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COUNCILLORS' INFORMATION BULLETIN

Wednesday, 6 January 2021

Bulletin No. IB/1060

INFORMATION ITEM					
1	Delegated Planning Decisions	3 - 4			
	Delegated planning decisions for the week beginning 20 December 2020 are attached. Contact for enquiries: Jean McPherson, Group Manager: Development Management on jean.mcpherson@crawley.gov.uk .				
2	Consideration Report: Calculation of the Council Tax Base for the Year 2021/2022	5 - 8			
	Consideration report FIN/515 of the Head of Corporate Finance is attached.				
3	Press Releases				
	Press releases are available at www.crawley.gov.uk/news				



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CRAWLEY BOROUGH COUNCIL

DELEGATED PLANNING DECISIONS

The following decisions were issued, subject to conditions, under delegated powers for the period 20/12/2020 and 25/12/2020

Application Number	Location	Proposal	Date of Decision	Decision	
CR/2020/0260/FUL REGENT HOUSE, 190A THREE BRIDGES ROAD, THREE BRIDGES, CRAWLEY		Erection of two storey and first floor side extensions	22 December 2020	PERMIT	
CR/2020/0561/FUL	11 SOUTHGATE ROAD, SOUTHGATE, CRAWLEY	Erection of two storey side extension (amended plans received)	21 December 2020	PERMIT	
CR/2020/0648/FUL	6 WYE CLOSE, BROADFIELD, CRAWLEY	Erection of single storey rear and side extensions and front porch extension (amended plans received)	23 December 2020	PERMIT	
CR/2020/0701/PA3	2 EAST PARK, SOUTHGATE, CRAWLEY	Prior approval for change of use from offices (B1a) located on the ground, first and second/attic floors to 7 residential units (C3)	21 December 2020	PRIOR APPROVAL REFUSED	
CR/2020/0706/192	16 THE CANTER, POUND HILL, CRAWLEY	Certificate of lawfulness for proposed loft conversion with rear dormer	22 December 2020	PERMIT	
CR/2020/0749/HPA	19 WESTMINSTER ROAD, MAIDENBOWER, CRAWLEY	Prior notification for the erection of a single storey rear extension which would extend beyond the rear wall of the original house by 5.61m, and have a maximum height of 3.50m and an eaves height of 2.50m	22 December 2020	PRIOR APPROVAL NOT REQUIRED	
CR/2020/0755/TEL	THAMES WATER PLC SEWAGE TREATMENT WORKS, RADFORD ROAD, POUND HILL, CRAWLEY	Notification under regulation 5 for the replacement of 3no. antennas at 14.25m on the tower. The installation of 9no. remote radio units (RRU) and associated ancillary equipment at ground level within the existing demise (site ref 25829)	23 December 2020	NO OBJECTION	

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Agenda Item 2

Crawley Borough Council

Consideration Report for Delegated Decision by the Leader of the Council

Expected Date of Decision 20 January 2021

Calculation of the Council Tax Base for the Year 2021/2022

Report of the Head of Corporate Finance, FIN/515

1. Purpose

1.1 The purpose of this briefing note is for the Leader of the Council to exercise his delegated authority to approve the 2021/22 Council Tax Base.

2. Recommendations

2.1 That the Leader of the Council use their delegated authority to approve the Council Tax Base of 34,961.9

3. Reasons for the Recommendations

3.1 The calculation required by statute has produced a tax base of 34,961.9 which is recommended for approval. The regulations provide that in the current year this authority must set the tax base between 1 December 2020 and 31 January 2021.

4. Background

- 4.1 The Council Tax in England and Wales is provided for and governed by the provisions of the Local Government Finance Act 1992. Within this act, the Council is designated as a "Billing Authority", responsible for the billing, collection and enforcement of Council Tax.
- 4.2 The Council Tax Base forms part of the process to set the tax, being an estimate of the number of residential properties that will be liable for the tax in the coming year. This is then divided into the budget requirement of each authority to determine the tax payable per property. The calculation to determine the tax base is updated each year to allow for new properties, demolitions and changes in discounts. Of the final tax base, approximately 99% relates to actual properties and discounts with the remaining 1% being the estimated changes.
- 4.3 The Local Government Finance Act 2012 provided billing authorities with powers to:
 - vary certain Council Tax discounts
 - introduce a local council tax reduction scheme

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DISCOUNTS

- 4.4 The Second Homes discount was reduced from 10% to zero from 1 April 2013.
- 4.5 The discount for Class A, empty properties undergoing major repair or structural alteration, was reduced from 100% to zero from 1 April 2013.
- 4.6 A premium of 100% will be applied if such a property is still empty for between 2 and 5 years. A premium of 200% will be applied for properties empty for greater than 5 years.
- 4.7 The discount for Class C properties, empty and substantially unfurnished, is 100% for one week.
- 4.8 The family annex discount was introduced from 1 April 2014 and gives a 50% discount for people living in annexes that are related to person liable to pay the council tax in the main dwelling.
- 4.9 No discount is receivable for most second homes, however, where a second home is held for the requirements of a job, a 50% discount applies.
- 4.9 The Council has adopted a local council tax reduction scheme which replaced the national council tax benefit scheme from 1 April 2013.
- 4.10 The Council, as billing authority, is able to reduce the total Council Tax payable by individuals or groups of individuals. The purpose of this power is in the main to provide for disasters such as flooding to enable councils to reduce the tax liability of affected households during a given period. Authority to award such discounts has been delegated to the Head of Corporate Finance.

5. Information & Analysis Supporting Recommendation

CALCULATION OF THE TAX BASE

- 5.1 All residential properties are valued by the District Valuer and allocated to one of 8 bands, A to H. In order to arrive at the Council Tax payable for the year the number of properties is adjusted to a Band D equivalent for comparative purposes across the country, e.g. one Band H property pays twice the amount of a Band D and is therefore counted as two Band D equivalent properties. Having arrived at the Band D equivalent, this is divided into the amount of income required by the council to arrive at the amount payable for a Band D Council Tax. All other bands are then calculated from this.
- 5.2 The valuation list dated 14 September 2020 has been used, as well as other information dated 5 October 2020 with regards to allowances for additional properties, deletions and alterations to the list.
- 5.3 The Council Tax Base is the total number of Band D equivalents for each of the 8 valuation bands. Detailed calculations for each of the bands are set out in the Appendix to this briefing note.
- 5.3 Finally, it is necessary for the authority to take a view of the potential amount of Council Tax that could be collected and to make allowance for the possibility of bad debts. This is achieved by reducing the Gross Tax Base by a percentage that reflects the potential value of non-collection. It is proposed that for 2021/2022 the provision for bad debts be set at 0.5% (2020/2021: 0.5%).

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COMPARISON WITH CURRENT YEAR

5.4 The Council Tax base has decreased by 850 Band D equivalents as explained in Table One below.

Table One

Table Offe			
	2021/22	2020/21	
	Band D	Band D	Net
	equiv.	equiv.	Change
Actual per valuation list	43,815.3	43,375.4	439.9
Estimated new properties	592.0	478.8	113.2
Known Demolition	0	-1.8	1.8
Estimated banding appeals	-3	-3	0
Estimated exempt properties	-358.7	-310.2	-48.5
Estimated disabled reductions	-24.2	-25.2	1.0
Estimated 25% discounts	-3,239.9	-3,130.0	-109.9
Estimated 50% discounts	-29.7	-29.0	-0.7
Estimated 100% discounts	-35.4	-23.7	-11.7
Premiums on homes empty for 2+ years	20.0	20.3	-0.3
Family Annexe discount	-5.3	-4.3	-1.0
Council tax reduction scheme	-5,593.5	-4,355.4	-1,238.1
Provision for non-collection	-175.7	-180.0	4.3
Tax base	34,961.9	35,811.9	-850.0
I ax base	J -1 ,901.9	55,511.9	-000.0

6. Implications

- 6.1 The Council Tax Base will decrease the tax yield by £177,556.50 at the current band D charge of £208.89.
- 6.2 Government recently announced the Local Council Tax Support Grant for 2021/22. These funds are to offset the increase in council tax reduction claimants anticipated due to the economic downturn caused by Covid-19. Crawley Borough Council's share is £168,916.

7. Background Papers

Local Government Finance Act 1992 Local Government Finance Act 2012

<u>Local Council Tax Reduction Scheme, Cabinet – 28 November 2012 (FIN/286 refers)</u>
<u>Review of the Council Tax Reduction Scheme, Cabinet – 30 November 2016 (FIN/399 refers)</u>

Council Tax Empty Property Premiums, Cabinet - 25 September 2019 (FIN/478)

		BAND								BUDGET 2021/22
Total number of Properties Liable to Council Tax	Discount /premium	Α	В	С	D	E	F	G	Н	
(a) Actual Number per Valuation List		1,221	7,405	22,066	8,901	3,800	2,273	471	7	46,144
(b) Estimated No of New Properties		162	245	202	71	16	15	1	0	712
Known demolitions										0
(c) Estimated No of Rebandings										
- Move from Band		0	0	-6	-5	-6	-1	-1	0	-19
- Move to Band		0	6	5	6	1	1	0	0	19
(d) Properties with Disabled Reduction										
- Move from Band		0	-10	-71	-34	-28	-13	-6	-3	-165
- Move to Band		10	71	34	28	13	6	3		165
(e) Exempt Properties		-31	-91	-140	-68	-29	-19	-3	0	-381
- Estimate for new properties		-4	-3	-1	-1	0	0	0	0	-9
Number of Chargeable Properties	_	1358	7623	22089	8898	3767	2262	465	4	46,466
2. Properties Receiving Discounts/Premiums	_									
- 25% Discount due to single adult household	-25%	732	4,119	6,016	1,938	658	329	57	0	13,849
- Estimate for new properties	-25%	97	136	55	15	3	2	0	0	308
-25% Discount due to all but one resident being exempt	-25%	3	32	210	82	27	22	2	0	378
- Estimate for new properties	-25%	0	1	2	1	0	0	0	0	4
- Other Discounts										
Empty properties 100% discount	-100%	3	13	18	3	1	1	1	0	40
- Estimate for new properties	-100%	0	0	0	0	0	0	0	0	0
Empty properties 50% discount	-50%	0	0	0	0	0	0	0	0	0
- Estimate for new properties	-50%	0	0	0	0	0	0	0	0	0
Second Homes 50% discount	-50%	1	1	0	0	0	0	0	0	2
- Estimate for new properties	-50%	0	0	0	0	0	0	0	0	0
All residents being disregarded for Council Tax purposes 50%	-50%	1	3	9	7	9	8	8	2	47
- Estimate for new properties	-50%	0	0	0	0	0	0	0	0	0
Long Term Empties 100% premium	100%	1	6	12	4	0	0	0	0	23
3. Number of Properties Receiving no Discounts	_	520	3312	15767	6848	3069	1900	397	2	31,815
4. Family Annexe discount	_	-8.0	0.0	0	0	0	0	0	0	
5. Council Tax Reduction Scheme	.=	- 356.5	- 2,064.1	- 3,310.3	- 662.6	- 92.8	- 19.6	- 2.2	-	
6. Tax Base Before Tax Weighting Adjustment		782.50	4,477.87	17,197.48	7,723.87	3,496.70	2,149.20	443.07	3.00	36,2
7. Tax Weighting		6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9	35,1
8. Band D Equivalent		521.67	3,482.78	15,286.64	7,723.87	4,273.74	3,104.40	738.44	6.00	35,1
LESS: PROVISION FOR NON-COLLECTION									0.50%	- 17

Authorised by Head of Corporate Finance	
	Signature
	<u>Date</u>

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