

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL-BUDGET)	AGENDA ITEM: 7
DATE OF MEETING:	13th JANUARY 2022	CATEGORY:
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	VICKI SUMMERFIELD victoria.summerfield@southderbyshire.gov.uk	DOC: S/Finance/Committee/2021-22/Jan
SUBJECT:	COUNCIL TAX BASE AND SURPLUS 2022-23	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 That the Council Tax Base for 2022/23 of 36,702 (equivalent Band D) properties as detailed in **Appendix 1** is approved.
- 1.2 That a Council Tax Surplus of £2,000,000 for 2021/22 is declared on the Collection Fund and that the Council's proportion of £204,767 is transferred to the General Fund in 2022/23.

2.0 Purpose of the Report

- 2.1 To update on the Council Tax element of the Collection Fund Surplus and to provide detail of the Tax Base for Council Tax in 2022/23.

3.0 Detail

Council Tax Base

- 3.1 This is the number of chargeable properties for Council Tax after taking account of exemptions and discounts, including the Local Council Tax Support Scheme.
- 3.2 The calculation of the Tax Base for 2022/23, as detailed in **Appendix 1**, is based on the number of properties listed on the Council Tax register as at 30 September 2021.
- 3.3 A statutory return is reported on the same basis across the country and the Derbyshire Preceptors base their budgeted income for the following year for Council Tax on this return.
- 3.4 The "Band D equivalent" is calculated on the statutory return and the Tax Base for 2022/23 is 36,702, which is an increase of 1,484 (4.2%) of properties from 2021/22.

3.5 The expected growth forecasted in the Medium-Term Financial Plan was 744 properties and so this will increase the level of income retained by the Council in 2022/23. Growth has been significant in 2021/22 after being stifled in 2020/21 due to the pandemic.

Council Tax Surplus

3.6 In setting the level of Council Tax for 2022/23, the Council is also required to estimate the balance on the Collection Fund for the current financial year.

3.7 Due to growth of the District in previous years, a surplus has been generated on the Collection Fund for Council Tax.

3.8 The surplus on Council Tax as at the end of 2020/21 totalled £2.6m. A Council Tax Surplus of £1.2m was declared as part of the Budget round in January 2021 which will reduce this balance to £1.4m by the end of 2021/22.

3.9 **Appendix 2** shows a forecasted surplus on Council Tax for 2022/23 of approximately £930k due to growth of the Tax Base. The Bad Debt Provision for 2022/23 is expected to be approximately 2% of the income generated as collection rates have improved since enforcement action was reinstated towards the end of 2020.

3.10 By declaring a surplus of £2m for 2022/23, this will leave a remaining balance of £346k on the Fund for Council Tax for any unforeseen fluctuations in collection rates. The allocation of the proposed surplus to the Preceptors is listed in the following table.

	%	£
Derbyshire County Council	72.9%	1,457,172
Derbyshire Fire	4.2%	83,517
Derbyshire Police	12.7%	254,544
SDDC	10.2%	204,767
	100.0%	2,000,000

4.0 Financial Implications

4.1 Detailed in the report.

5.0 Corporate Implications

Employment Implications

5.1 None.

Legal Implications

5.2 None.

Corporate Plan Implications

5.3 None directly.

Risk Impact

5.4 None.

6.0 Community Impact

Consultation

6.1 None required.

Equality and Diversity Impact

6.2 None.

Social Value Impact

6.3 None.

Environmental Sustainability

6.4 None.

7.0 Background Papers

7.1 None.

APPENDIX 1

COUNCIL TAX BASE

PARISH	2019/20	2020/21	2021/22	2022/23	Change
ASH	23	23	23	23	0
ASTON ON TRENT	753	724	720	732	12
BARROW ON TRENT	247	241	239	243	4
BARTON BLOUNT	32	31	32	34	2
BEARWARDCOTE	13	13	13	13	0
BRETRY	403	407	414	414	0
BURNASTON	690	690	691	688	-3
CALKE	9	8	8	9	1
CASTLE GRESLEY	578	626	626	632	6
CATTON	22	22	22	22	0
CAULDWELL	46	44	43	48	5
CHURCH BROUGHTON	240	241	242	255	13
COTON IN THE ELMS	268	277	275	287	12
DALBURY LEES	130	125	132	136	4
DRAKELOW	183	206	254	318	64
EGGINGTON	258	257	256	255	-1
ELVASTON	986	1,062	1,131	1,197	66
ETWALL	1,090	1,131	1,179	1,190	11
FINDERN	956	1,168	1,366	1,504	138
FOREMARK	33	31	34	32	-2
FOSTON & SCROPTON	239	247	244	252	8
HARTSHORNE	1,081	1,079	1,091	1,162	71
HATTON	883	883	877	917	40
HILTON	2,685	2,735	2,792	2,891	99
HOON	21	21	22	23	1
INGLEBY	49	49	51	51	0
LINTON	722	748	752	779	27
LULLINGTON	62	59	58	61	3
MARSTON ON DOVE	17	17	15	18	3
MELBOURNE	1,941	1,996	1,994	2,020	26
NETHERSEAL	325	328	337	336	-1
NEWTON SOLNEY	298	336	361	386	25
OSLESTON & THURVASTON	124	122	122	123	1
OVERSEAL	853	864	884	940	56
RADBOURNE	79	230	347	527	180
REPTON	1,157	1,172	1,171	1,222	51
ROSLISTON	268	290	302	306	4
SHARDLOW & GREAT WILNE	413	424	424	427	3
SMISBY	125	127	124	123	-1
STANTON BY BRIDGE	119	120	122	125	3
115 STENSON	1,493	1,500	1,489	1,499	10
SUTTON ON THE HILL	68	67	69	68	-1
SWADLINCOTE	9,300	9,464	9,478	9,770	282
SWARKESTONE	189	297	376	498	122

TICKNALL	296	303	305	302	-3
TRUSLEY	42	43	40	42	2
TWYFORD & STENSON	69	69	70	71	1
WALTON ON TRENT	311	311	310	307	-3
WESTON ON TRENT	479	567	615	658	43
WILLINGTON	1,000	1,016	1,025	1,031	6
WOODVILLE	1,642	1,661	1,651	1,735	84
TOTAL	33,308	34,472	35,218	36,702	1,484

COUNCIL TAX FORECAST SURPLUS 2022/23

Opening Surplus Balance		2,616,503
Estimated Council Tax Receivable 2021/22	69,308,004	
Hardship Fund Covid-19	88,391	
		<u>69,396,395</u>
Surplus Paid 2021/22:		
Derbyshire County Council	-880,948	
Derbyshire Fire	-50,757	
Derbyshire Police	-144,241	
SDDC	-124,054	
		<u>-1,200,000</u>
Costs - SDDC	-226,008	
Estimated Bad Debt Provision 2021/22	-1,386,160	
		<u>-1,612,168</u>
Precepts 2021/22:		
Derbyshire County Council	-48,708,959	
Derbyshire Fire	-2,791,731	
Derbyshire Police	-8,508,669	
SDDC	-5,915,215	
Parishes	-929,527	
		<u>-66,854,101</u>
Estimated Surplus		2,346,629
Surplus B/fwd 2020/21		2,616,503
Payment to Preceptors of Surplus		-1,200,000
Surplus Estimated for 2021/22		930,126
Surplus for Distribution		2,346,629