

RECOMMENDATIONS FOR COUNCIL TAX REQUIREMENT 2020/21

The Cabinet has considered a report in respect of the level of Council Tax for 2020/21 and the setting of the Council's Revenue and Capital Budgets for the forthcoming financial year. The Cabinet also had copies of the draft Budget Book for 2020/21.

In summary, the Cabinet recommends to the Council a 2020/21 Council Tax at Band D for Croydon purposes of £1,325.12, in addition a 2.0% increase for the Adult Social Care Levy £126.91, GLA Precept of £332.07, giving an overall Band D charge, £1,784.10, a 1.99% increase for Croydon Council, a 2.00% increase for the adult social care levy and a 3.6% increase for the GLA.

Following detailed consideration, the Cabinet recommends that the Council should:

- (1) Approve the 2020/21 Revenue Budget of £277.272m, an increase in budget requirement of 2.5%
- (2) Approve the 2020/21 Council Tax Requirement of £192.726m.

Appendix E
Cabinet 24th February 2020

Calculation of Council Tax Requirement		£'000	£'000	£'000
(A)	Expenditure and other charges (as set out in section 31A(2) (a) to (f) of the Act)			
(i)	expenditure on Croydon's services, local precepts and levies		819,699	
(ii)	allowance for contingencies		3,747	
(iii)	transfer to General Reserves		5,000	
(iv)	transfer to Earmarked Reserves		0	
(v)	transfer from the General Fund from the Collection Fund in respect of prior year deficit on the Collection Fund,		1,121	
				829,567
(B)	<i>Less</i> Income and other credit items (in Section 31A(3) (a) to (d) of the Act)			
(i)	Income from services		518,141	
(ii)	Transfer to the General Fund from the Collection Fund in respect of prior year surplus on the Collection Fund,			
(iii)	Income from Government			
	Core Grants	33,033		
	Business Rates Top Up Grant	34,192		
	Business Rates Income	37,348		
	Revenue Support Grant	14,127		
			118,700	636,841
(C)	<i>Equals</i> The Council Tax Requirement, i.e. the amount by which the expenditure and other charges exceed the income and other credits.* This is (A) above less(B) above (as per Section 31A(4) of the Act)			192,726
Calculation of basic amount of council tax				
(C)	Council Tax Requirement			192,726
(D)	<i>Divided by</i> The Council's Tax base			132,729
(E)	<i>Equals</i> The Basic amount of Council Tax (i.e., the Council Tax for a Band D property to which no relief or exemption is applicable) for services charged to Croydon's General Fund (This is (C) above divided by the tax base at (D) as per Section 31(B) of the Act)			1,452.03

* The exact figure is

£192,726,489.87

(F) The tax for different bands calculated as follows (as per Section 36(1) of the Act):

Council Tax for Croydon for 2020/21	
Band A	6/9 x £1,452.03 = £968.02
Band B	7/9 x £1,452.03 = £1,129.36
Band C	8/9 x £1,452.03 = £1,290.69
Band D	9/9 x £1,452.03 = £1,452.03
Band E	11/9 x £1,452.03 = £1,774.70
Band F	13/9 x £1,452.03 = £2,097.37
Band G	15/9 x £1,452.03 = £2,420.05
Band H	18/9 x £1,452.03 = £2,904.06

(G) to which is added the following precept (issued by the Mayor of London, in exercise of the powers conferred on him by sections 82, 83, 85, 86, 88 to 90, 92 and 93 of the Greater London Authority Act 1999 ("the 1999 Act") and sections 40, 47 and 48 of the Local Government Finance Act 1992 ("1992 Act"))

GLA Precept For 2020/21	
Band A	221.38
Band B	258.28
Band C	295.17
Band D	332.07
Band E	405.86
Band F	479.66
Band G	553.45
Band H	664.14

(H) That, having calculated the aggregate in each case of the amounts at (F) and (G) above the Council, in accordance with section 30(2) of the local government finance act 1992, hereby set the following amounts as the amounts of council tax for the year 2020/21 for each of the categories of dwellings shown below:-

Total Council Tax For 2020/21	
Band A	1,189.40
Band B	1,387.64
Band C	1,585.87
Band D	1,784.10
Band E	2,180.56
Band F	2,577.03
Band G	2,973.50
Band H	3,568.20