

FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Thursday, 23 February 2023
Report Subject	Council Tax Setting for 2023/24
Report Author	Chief Officer (Governance)

EXECUTIVE SUMMARY

At a meeting on 23rd February 2023, a decision will be reached on the Council Fund Revenue Budget for 2023/24. Having determined the budget requirement, which is contained in a separate report, Council will also be able to set the Council Tax which is the subject of this report.

Council Tax includes three separate charges, otherwise known as precepts, which make up the total sum which is charged against each property. These are precepts set by:

- the County Council, and
- the Office of the Police and Crime Commissioner for North Wales, and
- the Town and Community Councils.

Council Tax is usually expressed at a standard Band D rate which results in Council Tax being charged at lower levels for those properties in Bands A to C, and at higher levels for those properties in Band E to I.

For 2023/24, the recommended levels of Council Tax for approval for each property band and for Town and Community Council area are set out in Appendix 1 to this report.

RECOMMENDATIONS

1	Set 2023/24 Council Tax as detailed in Appendix 1.
2	Note and endorse the continuation of the policy of not providing a discount in the level of 2023/24 Council Tax charges for second homes and long-term empty homes, and where exceptions do not apply, to charge the Council Tax Premium rate of 75% above the standard rate of Council Tax for designated long-term empty dwellings and 100% for second homes from 1 st April 2023.
3	Approve designated officers to issue legal proceedings and appear on behalf of the Council in the Magistrates Court for unpaid taxes.

REPORT DETAILS

1.00	EXPLAINING THE COUNCIL TAX SETTING EXERCISE
1.01	<p>The Council Tax charges for 2023/24 include precepts relating to the County Council, Police and Crime Commissioner for North Wales and all Town/Community Councils. There are several statutory decisions that need to be taken and these are divided into the following sections in Appendix 1.</p>
1.02	<p>Section 1 – details the Council Tax Base for 2023/24, as previously approved by Cabinet, and shows the number of properties expressed as Band D equivalents (shown in total and by each Town/Community Council). The Tax Base also takes into account appropriate adjustments for statutory discounts, exemptions, premiums and assumed losses in collection.</p>
1.03	<p>Section 2 – details the income and expenditure of the County Council and Town and Community Councils. It also sets out the amount of Council Tax to be charged across the various Valuation Bands in respect of the County Council precept and each Town/Community Council precept.</p>
1.04	<p>Section 3 – details the specific amount of Council Tax that is to be charged in each Valuation Band as a direct result of the precept set by the Police & Crime Commissioner for North Wales.</p>
1.05	<p>Section 4 – details the standard amount of Council Tax that taxpayers will be required to pay from April 2023, recognising that some households will pay less because of discounts or exemptions and some will pay more in the event of the Council Tax Premium being payable.</p>
1.06	<p>Section 5 – re-affirms the continuation of the current policy in 2023/24 of not granting discounts on second homes and long-term empty properties which are defined by Regulations as three Prescribed Classes of Dwellings:</p> <ul style="list-style-type: none">• Class A – dwellings which are not a person’s sole and main residence, and which are substantially furnished with a restriction on occupancy for a period of at least 28 days consecutive days in any 12-month period (referred to as second homes)• Class B – dwellings which are not a person’s sole and main residence, and which are substantially furnished with no restriction on occupancy (also referred to as second homes)• Class C – dwellings which are not a person’s sole and main residence which are also unfurnished and unoccupied and have been so for a period of over 6 months in most cases. <p>The current policy of not offering a discount on second and long-term empty homes forms part of a wider strategy of encouraging owners to bring property back into full use. This is crucial to the implementation of the Council Tax Premium scheme where an additional charge, otherwise known as a Premium, will apply. In other words, it is essential to continue</p>

	to adopt of policy of not awarding discounts on such properties in order to levy a Council Tax Premium.
1.07	Section 6 – in view of the decision made by full Council on 13 th December 2022, unless there are exceptions to be applied, Council Tax for 2023/24 will be charged at a premium rate of 75% above the standard rate of Council Tax for those dwellings that are defined as ‘long term empty’ which have been empty for a continuous period of one year. A Council Tax premium of 100% will also apply to those dwellings defined as second homes.
1.08	Section 7 & 8 – approves designated officers to issue legal proceedings and appear on behalf of the Council in the Magistrates Court when prosecuting in cases of unpaid Council Tax and Business Rates.
1.09	Section 9 – provides for the advertisement of the Council Tax for 2023/24 in the local press as required by Regulation.

2.00	RESOURCE IMPLICATIONS
2.01	Setting the Council Tax is an annual process to determine the new charges for the next financial year as part of the overall budget strategy.
2.02	Setting Council Tax at the levels recommended in this report will allow the Council, in respect of its own precept (£100,126,334), to work to a balanced budget after taking into account central government revenue support grants and other income streams.
2.03	As part of the setting of Council Tax for 2023/24, the Council will also pay to the Police and Crime Commissioner for North Wales a total precept of £21,922,318. The precepts for each Town and Community Council vary but collectively a precept £3,421,107 will be distributed between the Town and Community Councils, based on the individual precept requirements for each Town and Community Council.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	There is a statutory duty to consult with non-domestic ratepayers on the Council’s budget proposals, including proposals for capital expenditure, before the commencement of each financial year and a consultation exercise has been undertaken to fulfil the legal requirements.
3.02	The Councils budget agreement for 2023/24 now result in the setting of Council Taxes as detailed in this report. The budget proposals have already been discussed at all Overview and Scrutiny Committees and finally at Corporate Resources Overview and Scrutiny Committee.

4.00	RISK MANAGEMENT
4.01	The Council also has a responsibility to issue Council Tax bills and to also collect the precepts on behalf of the Police & Crime Commission for North Wales and Town/Community Council.
4.02	Setting the Council Tax at full Council will therefore fulfil all statutory requirements to set and collect Council Taxes from April 2023.

5.00	APPENDICES
5.01	Appendix 1 - contains all resolutions and decisions needed to set the 2023/24 Council Tax.
5.02	Appendix 2 - provides statistical information of the 2023/24 Council Tax charges by Town and Community Council area.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<ul style="list-style-type: none"> • Local Government Finance Act 1992 • Local Government Act 1972 and 2003 • Council Tax (Prescribed Classes of Dwellings) (Wales) Regulations • Housing (Wales) Act 2014 <p>Contact Officer: David Barnes, Revenues & Procurement Manager Telephone: 01352 703652 E-mail: david.barnes@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Council Tax Base: is a measure of the Council's 'taxable capacity' taking into account the number of properties subject to Council Tax after taking into account discount and exemption schemes.</p> <p>Council Tax Precepts: Council Tax is made up of three separate components or charges, these are often referred to as 'precepts'. The Police and Crime Commissioner get part of their funding from Council Tax to pay for Police services and local Town and Community Councils rely almost entirely on funding from Council Tax to fund the running of Town and Community Council services.</p> <p>Valuation Bands: The amount of Council Tax that is paid depends on the Valuation Band for each domestic property. The Valuation Office Agency Page 40 (VOA) is responsible for valuing all properties in Wales and placing every property in one of nine property bands, ranging from Band A to Band I.</p>

Council Fund Revenue Budget: Prior to the start of each financial year the Council is required to set a budget for its day-to-day expenditure to pay for local service. This is called a Revenue Budget and is the amount of money the Council requires to provide its services during the year, considering grants it receives from Welsh Government.

Revenue Support Grant: is paid to each Council to cover the cost of providing standard services less the council tax income at the standard level.