

COUNCIL TAX 2022-23

Executive Summary

The Executive considered the draft service plans and budgets and the overall Council Tax requirement for 2022/23 on 3 February 2022 and has recommended their approval. Minutes 6 to 9 of the Executive meeting refer.

Surrey County Council and the Office of the Surrey Police and Crime Commissioner have determined their requirements and the final precepts have been levied.

The precept levied by Surrey County Council is a 4.99% increase compared to 2021/22, including an increase to the Adult Social Care (ASC) precept. The Surrey Police and Crime Commissioner has increased the precept by £10, the maximum allowed for 2022/23.

The total of the precepts from Surrey County Council, Surrey Police and Crime Commissioner, and the budget required for the Borough's purposes result in a Band D Council Tax of £2,177.42 in 2022/23.

The draft formal resolution is attached at Appendix 3.

There is a statutory requirement for the Council Tax for 2022/23 to be set before 11th March 2022.

Recommendations

The Council is requested to:

RESOLVE in accordance with the recommendations of the Executive and the draft Council Tax resolution set out at Appendix 3 to the report.

The Council has the authority to determine the recommendation(s) set out above.

| | |
|---------------------------------|---------------------------------------------------------------------------------|
| Background Papers: | None. |
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| Date Published: | 9 February 2022 |

1.0 Introduction

- 1.1 The Executive at its meeting on 3 February 2022 made recommendations in respect of the Budget for 2022/23.
- 1.2 Following the Council's decision in respect of these recommendations, this report sets out the details necessary for the Council to determine the Council Tax level for 2022/23.

2.0 External Finance 2022/23

- 2.1 The Government published the Final Local Government Finance Settlement for 2022/23 on 7 February 2022. This confirmed the provisional figures which were included in the Executive report with a small increase (£1,900) in the Lower Tier Services Grant.

3.0 General Fund Budget 2022/23

- 3.1 The General Fund Summary, the variations in service requirements, together with the Housing Revenue Account Summary, are attached at Appendix 1. A summary of reserves is attached at Appendix 2.
- 3.2 The total amount, the Council Tax requirement, to be met from local taxation in 2022/23 for Woking Borough purposes is £10,606,601.

4.0 Budget Variations 2022/23

- 4.1 The year on year change in the precept on the Collection Fund, after taking into account Woking's share of the collection fund surplus is an increase of £502,140. This can be explained as follows:

| Budget variation 2021/22 to 2022/23 | Feb-22 |
|-----------------------------------------------------------|---------------|
| Cost (+)/ Saving (-) | £'000 |
| Investment Programme/Treasury Management | 1,646 |
| Service Pressures | 2,460 |
| Reduction in Use of Reserves | 4,210 |
| Cost pressures | 8,316 |
| Increase in Fees and Charges | -321 |
| Reduction in Covid Provision | -4,796 |
| Fit for the Future savings and efficiencies | -1,773 |
| Increase in Government Funding | -152 |
| Increase in Assumed Business Rates income/New Homes Bonus | -735 |
| Increase in Collection Fund Surplus | -37 |
| Offset by increased income/savings | -7,814 |
| Movement in Precept on Collection Fund | 502 |

5.0 Collection Fund Surplus

- 5.1 The Council's share of the collection fund surplus as at 31 March 2021 in respect of Council Tax is £80,527. The budget includes a deficit for 2020/21 of £68,041 which is a third of the total forecast deficit as government regulations required spreading over 3 years. The budget also includes a surplus relating to retained Business Rates of £935,000 which represents the

forecast expected retained Business Rates over the baseline level including the benefit of being in the Surrey Business Rates Pool in 2022/23.

6.0 Council Tax Tax Base 2022/23

6.1 It should be noted that the Chief Finance Officer, in accordance with the authority delegated at a meeting of Council on the 6 December 2012 has calculated the Council Tax tax base for 2022/23 for the Borough of Woking to be 41,519.00.

7.0 Borough Council Tax at Band D

7.1 In 2021/22 the Borough element of the Council Tax is £250.46 at Band D.

7.2 For 2022/23 the Borough element of the Council Tax at Band D, is £255.46, representing a 2.0% increase in Council Tax from 2021/22. The 2022/23 Council Tax has been calculated as follows:

| | £ |
|--------------------------------------------------------------------------------------------------------|--------------------------|
| Total amount to be met from local taxation and Government Grants for Woking Borough Council | 12,996,961 |
| Less External Finance (allocated through B Rates Pilot) | |
| - Local Retention of Business Rates (NNDR) | -2,134,965 |
| - Revenue Support Grant (RSG) | 0 |
| - Lower Tier Services Grant | -95,753 |
| - Services Grant | -147,156 |
| | <hr/> |
| | -2,377,874 |
| Less Council Tax surplus 31 March 2021 | -80,527 |
| Plus Forecast Council Tax deficit 2020/21 (after 3 year spreading) | 68,041 |
| Net Council Tax requirement for Borough purposes | <u>10,606,601</u> |
| | |
| Council Tax tax base for the Borough | 41,519.00 |
| | |
| Borough element of Council Tax at Band D | £255.46 |
| (Net Council Tax requirement for Borough purposes divided by the Council Tax tax base for the Borough) | |

8.0 Surrey County Council Requirements 2022/23

8.1 Surrey County Council has determined its requirements for 2022/23 at a meeting on 8 February 2022 and has levied a precept of £67,526,086.41 on the Borough. The resultant Band D Council Tax for Surrey County Council purposes is therefore £1,626.39, compared with £1,549.08 for 2021/22.

8.2 This is an overall 4.99% increase compared to 2021/22 on the SCC Council Tax including the Adult Social Care (ASC) precept.

9.0 Surrey Police and Crime Commissioner Requirements 2022/23

9.1 The Surrey Police and Crime Commissioner has determined his requirements for 2022/23 at a meeting on 4 February 2022 and has levied a precept of £12,271,770.83 on the Borough. The resultant Band D Council Tax for the Surrey Police and Crime Commissioners purposes is therefore £295.57 compared with £285.57 for 2021/22. This equals the maximum allowable £10 increase at Band D, equivalent to a 3.5% increase.

10.0 Composite Council Tax 2022/23

10.1 The Band D Council Tax for 2022/23, compared with 2021/22, is set out below:

| Purposes of: | 2021/22 | 2022/23 | Increase % |
|-------------------------------------------|-----------------|-----------------|---------------|
| | Actual £ | Proposed £ | |
| Surrey County Council - Basic | 1,410.07 | 1,440.91 | - |
| Surrey County Council - Adult Social Care | 139.01 | 185.48 | - |
| Surrey County Council - Total | 1,549.08 | 1,626.39 | 5.0% |
| Surrey Police and Crime Commissioner | 285.57 | 295.57 | 3.5% |
| Woking Borough Council | 250.46 | 255.46 | 2.0% |
| Composite Council Tax | 2,085.11 | 2,177.42 | 4.4% |

10.2 The Council Tax for 2022/23, across all bands, may be summarised as follows:

| Valuation Band | Surrey County Council Basic £ | Adult Social Care £ | Total Surrey County Council £ | Surrey Police and Crime Commissioner £ | Woking Borough Council £ | Aggregate of Council Tax Requirements £ |
|----------------|----------------------------------|------------------------|----------------------------------|-------------------------------------------|-----------------------------|--------------------------------------------|
| A | 960.61 | 123.65 | 1,084.26 | 197.05 | 170.31 | 1,451.61 |
| B | 1,120.71 | 144.26 | 1,264.97 | 229.89 | 198.69 | 1,693.55 |
| C | 1,280.81 | 164.87 | 1,445.68 | 262.73 | 227.08 | 1,935.48 |
| D | 1,440.91 | 185.48 | 1,626.39 | 295.57 | 255.46 | 2,177.42 |
| E | 1,761.11 | 226.70 | 1,987.81 | 361.25 | 312.23 | 2,661.29 |
| F | 2,081.31 | 267.92 | 2,349.23 | 426.93 | 369.00 | 3,145.16 |
| G | 2,401.52 | 309.13 | 2,710.65 | 492.62 | 425.77 | 3,629.03 |
| H | 2,881.82 | 370.96 | 3,252.78 | 591.14 | 510.92 | 4,354.84 |

10.3 The formal resolution to give effect to the Council Tax is set out at Appendix 3.

11.0 Corporate Strategy

11.1 The Council Tax for 2022/23 will support the Council's General Fund revenue budget which has been prepared in line with the emerging Corporate Strategy priorities.

11.2 The Corporate Strategy and updated Medium Term Financial Strategy, together with any budgetary implications will be considered by the Council in March 2022.

12.0 Implications

Finance and Risk

12.1 The financial implications are explicit in the report.

12.2 The budget includes a risk contingency of £250,000. There are a number of areas of risks which have been reported to the Executive, and these areas will be closely monitored during the year.

Equalities and Human Resources

- 12.3 There are no human resource or training and development implications arising from the recommendations in this report.

Legal

- 12.4 In accordance with the Local Government Finance Act 1992, the Council is required to set council tax by 11th March each year.

13.0 Engagement and Consultation

- 13.1 There has been a programme of community engagement during 2021 to inform the Corporate Strategy and Medium Term Financial Strategy from 2022/23.

REPORT ENDS

APPENDICES

- Appendix 1 - General Fund Summary
Summary of Variations
Housing Revenue Account
- Appendix 2 - Reserves Forecast
- Appendix 3 - Draft Council Tax Resolution 2022/23