

CLACKMANNANSHIRE COUNCIL

Report to Clackmannanshire Council

Date of Meeting: 4 March 2021

Subject: Council Tax Setting 2021/22

Report by: Chief Finance Officer

1.0 Purpose

- 1.1. The purpose of this report is to agree the level of Council Tax for the 2021/22 financial year.

2.0 Recommendations

- 2.1 It is recommended that Council:
- 2.1.1 agrees to set the level of Council Tax for 2021/22 in advance of approving the General Fund Revenue and Capital Budget for 2021/22;
- 2.1.2 agrees the level of Council Tax for 2021/22 at the same level as 2020/21, resulting in Band D Council tax of £1,304.63, and
- 2.1.3 notes that a full General Fund Revenue and Capital budget will be presented to Council by 31 March 2021.

3.0 Background

- 3.1 The Council has a legal duty to set its Council Tax by 11th March each year. In doing so it must consider all relevant financial information available at that time.
- 3.2 On 28 January 2021, the Scottish Government released its draft budget containing the draft settlement for local authorities (Finance Circular 1/2021). This budget is then subject to a parliamentary process with the final local government settlement due to be approved on 10th March 2021.
- 3.3 Due to the level of information available at this time and in order to meet the statutory deadline for setting Council Tax, it is recommended that the Council set its Council Tax separately from the General Fund Revenue Budget.
- 3.4 By agreeing the council tax level ahead of the General Fund Revenue budget this allows Clackmannanshire residents to have certainty over their Council Tax bills for the coming year and for the Council to comply with the statutory deadline.

4.0 Council Tax Charges 2021/22

- 4.1 Within the draft Local Government Settlement, the Scottish Government have offered financial compensation to Councils who choose to freeze their Council Tax at 2020/21 levels.
- 4.2 This compensation amounts to £90m for all Councils across Scotland and equates to an approximate 3% increase in council tax income for individual Councils. For Clackmannanshire this means that the financial planning assumption of an increase in Council Tax of 3% will be fully funded.
- 4.3 It is therefore proposed that the Council agrees to set its Council Tax level at the same level as 2020/21. For Clackmannanshire Council residents, this results in a Band D Council Tax of £1,304.63 for 2021/22 (2020/21 £1,304.63). Full details of the Council Tax Band Charges are set out in the table below.

Table 1 – Council Tax charges for 2021/22

Valuation Band	Council Tax Charge 2021/22
A - Disabled	£724.79
A - upto £27,000	£869.75
B - £27,001 to £35,000	£1,014.71
C - £35,001 to £45,000	£1,159.67
D - £45,001 to £58,000	£1,304.63
E - £58,001 to £80,000	£1,714.14
F - £80,001 to £106,000	£2,120.02
G - £106,001 to £212,000	£2,554.89
H - over £212,000	£3,196.34

- 4.4 At present there is no confirmation that the additional £90m will be baselined. If this is not baselined then this would put pressure on the Councils funding gap in future years which may require higher increases in Council Tax.
- 4.5 The figures provided in Table 1 above set out the proposed Council Tax Charges. In addition to these charges included within the annual council tax bills, are charges for Water and Sewerage which are set by Scottish Water. These charges are set independently of the Council and will be subject to inflationary increases as set by Scottish Water.

5.0 Conclusion

- 5.1 Council is asked to agree that Council Tax rates will remain at the same level as 2020/21 and that a full General Fund Revenue and Capital budget will be presented to Council prior to 31 March 2021.

6.0 Sustainability Implications

6.1. There are no sustainability implications from this report.

7.0 Resource Implications

7.1. *Financial Details*

7.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. **Yes**

7.3. Finance have been consulted and have agreed the financial implications as set out in the report. **Yes**

7.4. *Staffing*

There are no Staffing implications arising from this report.

8.0 Exempt Reports

8.1. Is this report exempt? **No**

9.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

(1) Our Priorities

Clackmannanshire will be attractive to businesses & people and ensure fair opportunities for all	<input checked="" type="checkbox"/>
Our families; children and young people will have the best possible start in life	<input checked="" type="checkbox"/>
Women and girls will be confident and aspirational, and achieve their full potential	<input checked="" type="checkbox"/>
Our communities will be resilient and empowered so that they can thrive and flourish	<input checked="" type="checkbox"/>

(2) Council Policies (Please detail)

Financial Regulations

Scheme of Delegation

10.0 Equalities Impact

10.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations? **Yes**

11.0 Legality

11.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. **Yes**

12.0 Appendices`

12.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

None

13.0 Background Papers

13.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered) **Yes**

General Services Revenue Budget 2020/21


Budget Update reports to Council

Finance Circular No 1/2021, January 2021

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Approved by

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