

Council Tax Requirement

1. In January 2022, the District and Borough Councils informed Surrey County Council of the Council Tax base for 2022/23. The tax base provided is presented as the number of Band D equivalent properties. The total tax base for 2022/23 is 510,161.4; an increase of 1.6% from 2021/22.
2. At the same time, the District and Borough Councils provided estimates of the Council Tax Collection Fund balance. As a result of pressures associated with the Covid-19 pandemic, a large deficit was incurred on the 2020/21 Collection Fund. The Government has amended legislation to require authorities to spread the estimated deficit on the 2020/21 Collection Fund over three years from 2021/22 to 2023/24. The 2022/23 budget is based on a surplus of £2.8m (this being the Council Tax element after the requirement to spread over three years).
3. Each year the Council must decide if its proposed Council Tax increase is excessive. If deemed excessive, a referendum must be held. This decision must be made in accordance with a set of principles determined by the Secretary of State (SoS), referred to as the referendum principle.
4. Since 2016/17, authorities with social care responsibilities have been allowed additional flexibility on their core Council Tax referendum principle so long as the additional money raised is used entirely for adult social care services. This is referred to as the Adult Social Care (ASC) precept.
5. In December 2021 the SoS for Levelling Up, Housing and Communities, The Rt Hon Michael Gove, set a core Council Tax referendum principle of up to 2% and set out flexibilities for authorities to set an ASC precept of 1% on top of the core element. In 2021/22 in recognition that local authorities might not want to take up the ASC precept flexibility in full, some or all of a 3% increase could be deferred for use in 2022/23. Surrey County Council chose to use 0.5% in 2021/22 and defer 2.5% for consideration in 2022/23.
6. Increases in the core Council Tax and ASC precept are calculated based on the full Council Tax precept for the preceding year.
7. Council is asked to approve the increase to core Council Tax by 1.99% and the ASC precept by 3.0%; an overall increase of 4.99%, for 2022/23. The Council Tax precept is the Council Tax requirement divided by the tax base.

Table 1 – Council Tax Requirement – To be finalised when collection fund is confirmed

(Income)/Expenditure	£
Gross expenditure	1,936,849,167.85
Other income	894,856,901.40
Budgeted revenue expenditure	1,041,992,266.45
Contributions to/(from) reserves and balances	1,220,573.19
Business rates income	(46,548,202.41)
Business rates top-up	(63,088,453.73)
Business rates collection fund	5,348,645.84
Other Government grants	(106,402,949.99)
Council tax collection fund balance	(2,800,480.00)
Council tax requirement	829,721,399.35

8. The tax base is the number of Band D equivalent properties for precepting purposes. The tax base for 2022/23 is as follows, showing an increase of 1.6% from 2021/22:

Table 2 – 2022/23 Tax base

Billing Authority	No. of Band D equivalent properties		Change
	2022/23	2020/21 equivalent	
Elmbridge	65,569.0	64,518.0	1.6%
Epsom & Ewell	33,251.4	33,149.6	0.3%
Guildford	58,335.9	57,159.4	2.1%
Mole Valley	41,308.0	40,759.0	1.3%
Reigate & Banstead	62,274.7	60,720.0	2.6%
Runnymede	34,524.0	33,404.0	3.4%
Spelthorne	39,223.0	39,016.3	0.5%
Surrey Heath	38,976.2	38,810.6	0.4%
Tandridge	38,692.9	38,454.5	0.6%
Waverley	56,487.3	55,612.8	1.6%
Woking	41,519.0	40,343.0	2.9%
Total	510,161.4	501,947.2	1.6%

9. The Council is required to provide separately information on the amount by which Council Tax is raised in order to fund Adult Social Care services. The Band D Council Tax precept for 2022/23 is calculated as follows:

Table 3 – Band D precept

Council Tax Precept	CTR ÷ tax base	Level
Core precept	$735,096,662.87 \div 510,161.4$	= £1,440.91
Adult Social Care precept	$94,624,736.47 \div 510,161.4$	= £185.48*
Council tax precept	$829,721,399.35 \div 510,161.4$	= £1,626.39

*The amount charged for the ASC precept is the sum of the ASC precept increases since 2016/17.

10. The proposed increase is not considered excessive in accordance with the set of principles determined by the SoS.

Table 4 – Increase in Council Tax

Band D	A	B	C	D	Referendum Principle
	2021/22	2022/23	Base to measure increase	Increase (B-A) ÷ C	
Core precept	£1,410.07	£1,440.91	£1,549.08	1.99%	up to 2%
ASC precept	£139.01	£185.48	£1,549.08	3.00%	3.5% on top of the core principle
Council tax precept	£1,549.08	£1,626.39	£1,549.08	4.99%	up to 5.5%

11. The proposals result in an overall increase of £77.31 per annum, £1.48 per week, for a Band D dwelling.
12. Surrey County Council's level of Council Tax for each category of dwelling in its area will be as follows:

Table 5 - Council Tax by valuation band

Valuation band	Core precept	ASC precept	Overall precept
A	£960.61	£123.65	£1,084.26
B	£1,120.71	£144.26	£1,264.97
C	£1,280.81	£164.87	£1,445.68
D	£1,440.91	£185.48	£1,626.39
E	£1,761.11	£226.70	£1,987.81
F	£2,081.31	£267.92	£2,349.23
G	£2,401.52	£309.13	£2,710.65
H	£2,881.82	£370.96	£3,252.78

13. The payment for each billing authority including any surplus or deficit balances on the Collection Fund is set out below:

Table 6 – Payment for each billing authority

Billing Authority	Payment
Elmbridge	107,676,953.91
Epsom & Ewell	54,429,141.62
Guildford	95,781,142.70
Mole Valley	66,972,431.12
Reigate & Banstead	100,608,849.80
Runnymede	57,162,864.36
Spelthorne	62,786,180.97
Surrey Heath	64,763,781.59
Tandridge	62,205,795.63
Waverley	92,529,579.85
Woking	67,605,157.81
Total*	832,521,879.36

* Includes council tax collection fund balances

14. The billing authority payments are to be made in ten equal instalments on dates to be confirmed with the District and Borough Councils.

Table 7 – Payment dates

Payment dates	
20/04/2022	10/10/2022
23/05/2022	18/11/2022
30/06/2022	06/01/2023
29/07/2022	17/02/2023
09/09/2022	16/03/2023

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