12	614
Full Charge on LT Empties	0	3	17	(20)	(17)	(12)	(4)	(1)	(2)	(35)
Premium on LT Empties	0	10	16	46	31	17	12	7	2	139
Total number of Properties	10	4,066	13,143	12,905	9,319	6,660	5,539	3,262	180	55,085
Total Equivalent Number - CTB1	5	2,263	8,904	10,374	8,548	7,577	7,597	5,128	326	50,722
Adjust for Council Tax Support	0	(678)	(1,980)	(1,315)	(560)	(259)	(123)	(60)	(1)	(4,976)
New Properties	0	90	40	148	122	0	0	0	0	400
Exemptions Factor	0	(62)	(71)	(52)	(69)	(21)	(30)	(19)	(3)	(328)
Adjusted Band D equivalents	5	1,613	6,893	9,155	8,041	7,298	7,444	5,048	322	45,819
Contributions in Lieu	0	0	0	0	42	0	0	0	0	42
Losses In Collection	(0)	(25)	(103)	(137)	(121)	(109)	(112)	(76)	(5)	(688)
Tax base	5	1,588	6,790	9,017	7,962	7,188	7,332	4,972	317	45,173

Appendix C

TAX BASE 2021/22
LOCAL TAX BASE (WHOLE/PART AREAS)

LOCAL TAX BASE	WHOLE AREA	BAND D EQUIVALENT	NEW OCCUPATIONS	1.5% PROVISION	Less discounts Council Tax Support	LOCAL TAX BASE 2021/22
2020/21		50,435	901	(477)	(3,559)	47,300
	PARISH					
635	Aldington & Bonnington	696	0	(9)	(66)	621
350	Appledore	390	0	(5)	(48)	337
723	Bethersden	791	0	(11)	(67)	713
1,136	Biddenden	1,199	0	(17)	(82)	1,100
149	Bilsington	156	0	(2)	(6)	148
1,061	Boughton Aluph and Eastwell	1,122	0	(16)	(60)	1,046
601	Brabourne	625	0	(9)	(22)	594
156	Brook	159	0	(2)	(4)	153
501	Challock	509	0	(7)	(11)	491
1,364	Charing	1,424	20	(20)	(141)	1,283
751	Chilham	819	0	(11)	(77)	731
91	Crundale (PM)	92	0	(1)	(2)	89
515	Egerton	542	0	(8)	(25)	509
175	Godmersham	176	0	(3)	(6)	167
2,427	Great Chart with Singleton	2,670	42	(37)	(238)	2,437
115	Hastingleigh	115	0	(2)	(4)	109
763	High Halden	825	0	(11)	(59)	755
273	Hothfield	333	0	(4)	(76)	253
113	Kenardington	121	0	(2)	(11)	108
3,930	Kennington	3,991	8	(54)	(414)	3,531
4,438	Kingsnorth	4,539	36	(65)	(225)	4,285
134	Little Chart	135	8	(2)	(3)	138
543	Mersham	617	8	(9)	(28)	588
109	Molash	117	0	(2)	(9)	106
103	Newenden	108	0	(2)	(6)	100
621	Orlestone	666	0	(9)	(68)	589
474	Pluckley	511	0	(7)	(40)	464
698	Rolvenden	765	0	(11)	(65)	689
349	Ruckinge	370	0	(5)	(23)	342
633	Sevington	580	42	(9)	(34)	579
545	Shadoxhurst	605	0	(8)	(39)	558
659	Smarden	677	8	(10)	(48)	627
363	Smeeth	393	0	(5)	(34)	354
1,463	Sth Willesborough & Newtown	1,465	0	(18)	(260)	1,187
796	Stanhope	1,031	0	(11)	(268)	752
205	Stone	223	0	(3)	(14)	206
3,647	Tenterden (TC)	3,959	22	(54)	(350)	3,577
152	Warehome	162	0	(2)	(10)	150
508	Westwell	516	0	(7)	(16)	493
540	Wittersham	592	0	(8)	(54)	530
844	Woodchurch	918	0	(12)	(85)	821
1,048	Wye with Hinxhill	1,116	22	(15)	(114)	1,009
12,599	Unparished Area	13,614	184	(183)	(1,761)	11,854
47,300		50,434	400	(688)	(4,973)	45,173