

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE (SPECIAL BUDGET)	AGENDA ITEM: 8
DATE OF MEETING:	12 JANUARY 2023	CATEGORY:
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	CHARLOTTE JACKSON Charlotte.jackson@southderbyshire.gov.uk	DOC: S/Finance/Committee/2021-22/Jan
SUBJECT:	COUNCIL TAX BASE 2023/24 AND SURPLUS 2022/23	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 That the Council Tax Base for 2023/24 of 37,663 (equivalent Band D) properties as detailed in **Appendix 1** is approved.
- 1.2 That a Council Tax Surplus of £500,000 for 2022/23 is declared on the Collection Fund and that the Council's proportion of £50,000 is transferred to the General Fund in 2023/24.

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 2023/24.

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 2023/24, as detailed in **Appendix 1**, is based on the number of properties listed on the Council Tax register as at 30 September 2022.
- 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 2023/24 is 37,663, which is an increase of 961 (2.6%) of properties from 2022/23.

- 3.5 The expected growth forecasted in the Medium-Term Financial Plan was 846 properties and so this will increase the level of income retained by the Council in 2023/24. Growth has been significant in 2022/23 after initial concerns regarding the current economic climate.

Council Tax Surplus

- 3.6 In setting the level of Council Tax for 2023/24, 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 2021/22 totalled £3m. A Council Tax Surplus of £2m was declared as part of the Budget round in January 2022 which will reduce this balance to £1m by the end of 2022/23.
- 3.9 **Appendix 2** shows a forecasted surplus on Council Tax for 2022/23 of approximately £179k 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 £500k for 2022/23, this will leave a remaining balance of £721k 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	72.8%	364,004
Derbyshire Fire	4.1%	20,656
Derbyshire Police	12.9%	64,289
SDDC	10.2%	51,051
	100.0%	500,000

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	2020/21	2021/22	2022/23	2023/24	Change
ASH	23	23	23	27	4
ASTON ON TRENT	724	720	732	734	2
BARROW ON TRENT	241	239	243	241	-2
BARTON BLOUNT	31	32	34	40	6
BEARWARDCOTE	13	13	13	13	0
BRETBY	407	414	414	414	0
BURNASTON	690	691	688	690	2
CALKE	8	8	9	9	0
CASTLE GRESLEY	626	626	632	632	0
CATTON	22	22	22	21	-1
CAULDWELL	44	43	48	47	-1
CHURCH BROUGHTON	241	242	255	250	-5
COTON IN THE ELMS	277	275	287	288	1
DALBURY LEES	125	132	136	139	3
DRAKELOW	206	254	318	342	24
EGGINGTON	257	256	255	255	0
ELVASTON	1,062	1,131	1,197	1,264	67
ETWALL	1,131	1,179	1,190	1,193	3
FINDERN	1,168	1,366	1,504	1,534	30
FOREMARK	31	34	32	34	2
FOSTON & SCROPTON	247	244	252	248	-4
HARTSHORNE	1,079	1,091	1,162	1,218	56
HATTON	883	877	917	1,001	84
HILTON	2,735	2,792	2,891	3,073	182
HOON	21	22	23	23	0
INGLEBY	49	51	51	51	0
LINTON	748	752	779	776	-3
LULLINGTON	59	58	61	59	-2
MARSTON ON DOVE	17	15	18	18	0
MELBOURNE	1,996	1,994	2,020	2,033	13
NETHERSEAL	328	337	336	339	3
NEWTON SOLNEY	336	361	386	390	4
OSLESTON & THURVASTON	122	122	123	119	-4
OVERSEAL	864	884	940	957	17
RADBOURNE	230	347	527	679	152
REPTON	1,172	1,171	1,222	1,231	9
ROSLISTON	290	302	306	317	11
SHARDLOW & GREAT WILNE	424	424	427	427	0
SMISBY	127	124	123	123	0
STANTON BY BRIDGE	120	122	125	123	-2
115 STENSON	1,500	1,489	1,499	1,502	3
SUTTON ON THE HILL	67	69	68	69	1

SWADLINCOTE	9,464	9,478	9,770	9,851	81
SWARKESTONE	297	376	498	603	105
TICKNALL	303	305	302	303	1
TRUSLEY	43	40	42	42	0
TWYFORD & STENSON	69	70	71	68	-3
WALTON ON TRENT	311	310	307	315	8
WESTON ON TRENT	567	615	658	686	28
WILLINGTON	1,016	1,025	1,031	1,050	19
WOODVILLE	1,661	1,651	1,735	1,802	67
TOTAL	34,472	35,218	36,702	37,663	961

APPENDIX 2

COUNCIL TAX FORECAST SURPLUS 2022/23

Opening Surplus Balance	3,041,698
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Estimated Council Tax Receivable 2022/23	73,467,323	
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Surplus Paid 2022/23:		
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Derbyshire County Council	-1,457,172	
Derbyshire Fire	-83,517	
Derbyshire Police	-254,544	
SDDC	-204,767	
		<hr/> -2,000,000

Costs - SDDC	0	
Estimated Bad Debt Provision 2022/23	-1,469,346	
		<hr/> -1,469,346

Precepts 2022/23:		
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Derbyshire County Council	-52,284,146	
Derbyshire Fire	-2,966,990	
Derbyshire Police	-9,234,223	
SDDC	-6,346,143	
Parishes	-986,564	
		<hr/> -71,818,066

Estimated Surplus	1,221,609
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Surplus B/fwd 2021/22	3,041,698
Payment to Preceptors of Surplus	-2,000,000
Surplus Estimated for 2022/23	179,911
Surplus for Distribution	1,221,609