

Agenda Item 7

FULL COUNCIL MEETING 23 FEBRUARY 2021

Council Tax 2021/22

Report of: Cllr Brenda Warrington - Executive Leader
Cllr Oliver Ryan – Executive Member (Finance and Economic Growth)
Kathy Roe – Director of Finance

1 Background

- 1.1 The purpose of this report is to enable the Council to calculate and set the Council Tax for 2021/22. The Council, in its role as a billing authority, is required to set amounts of Council Tax before 11 March in the financial year preceding that for which it is set.
- 1.2 The relevant sections of the Local Government Finance Act 1992 that govern the setting of Council Tax in England (Chapter 14, Part I, Chapter III, Sections 30-37) have been amended by the Localism Act 2011 (Chapter 20, Part 5, Chapter 1, Sections 74 and 78) and the Local Government Finance Act 2012 (Chapter 17, Sections 9-16). The amended Local Government Finance Act 1992 is referred to as “the Act” in this report.
- 1.3 The Local Government Financial Settlement, announced on 4 February 2021 permits an increase in general council tax. The referendum threshold is set at 2% before a referendum is required under legislation.
- 1.4 In addition, local authorities with responsibility for social care may levy a precept to spend exclusively on adult social care. This precept equates to up to 3% on top of the core principle.
- 1.5 The Council proposes to increase the Council tax in 2021/22 by 1.99 % for general council tax and 3% as a social care precept, to assist the authority in meeting expenditure on adult social care.
- 1.6 The precept levels for the Mayoral Police and Crime Commissioner and the Mayoral General Budget (including Fire and Rescue), as well as Mossley Parish Council, have been confirmed and are detailed below:

Mayoral Police and Crime Commissioner Precept

- 1.7 The Greater Manchester Police and Crime Panel met on 12 February 2021 and set their Mayoral Police and Crime Commissioner precept at £13,500,414 for the financial year 2021/22. This results in a Band D Council Tax equivalent figure of £218.30.

Mayoral General Precept (including Fire Services)

- 1.8 The Greater Manchester Combined Authority met on 12 February 2021 and set their Mayoral General (including Fire and Rescue) precept at £5,624,657 for the financial year 2021/22. This results in a Band D Council Tax equivalent figure of £90.95.

Mossley Parish Council

- 1.9 Mossley Parish Council met on 13 January 2021 and resolved to set a parish precept for the financial year 2021/22 of £32,000. This results in a Band D equivalent figure of £9.59.

2 Recommendations

It is recommended that:

1. The formal Council Tax Resolution set out at **Appendix 1** is adopted;
2. The calculation of aggregate amounts as set out at **Appendix 2** is noted;

APPENDIX 1

Council Tax Resolution 2021/22

Council is recommended to resolve the following:

1. That it be noted that Executive Cabinet on 27 January 2021 formally approved the relevant Council Tax bases for 2021/22 be as follows:
 - (a) 61,843.4 for the whole Council area (including the Mossley Parish area) [item T in the formula in Section 31B(1) of “the Act”].
 - (b) 3,338.3 for the Mossley Parish area to which a local precept relates.
2. That the Council approves the Council Tax Requirement for the Council’s own purposes for 2021/22 (excluding the Mossley Parish precept) as being £99,239,000. The Council Tax Requirement including the Mossley Parish precept is £99,271,000 for the 2021/22 financial year.
3. That the following amounts be calculated by the Council for the year 2021/22:
 - (a) £544,867,525 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of “the Act” taking into account the precept issued for the year by Mossley Parish Council (Appendix 2).
 - (b) £445,596,525 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of “the Act” (Appendix 2).
 - (c) £99,271,000 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of “the Act”, as its Council Tax Requirement for the year [item R in the formula in Section 31B(1) of the “the Act”].
 - (d) £1,605.20 being the amount at 3(c) above, divided by item T (1(a) above), calculated by the Council, in accordance with Section 31B(1) of “the Act”, as the basic amount of Council Tax for the year (including the Mossley Parish precept).
 - (e) £32,000 being the aggregate amount of all special items referred to in Section 34(1) of “the Act”, being the Mossley Parish precept.
 - (f) £1,604.68 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of “the Act”, as the basic amount of tax for the year for dwellings in those parts of its area to which no special items relate.
 - (g) £1,614.27 being the amounts given by adding to the amount at 3(f) above the amount of the special item or items relating to dwellings in those parts of the Council's area mentioned at 3(e) above divided by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of “the Act”, as the basic amount of Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.

4. That it be noted that for the year 2021/22 the Office of the Police and Crime Commissioner for Greater Manchester and the Greater Manchester Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of “the Act”, for each category of dwelling in the Council's area as indicated in the tables below.
5. That the Council, in accordance with “the Act”, hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2021/22 for each part of its area and for each of the categories of dwellings.

VALUATION BANDS - TAMESIDE METROPOLITAN BOROUGH COUNCIL (EXCLUDING MOSSLEY PARISH COUNCIL)								
	A	B	C	D	E	F	G	H
Tameside Metropolitan Borough Council	949.87	1,108.19	1,266.50	1,424.82	1,741.44	2,058.06	2,374.69	2,849.63
Precepts								
Adult and Social Care Precept	119.57	139.50	159.43	179.36	219.21	259.07	298.93	358.71
Mayoral Police and Crime Commissioner Precept (published figures from GMCA)	145.53	169.78	194.04	218.30	266.81	315.32	363.83	436.60
Mayoral General Precept (published figures)	60.63	70.73	80.84	90.95	111.16	131.37	151.58	181.90
Aggregate of the Council Tax requirement (including Precepts)								
Tameside Metropolitan Borough Council (excluding Mossley)	1,275.60	1,488.20	1,700.81	1,913.43	2,338.62	2,763.82	3,189.03	3,826.84

VALUATION BANDS - TAMESIDE METROPOLITAN BOROUGH COUNCIL (INCLUDING MOSSLEY PARISH COUNCIL)								
	A £0.00	B £0.00	C £0.00	D £0.00	E £0.00	F £0.00	G £0.00	H £0.00
Tameside Metropolitan Borough Council	949.87	1,108.19	1,266.50	1,424.82	1,741.44	2,058.06	2,374.69	2,849.63
Precepts								
Adult and Social Care Precept	119.57	139.50	159.43	179.36	219.21	259.07	298.93	358.71
Mossley Parish Council	6.39	7.45	8.52	9.59	11.72	13.85	15.98	19.18
Mayoral Police and Crime Commissioner Precept (calculated figures)	145.53	169.78	194.04	218.30	266.81	315.32	363.83	436.60
Mayoral General Precept (calculated figures)	60.63	70.73	80.84	90.95	111.16	131.37	151.58	181.90
Aggregate of the Council Tax requirement (including Precepts)								
Mossley Parish Council Boundary	1,281.99	1,495.65	1,709.33	1,923.02	2,350.34	2,777.67	3,205.01	3,846.02

APPENDIX 2

CALCULATING THE COUNCIL TAX REQUIREMENT

Calculations included in Section 31A of “the Act”

1. Section 31A of the “the Act” requires the Council to make three calculations as set out below:

- (i) an estimate of the Council's required gross revenue expenditure - Section 31A(2) of “the Act”, **£544,867,525** (being the Council gross expenditure budget of £544,835,525 plus the Mossley precept of £32,000)
- (ii) an estimate of its anticipated income (excluding that from council tax) and of reserves to be used to aid the revenue account - Section 31A(3) of “the Act”, **£445,596,525**
- (iii) a calculation of the difference between (i) and (ii) above, known as the Council Tax Requirement - Section 31A(4) of “the Act”, **£99,271,000**.

2. The calculation in (i) above requires the Council to calculate the aggregate of:

Section 31A(2)(a) - the expenditure the Council estimates it will incur in the year in performing its functions and will charge to a revenue account, for the year in accordance with proper practices;

Section 31A(2)(b) - such allowance as the Council estimates will be appropriate for contingencies in relation to amounts to be charged or credited to a revenue account for the year in accordance with proper practices;

Section 31A(2)(c) - the financial reserves which the Council estimates it will be appropriate to raise in the year for meeting estimated future expenditure;

Section 31A(2)(d) - such financial reserves as are sufficient to meet so much of the amount estimated by the Council to be a revenue account deficit for any earlier financial year as has not already been provided for;

Section 31A(2)(e) - any amount estimated to be transferred from the General Fund to the Collection Fund in accordance with Section 97(4) of the Local Government Finance Act 1988, i.e. the Council's share of any Collection Fund deficit, and

Section 31A(2)(f) - any amounts estimated to be transferred in the year from the General Fund to the Collection Fund pursuant to a direction under Section 98(5) of the Local Government Finance Act 1988 and charged to a revenue account for the year.

3. The calculation in (ii) above requires the Council to calculate the aggregate of:

Section 31A(3)(a) - the income which the Council estimates will accrue to it in the year and which it will credit to a revenue account, for the year in accordance with proper practices;

Section 31A(3)(b) - any amounts which the Council estimates will be transferred in the year from the Collection Fund to the General Fund in accordance with Section 97(3) of the Local Government Finance Act 1988, i.e. the Council's share of any Collection Fund surplus;

Section 31A(3)(c) - any amounts which the Council estimates will be transferred from the Collection Fund to the General Fund pursuant to a direction under Section 98(4) of the Local Government Finance Act 1988 and will be credited to a revenue account for the year; and

Section 31A(3)(d) - the amount of financial reserves/balances which the Council intends to use towards meeting its revenue expenditure.