Council Tax Requirement

1. In January 2023, the District and Borough Councils informed Surrey County Council of the Council Tax base for 2023/24. The tax base provided is presented as the number of Band D equivalent properties. The total tax base for 2023/24 is 517,004.1; an increase of 1.34% from 2022/23.

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 and as such this is the last year of this spread. The 2023/24 budget is based on a surplus of £6.8m (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 2022 the SoS for Levelling Up, Housing and Communities, The Rt Hon Michael Gove, set a core Council Tax referendum principle of up to 3% and set out flexibilities for authorities to set an ASC precept of 2% on top of the core element.

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 0.99% and the ASC precept by 2.0%; an overall increase of 2.99%, for 2023/24. The Council Tax precept is the Council Tax requirement divided by the tax base.

Table 1 – Council Tax Requirement

(Income)/Expenditure	23/24 £
Gross expenditure	2,008,038,196
Other income	(906,507,310)
Budgeted revenue expenditure	1,101,530,886
Business rates income	(46,551,007)
Business rates top-up	(63,604,737)
Business rates grants	(20,900,000)
Business rates collection fund	3,140,654
Other Government grants	(111,400,000)
Collection Fund Equalisation Adjustment*	10,584,960
Council tax collection fund balance	(6,777,529)
Council tax requirement	**866,023,228**

*The Council is required to set the Council Tax budget based on the collection fund figures provided by the Boroughs and Districts. Where this are felt to be unusually high or low, the Council manages the risk of future fluctuations by a Collection fund equalisation adjustment, making provision in reserves for future mitigations and to smooth the impact across financial years.

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 1.34% from 2022/23:

Table 2 – 2023/24 Tax base

Billing Authority	No. of Band D equivalent properties 2023/24	No. of Band D equivalent properties 2022/23	Change
Elmbridge	65,980.0	65,569.0	0.63%
Epsom & Ewell	33,521.2	33,251.4	0.81%
Guildford	59,212.1	58,335.9	1.50%
Mole Valley	41,483.1	41,308.0	0.42%
Reigate & Banstead	63,495.3	62,274.7	1.96%
Runnymede	34,864.6	34,524.0	0.99%
Spelthorne	39,949.2	39,223.0	1.85%
Surrey Heath	39,613.4	38,976.2	1.63%
Tandridge	38,904.9	38,692.9	0.55%
Waverley	57,369.3	56,487.3	1.56%
Woking	42,611.0	41,519.0	2.63%
Total	517,004.1	510,161.4	1.34%

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 2023/24 is calculated as follows:

Table 3 - Band D precept

Council Tax Precept	CTR ÷ tax base	Level
Core precept	753,347,354 ÷ 517,004.1	= £1,457.14
Adult Social Care precept	112,675,874 ÷ 517,004.1	= £217.94
Council tax precept	866,023,228 ÷ 517,004.1	= £1,675.08

*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 2022/23	B 2023/24	C Base to measure	D Increase (B-A) ÷ C	Referendum Principle
Core precept	£1,440.91	£1,457.14	£1,626.39	0.99%	up to 3%
ASC precept	£185.48	£217.94	£1,626.39	2.00%	2% on top of the core principle
Council tax precept	£1,626.39	£1,675.08	£1,626.39	2.99%	Up to 5%

11. The proposals result in an overall increase of £48.69 per annum, £0.94 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 2023/24

Valuation band	Core precept	ASC precept	Overall precept
A	£971.43	£145.29	£1,116.72
B	£1,133.33	£169.51	£1,302.84
C	£1,295.24	£193.72	£1,488.96
D	£1,457.14	£217.94	£1,675.08
E	£1,780.95	£266.37	£2,047.32
F	£2,104.76	£314.80	£2,419.56
G	£2,428.57	£363.23	£2,791.80
H	£2,914.28	£435.88	£3,350.16

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	111,368,720.40
Epsom & Ewell	56,357,299.37
Guildford	98,162,126.51
Mole Valley	70,280,327.15
Reigate & Banstead	109,206,923.36
Runnymede	60,462,272.17
Spelthorne	65,023,321.94
Surrey Heath	67,089,043.72
Tandridge	64,446,098.52
Waverley	97,510,387.04
Woking	72,894,236.28
Total*	872,800,756.46

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	
20/04/2023	09/10/2023
23/05/2023	17/11/2023
30/06/2023	05/01/2024
28/07/2023	19/02/2024
11/09/2023	15/03/2024

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