



Reading
Borough Council

Working better with you

Summons and Agenda 26 January 2021

**Chief Executive
Reading Borough Council
Civic Offices, Bridge Street,
Reading, RG1 2LU**

Peter Sloman
CHIEF EXECUTIVE

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To: All Members of the Council

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18 January 2021

Your contact is: Michael Popham - Democratic Services Manager

Dear Sir/Madam

You are hereby summoned to attend a meeting of the Reading Borough Council to be held as an **Online Meeting via Microsoft Teams**, on **Tuesday, 26 January 2021 at 6.30 pm**, when it is proposed to transact the business specified in the Agenda enclosed herewith.

Yours faithfully



CHIEF EXECUTIVE

A G E N D A

1. **MAYOR'S ANNOUNCEMENTS**

To receive Mayor's Announcements.

2. **DECLARATIONS OF INTEREST**

To receive any declarations of interest.

3. **MINUTES**

9 - 16

The Mayor to sign the Minutes of the proceedings of the previous Council Meeting.

4. **PETITIONS**

To receive petitions in accordance with Standing Order 8.

5. **QUESTIONS FROM MEMBERS OF THE PUBLIC**

Questions in accordance with Standing Order 9.

6. **QUESTIONS FROM COUNCILLORS**

Questions in accordance with Standing Order 10.

7. **APPROVAL OF THE LOCAL COUNCIL TAX SUPPORT SCHEME AND THE COUNCIL TAX BASE FOR 2021/22**

17 - 24

Report by Executive Director of Resources.

Motions

8. **UNION LEARNING FUND**

Councillor Leng to move:

This Council Notes:

- On Tuesday 6 October, the TUC received a letter from the Department for Education saying that ministers have decided to end the Union Learning Fund from March 2021.
- The Union Learning Fund [ULF] was set up in 1998 to support trade unions to widen access to learning and training in workplaces for both union members and non-members. The fund supports workplace projects across England, and is coordinated by the TUC.
- Each year around 200,000 workers are supported into learning or training with union support through the ULF and the TUC. These learners undertake all sorts of job-relevant learning and training, including basic literacy and numeracy, ICT skills, apprenticeships and traineeships, vocational training, continuing

professional development and many other informal and formal courses.

- In 2019-20, the ULF was worth £12m. If upheld, this decision will effectively end union-brokered skills training, and will undermine key government skills and retraining priorities at a crucial moment for our economy.

This Council Understands That:

- Union learning reaches people that other DfE programmes do not reach.
- There is an independent evaluation of the Union Learning Fund every two years. It was most recently evaluated by the University of Exeter in 2018. They spoke to 2,459 learners, and found:
 - Over two-thirds (68 per cent) of learners with no previous qualifications got a qualification.
 - 47 per cent of those with entry level or level 1 qualifications got a qualification at a higher level.
 - Four in five (80 per cent) said they had developed skills that they could transfer to a new job.
 - Two in three (62 per cent) said their new skills made them more effective in their current job.
 - One in five (19 per cent) said they had been promoted or given increased responsibility and one in 10 (11 per cent) got a pay rise.
- The 2018 independent evaluation found that union learning provided excellent value for money:
 - For every £1 spent on the Union Learning Fund, there is a return of £12.30: £7.60 to the worker, £4.70 to the employer.
 - The Union Learning Fund delivers an estimated net contribution to the economy of more than £1.4bn as a result of a boost to jobs, wages and productivity.
 - The return to the exchequer (through reduced spending on welfare benefits and other factors resulting from the boost to jobs and wages) is £3.57 for each £1 spent on the Union Learning Fund.
 - The £12m government funding levered in an additional £54m from employers, unions and training providers in 2019-20.
- The government has said it will put reskilling workers at the heart of its economic recovery plans after the pandemic. In September 2020, the government announced a new fully funded entitlement to achieve a first level 3 qualification, delivered through the National Skills Fund. Union learning is ideally placed to support this aspiration, in three ways:
 - directly, through delivering relevant level 3 courses to workplace learners, which is already a core function of

- the Union Learning Fund and was assessed as highly effective by the 2018 independent evaluation
- directly, through enabling those with basic skills to learn and develop, putting them in a position to progress to level 3 skills
 - Successive governments of all parties have valued this role - and have supported the Union Learning Fund. As government funding, it is paid as a contract and is subject to stringent monitoring requirements. Union Learning Fund money can only be spent on the direct costs of getting working people into learning and skills training, and the associated costs of delivering this programme.
 - ULF projects adapted quickly to delivering online learning and training for workers during the pandemic and have actually surpassed the number of outcomes expected by government since the beginning of April.

Consequently, this Council Resolves to:

- Express its public support for the continuation of the Union Learning Fund
- Raise this issue with our local MPs and encourage them to call on the government to reverse its decision.

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Present: Councillor Stevens (Mayor);

Councillors David Absolom, Debs Absolom, Ayub, Ballsdon, Barnett-Ward, Brock, Carnell, Challenger, Davies, Duveen, Eden, Edwards, Emberson, Ennis, Gittings, Grashoff, Hacker, Hoskin, James, Jones, Leng, Lovelock, Manghnani, McEwan, McGonigle, McKenna, O'Connell, Page, Pearce, Robinson, Rowland, Rynn, D Singh, R Singh, Skeats, Sokale, Stanford-Beale, Terry, White, Whitham, R Williams and Woodward;

Apologies: Councillors Khan, Maskell and J Williams.

1. MAYOR'S ANNOUNCEMENTS

(a) Fred Pugh

The Mayor referred to the recent sad news of the death of the former Mayor, Fred Pugh, who had represented Thames Ward and latterly Mapledurham Ward until his retirement from the Council in 2012.

(b) Dick O'Brien

The Mayor also referred to the death of Dick O'Brien who was a founding member of the Reading Clonmel Association.

(c) Forbury Gardens - 20 June 2020

The Mayor recalled the awful events in Forbury Gardens of 20th June 2020 where three people had lost their lives in a senseless terrorist attack.

The Council held a minute's silence to remember, and as a mark of respect, to Fred Pugh, Dick O'Brien and for those affected by the attack in the Forbury Gardens.

(d) General Dispensation from Section 85 of the Local Government Act 1972

The Mayor received reaffirmation by the Council of the Policy Committee's decision on 27 April 2020 (Minute 90(7) refers) to grant a general dispensation to all Councillors in relation to the requirement set out in Section 85 of the Local Government Act 1972, in the following terms:

That, in view of the ongoing disruption to the normal Committee cycle due to the Covid-19 pandemic, a general dispensation be granted to all Councillors from the requirement set out in Section 85 of the Local Government Act 1972, which states if a member throughout a period of six consecutive months from the date of his last attendance fails to attend any meeting of the authority, he shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority.

2. APPOINTMENT OF THE MAYOR AND DEPUTY MAYOR

The Mayor sought the Council's confirmation of the decision of the Policy Committee held on 27 May 2020 (Minute 2(3) refers) to appoint the Mayor and Deputy Mayor for the 2020/21 Municipal Year.

Resolved -

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That the appointment of Councillor David Stevens as Mayor of this Borough and Councillor Rachel Eden's appointment as Deputy Mayor for the 2020/21 Municipal Year be confirmed.

3. MINUTES

The Minutes of the meeting held on 25 February 2020 were confirmed as a correct record and would be signed by the Mayor.

4. QUESTIONS FROM MEMBERS OF THE PUBLIC IN ACCORDANCE WITH STANDING ORDER 9

	Questioner	Subject	Answer
1.	Louise Keane	Black History Mural	Cllr Rowland

(The full text of the question and reply was made available on the Reading Borough Council website).

5. QUESTIONS FROM COUNCILLORS IN ACCORDANCE WITH STANDING ORDER NO 10

	Questioner	Subject	Answer
1.	Cllr White	Fly-Tipping so far this Year	Cllr Barnett-Ward
2.	Cllr Manghnani	Children's Parks	Cllr Rowland
3.	Cllr Manghnani	Park Keepers	Cllr Rowland
4.	Cllr Manghnani	School Streets Project	Cllr Page
5.	Cllr Whitham	Redlands Road Active Travel Scheme	Cllr Page
6.	Cllr Raj Singh	Racist or Religiously Aggravated Crime	Cllr Brock

(The full text of the questions and replies was made available on the Reading Borough Council website).

6. ONLINE MEETING PROTOCOLS

Further to Minute 15 of the Policy Committee held on 22 June 2020, the Executive Director of Resources submitted a report setting out further proposed arrangements for holding online meetings. The protocols in this report would be in place for meetings of Adult Social Care, Children's Services & Education (ACE) Committee; Housing, Neighbourhoods & Leisure (HNL) Committee, Strategic Environment, Planning & Transport (SEPT) Committee and Personnel Committee as permitted by the

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Coronavirus Act 2020 and subsequent Regulations that had come into force on 6 April 2020. The protocols for these meetings were attached to the report at Appendix A.

The report recommended that the Committee retain the membership of the Personnel Committee; reduce the membership of the ACE, HNL and SEPT Committees; and agree the quorum thresholds for the new online meetings. It was also recommended that provision should be made to allow substitutes where a member of the Committee could not attend the online meeting.

The following motion was moved by Councillor Brock and seconded by Councillor Page and CARRIED:

Resolved -

- (1) That the protocols for meetings of the Adult Social Care, Children & Education Committee; Housing, Neighbourhood & Leisure Committee; Strategic Environment, Planning & Transport Committee and the Personnel Committee, drafted in accordance with the provisions of 'The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020', and attached at Appendix A to the report, be approved;
- (2) That the provisions agreed in (1) above be applied only to those Committee meetings required to be held, or held, before 7 May 2021 and the Assistant Director of Legal & Democratic Services, in consultation with the Leader of the Council, be authorised to end or make amendments to the arrangements prior to 7 May 2021;
- (3) That, during these arrangements, the attendance of members at the Committees be as follows:
 - (a) **Adult Social Care, Children & Education Committee (10)**
Councillors (Labour 6; Conservative 2; Greens 1; and Liberal Democrats 1)
 - (b) **Housing, Neighbourhood & Leisure Committee (10)**
Councillors (Labour 6; Conservative 2; Greens 1; and Liberal Democrats 1)
 - (c) **Strategic Environment, Planning & Transport Committee (10)**
Councillors (Labour 6; Conservative 2; Greens 1; and Liberal Democrats 1)
 - (d) **Personnel Committee (5)**
Councillors (Labour 4; Conservative 1) or nominees;
- (4) That the quorum for the Committees set out in 2.3 above be set at three members.

7. TACKLING EMPLOYMENT INEQUALITY

Pursuant to Notice, the following motion was moved by Councillor Challenger and seconded by Councillor James and CARRIED:

Resolved -

This Council notes that:

- Just 52 out of the 1099 most powerful roles in the country are held by People of Colour, or 4.7% of the total number compared to the 13% proportion of the UK population (Colour of Power report 2020).
- There are 56 Unitary Authorities in the UK, currently only two Chief Executives identify as BAME.
- 3.3% of local government staff are Black in the South East compared to over 10% of the population.
- Progression remains important to BAME employees across the UK, with 70% saying that career progression is important to them, compared to only 42% of White British employees. However, over half of BAME employees (52%), believe that they will have to leave their current organisation to progress in their career, in contrast with 38% of White British employees who believe this.
- The evidence clearly shows that the workforces and institutions of the UK and our region are not reflective of their stakeholders.
- Many of the recommendations in the Lammy Review (2017), the Dame Angiolini Report (2017), the Windrush Lessons Learned Review (2018), the McGregor-Smith Review (2017), and the Macpherson report (1999) have not been implemented by Government.
- Reading Borough Council commits to being an anti-racist organisation - one that does not just tackle inequality, but actively fights racism in the Borough.
- Work is already being undertaken at the Council to identify the gaps and long-term solutions to fix the inequalities in our community and workforce, focusing on the understanding of the causes and consequences of inequality

This Council resolves to:

- Ask officers to bring forward plans to improve the diversity of the Council's senior leadership by instigating inclusive leadership training and seek to achieve the 'excellent' rating in future Local Government Equality Framework peer challenges.
- Develop an apprenticeship scheme that commits to increasing the number of black employees across the Council in a range of roles.
- Work with partners to improve diversity across the public sector.
- Request that the Corporate Management Team to identify a Lead Officer at Executive Director level to champion equalities work across the borough.
- Publish Ethnicity Pay Gap reporting on an annual basis and lobby Government to make such reporting mandatory for all organisations.
- Improve transparency in our recruitment, retention and progression data of Black/BME colleagues and develop an Action Plan.

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- Become a signatory to Business In The Community's Race at Work Charter.
- Engage with any future Government commissions on racism in the UK and lobby the Government to implement outstanding recommendations in existing reviews.

8. HOMES AT THE HEART

Pursuant to Notice, the following motion was moved by Councillor Ennis and seconded by Councillor Page and CARRIED:

Resolved -

This Council notes:

- The £12.2bn investment in affordable housing announced by the government
- Investment in social housing enables economic growth and building homes creates jobs and skills development
- Investment in social housing enables housing affordability and supply for those otherwise shut out of the market
- Investment in social housing enables prosperous communities
- Investing in greater energy efficiency in social housing stock improves residents' health and finances, boosts the economy and the job market whilst also tackling climate change
- Tackling climate change is a priority for Reading Borough Council and other social housing providers, but we cannot achieve it alone - we need to work in partnership with the government, local agencies, residents, lenders, suppliers, and many others
- Reading Borough Council has a great track record in delivering energy efficient homes through the retrofitting of council stock and has a clear commitment to Passivhaus principles for new developments
- The planning white paper 'Planning for the future' and other national planning changes

This Council believes that:

- The government should invest in social housing and supports the Local Government Association's call for more powers to be made available for councils to deliver social housing
- The government should support the social housing sector to play a leading role in cutting carbon emissions
- The government must deliver on its manifesto commitment to set up a £3.8bn Social Housing Decarbonisation Fund
- The government must quickly produce a policy roadmap to set out the standards and measures that housing associations and others will need to work towards to achieve the net-zero ambition
- The controversial planning white paper is unwelcome, and its implementation would severely curtail the powers of local planning authorities to control development and ensure quality, leading to poor-quality housing and fewer affordable homes being built

COUNCIL MEETING MINUTES - 20 OCTOBER 2020

Consequently, this Council resolves to:

- Support the Housing Federation's Homes at the Heart campaign
- Write, via the Chief Executive, to the Chancellor of the Exchequer to express our support for the Homes at Heart campaign
- Continue to lobby, both independently and in partnership with other bodies and local authorities, against the implementation of the planning white paper
- Commit to continue investment in decarbonisation of social housing stock locally.

9. HYDROTHERAPY SERVICES

Pursuant to Notice, the following motion was moved by Councillor Hoskin and seconded by Councillor Jones and CARRIED:

Resolved -

This Council notes that:

- NHS Berkshire West Clinical Commissioning Group [CCG], who commission and plan the vast majority of health services in Reading, are running a 12-week public consultation on future NHS provision of hydrotherapy in Reading, ending 2nd November 2020
- The NHS is experiencing severe financial pressures. Despite recent increases in funding, the present situation follows a decade of the tightest squeeze on spending in the Health Service's history. Berkshire West CCG's 2019/20 Financial Plan detailed a funding gap of £20.7 million, and this was before the extra pressures caused by the Covid-19 pandemic.
- Berkshire West CCG tells us it is consulting on the future provision of hydrotherapy now because the current Covid-19 pandemic and related controls mean the pool is currently closed and that 'the ongoing challenges and potentially open-ended nature of the pandemic' has prompted them to examine future options for the service.
- The Royal Berkshire Hospital's website declares that hydrotherapy can help with the relief of pain and muscle spasm, increasing range of movement and improving both the strength and control of muscles as well as helping encourage weightbearing, especially where land-based exercise is very difficult.
- The strong support for continued provision of NHS hydrotherapy in Reading by a range of charities and support groups, including Berkshire Disabled People Against Cuts, Arthritis Matters, Parkinson's UK, Reading Families' Forum, Reading Fibromyalgia Support Group, the MS Society and the Berkshire MS Therapy Centre.
- This Council, at its meeting on the 24th January 2017, passed, in response to a previous consultation, a resolution objecting to the closure of hydrotherapy services in Reading.

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This Council recognises that the judgement of many clinicians and patients that there is a therapeutic benefit and is shown to improve mobility, strengthen muscles, increase circulation and help movement in some painful joints.

This Council believes that:

- It is premature to make decisions about the permanent provision of services like hydrotherapy based on the Covid-19 pandemic. It is too soon to understand whether the virus will have a long-term impact on the need of people to socially distance and maintain Covid-19 infection control policies.
- There is a strong probability that the human and financial costs caused by the detrimental impacts on people's health and wellbeing from the closure of this therapy service will far outweigh any short-term savings.

Consequently, this Council resolves:

- To ask the Chief Executive to write to Berkshire West CCG conveying the outcome of this motion and relaying the Council's support for the continuation and, when safe, increased access to NHS hydrotherapy services in Reading.
- To request that the Director of Adult Care and Health Services responds to the formal consultation and survey expressing the Council's desire that this service continues.

(Councillor Duveen declared a non-pecuniary interest in this item. Nature of interest Councillor Duveen was the secretary of the Reading Branch of Parkinson's UK)

(The meeting closed at 8.41pm).

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READING BOROUGH COUNCIL

REPORT BY EXECUTIVE DIRECTOR OF RESOURCES

TO: COUNCIL

DATE: 26th JANUARY 2021

TITLE: APPROVAL OF THE LOCAL COUNCIL TAX SUPPORT SCHEME AND THE COUNCIL TAX BASE FOR 2021/22

LEAD COUNCILLOR: COUNCILLOR EMBERSON

PORTFOLIO: CORPORATE &
CONSUMER SERVICES

SERVICE: FINANCIAL SERVICES

WARDS: BOROUGHWIDE

LEAD OFFICER: PETER ROBINSON

TEL:

JOB TITLE: ASSISTANT DIRECTOR OF FINANCE

E-MAIL:

peter.robinson@reading.gov.uk

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. The Council is required to calculate a Council Tax Base for its area annually in accordance with the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base (England)) Regulations 2012.
- 1.2. The Council Tax Base 2021/2022 must be calculated and notified to Major Precepting Authorities (the Office of the Police & Crime Commissioner for the Thames Valley and Royal Berkshire Fire and Rescue Service) by 31 January 2021.
- 1.3. The Tax Base for 2021/22 is calculated for the above purposes as being 55,847.73 (band D equivalent) properties - a decrease of 1.57% on the 2020/21 Tax Base of 56,741 properties. The reduction is a result of the impacts of Covid-19 and reflects a reduction in new build forecasts, a significant increase in eligible Local Council Tax Reduction Scheme claimants and an increased allowance for non-collection.
- 1.4. The estimated balance as at 31 March 2021 on the Council Tax Collection Fund is a projected deficit of £2.862m and reflects the reduced collection rates which have been reported during the year. The Council's share of this deficit is £2.451m. Ordinarily, the declared surplus/deficit is paid out/recoverable by the Collection Fund in full in the following financial year. However, Central Government has introduced new legislation that requires any 2020/21 in year deficit to be spread equally across the three financial years 2021/22 - 2023/24, to help ease the financial impact of Covid-19 on Local Authorities. Any brought forward balance from 2019/20 is not eligible for phasing and must be accounted for in full in 2021/22.

- 1.5. The Welfare Reform Act 2012 and Local Government Finance Act 2012 replaced the Council Tax Benefit scheme with a locally determined Council Tax Reduction Scheme (also known as a local Council Tax Support Scheme), which is effectively a type of Council Tax discount. These Acts require the Council to approve a Scheme by the end of January preceding the start of the financial year. The recommended Scheme for 2021/22 is unchanged from the Scheme agreed by Council for 2020/21.
- 1.6. The Ministry of Housing Communities and Local Government (MHCLG) have completed an annual update of various allowances within the scheme and those changes will be incorporated into the Council's 2021/22 scheme. When the Council consulted on the original principles of the new local scheme in the summer/autumn of 2012, it was proposed that various allowances would be subject to annual amendment based on the MHCLG review, so there would be no need for further public consultation on the principle of those changes each year.

2. RECOMMENDED ACTION

That Council approve:

- 2.1 That the existing Council Tax Local Reduction Scheme is retained for 2021/22;
- 2.2 The Tax Base calculation for 2021/22 of 55,847.73 band D equivalent properties; and

That Council note:

- 2.3 A Council Tax collection rate of 98.5% for 2021/22;
- 2.4 That the 2021/22 Council Tax Reduction Scheme allowances will be updated in line with the scheme's regulations;
- 2.5 That the estimated balance of the Council Tax Collection Fund as at 31 March 2021 is a deficit of £2.862m, of which the Council's share would be £2.451m; and
- 2.6 That for those properties empty for 10 years or more, a 300% Council Tax premium will be levied from 1 April 2021 as approved by Policy Committee on 14th January 2019.

2 POLICY CONTEXT

- 2.1 Under Government regulations it is necessary for the Council to review its Collection Fund and decide the following:
 - The Council Tax Collection Rate for 2021/22;

- The Council Tax Reduction Scheme for 2021/22;
- The Council Tax Base to be used for setting its 2021/22 Council Tax; and
- The estimated Council Tax surplus or deficit for 2020/21.

3 LOCAL COUNCIL TAX REDUCTION SCHEME (LCTRS)

- 3.1 The Local Government Finance Act 2012 replaced the Council Tax Benefit scheme with a new locally determined Local Council Tax Reduction Scheme (also known as a Local Council Tax Support Scheme) from April 2013. This is effectively now a Council Tax discount that reduces the Council Tax Base.
- 3.2 Each local authority is required to annually set a Local Council Tax Reduction Scheme for working age claimants. The Government continues to operate a statutory national scheme for pensioners, which provides them with broadly the same level of Council Tax Support as they received under the previous Council Tax Benefit scheme but has been adjusted by the Government since its introduction to incorporate a number of welfare reform initiatives.
- 3.3 The Local Council Tax Reduction Scheme was initially funded through a specific central government grant set at 90% of each local authority's Council Tax Benefit expenditure. Government funding since 2014/15 has been rolled into the Council's overall Revenue Support Grant settlement.
- 3.4 In 2018/19 the Council's Scheme was updated as follows:
- Minimum contribution to Council Tax is 35%
 - Capital limit is £3,000;
 - Non-dependant deductions (based on income) is £10.00 per week for those not engaged in remunerative work (working less than 16 hours per week) and/or have gross earnings less than £196.95 per week;
 - Non-dependant deductions for those engaged in remunerative work (16 hours or more) with gross weekly earnings of £196.95 per week and above is £15.00 per week.
- 3.5 These changes have been in place for the last three years and have not caused significant impacts to the working age customers it affects.
- 3.6 Pension age customers continue to be protected by the default scheme of 100% support based on a financial means test.
- 3.7 The Council's minimum charge for those in receipt of a Council Tax Reduction is at the higher end of charges implemented by other authorities. An increase above the general increase would have a negative impact on vulnerable people in receipt of these benefits who are also impacted by other welfare reforms. It will also impact on the collection of Council Tax from these people.
- 3.8 It is therefore recommended that the Council retains the Council Tax Reduction Scheme in 2021/22 as applied in 2020/21.
- 3.9 The Council has experienced an increase in its LCTRS caseload of approximately 10% in 2020/21, which has presumably arisen as a result of the economic impacts

of Covid-19. Current assumptions are that the caseload will increase by a further 10% in 2021/22.

4 COUNCIL TAX BASE CALCULATION

4.1 The Council Tax Base is an estimate of the number of band D equivalent properties within the Billing Authority's (Reading's) area and is used by the Council and Major Precepting Authorities (the Police and Fire authorities) to determine how much Council Tax income is anticipated to be received and budgeted for in 2021/22.

4.2 The Tax Base is calculated by taking the list of properties by tax band as supplied to the Council by the external Valuation Office, which is an executive agency of HM Revenue & Customs (HMRC) as at 30th November 2020. This list is then adjusted for various factors to calculate a chargeable number of properties per tax band.

4.3 The factors adjusted for include:

- Properties which will be entirely exempt, so no tax is payable e.g. those occupied entirely by students.
- Properties which will attract a 25% reduction e.g. those with a single adult occupier.
- Properties which will attract a 50% reduction e.g. those where all of the adult residents qualify for a reduction (certain Care Homes for example).
- Properties which attract a 100% levy because they have been unoccupied for over 2 years.
- Properties which attract a 200% levy because they have been unoccupied for 5 years or more.
- Properties which attract a 300% levy because they have been unoccupied for 10 years or more from April 2021.
- Properties which will be treated as being in a lower band because they have been adapted for a severely disabled person.
- Properties which will be on the valuation list but which attract discounts or disablement relief or are exempt, for only part of the year.
- Properties which are in receipt of Local Council Tax Support
- Properties which are in receipt of a local discount

4.4 The calculated chargeable number of properties per tax band is then converted into "band D equivalents" by applying the factors laid down by legislation. These are set out in Table 1 below:

Table 1. Council Tax Band Ratios

Band	A	B	C	D	E	F	G	H
Ratio	6/9	7/9	8/9	9/9	11/9	13/9	15/9	18/9

- 4.5 For example, a band A property is multiplied by 6 and divided by 9 to arrive at the “band D equivalent” figure, whilst a band H property is multiplied by 18 and divided by 9 (equal to multiplying by 2). All these are then added together to give a total of “band D equivalents” for the billing area.
- 4.6 Additions are then made to the tax base for estimates of newly built and occupied properties in 2021/2022 and the remaining part of 2020/2021. This estimate is based on past trends, properties that haven’t yet appeared on the valuation list, and planning estimates of housing growth. For 2021/22 we have assumed 0.49% average growth throughout the year. This is a prudent estimate, which is in line with the actual growth being realised in-year in 2020/21. Growth estimates have been reduced from previous years due to the impact of Covid-19.
- 4.7 The Council is then required to decide what its collection rate is likely to be and multiply its tax base by this percentage to give its Council Tax Base. A collection rate of 100% would assume 100% collection and thus a zero adjustment whereas a collection rate of less than 100% allows for an element of non-collection and subsequently results in a reduction to the Council Tax Base.
- 4.8 The overall collection rate has been reduced to 98.5%, a reduction of 0.5% from the rate assumed in 2020/21 to reflect the likely increase in non-collection due to the impact of Covid-19.
- 4.9 The total number of properties per Council Tax band as at 30th November 2020 is summarised in the following table:

Table 2. Properties per Council Tax Band as at 30th November 2020

Band	Number of Properties	%	Council Tax Band Ratios	Number of band D Equivalents	%
A	7,565	10.3%	6/9	5,043	7.3%
B	14,352	19.5%	7/9	11,163	16.2%
C	29,665	40.2%	8/9	26,369	38.3%
D	11,241	15.2%	9/9	11,241	16.3%
E	5,704	7.7%	11/9	6,972	10.1%
F	3,309	4.5%	13/9	4,780	7.0%
G	1,868	2.5%	15/9	3,113	4.5%
H	86	0.1%	18/9	172	0.3%
Total	73,790	100.0%		68,853	100.0%

4.10 The Council Tax Base calculation is summarised in the following table:

Table 3. Council Tax Base 2021/22 Calculation

	Adjustments	Totals
Total Number of Properties on the Valuation List as at 30/11/2020		73,790
Reductions for Discounts & Exemptions as at 30/11/2020	(8,852.50)	
Council Tax Reduction Scheme 30/11/2020	(5,243.50)	
Total Number of Net Chargeable Properties as at 30/11/2020		59,694

Band D Equivalent Properties as at 30/11/2020		56,700.20
Estimated New Build (band D equivalents) 2021/22	280.00	
Estimated Increase in Council Tax Reduction Scheme Caseload (band D equivalents) 2021/22	(282.00)	
Estimated band D Properties 2021/22		56,698.20
Reduction for non-collection of 1.5%	(850.47)	
2021/22 Council Tax Base		55,847.73

5 COUNCIL TAX COLLECTION FUND SURPLUS/DEFICIT

- 5.1 Any difference between the estimated Council Tax Base and that actually realised in year has no impact on the in-year General Fund revenue position but is retained within the Collection Fund.
- 5.2 An estimate of the surplus or deficit on the Council Tax Collection Fund must be made, by law, on or before 15 January 2021. Council Tax surplus or deficits must be credited or charged to Reading Borough Council, the Office of the Police & Crime Commissioner for Thames Valley and Royal Berkshire Fire and Rescue Service in proportion to their precepts and will be taken into account in setting the 2021/2022 Revenue Budget and Council Tax levels.
- 5.3 The estimated balance on the Council Tax Collection Fund as at 31st March 2021 is a deficit of £2.862m to be shared as follows:

Table 4. C Tax Collection Fund Estimated Balance as at 31st March 2021

	Share of Estimated Deficit (£m)
Reading Borough Council	2.451
Office of the Police & Crime Commissioner for Thames Valley	0.313
Royal Berkshire Fire and Rescue Service	0.098
Total	2.862

- 5.4 The estimated deficit will be budgeted for in the period 2021/22-2023/24 in accordance with the requirements of the Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020.

6 RISK

- 6.1 There are several key variables in setting the Council Tax Base which have the potential to change; there are set out below.
- 6.2 Eligibility for discounts and exemptions is factored into the calculated Tax Base. These include student discounts, single person discount and the Council Tax Reduction Scheme - the latter being particularly prone to change dependent upon employment status of working age benefit claimants. As set out above, there has been a significant increase in eligible claimants in the current year and it is anticipated there will be a further increase in 2021/22 due to the Covid-19 pandemic and the impact on the economy.
- 6.3 The Tax Base includes forecast growth in the number of properties subject to a Council Tax liability. Whilst this is based on historic growth levels achieved and known planned development, it remains an estimate and is sensitive to changes in the economy and house building market. Both Covid-19 and Brexit may impact this area.
- 6.4 Any significant variation regarding collection rates has the potential to impact on the level of bad debt provision required and would impact on overall collection levels and any projected surplus or deficit.
- 6.5 In setting the Council Tax Base for 2021/22, statutory regulations prevent the net amount credited to the Council's General Fund from being different in 2021/22 to that originally estimated (and applies to precepting bodies in the same way). Any variance would however impact on future years.
- 6.6 The Collection Fund balance as at 31 March 2021 is required to be estimated by 15 January 2021. The assumptions made within this calculation are therefore subject to change. This risk is greater this year due to the impact of Covid-19 on 2020/21 Council Tax collection rates and the assumed level of recovery in the latter months of the year.

7 CONTRIBUTION TO STRATEGIC AIMS

- 7.1 To secure the most effective use of the Council's resources in the delivery of high quality, best value public services.

8 ENVIRONMENTAL AND CLIMATE IMPLICATIONS

- 8.1 None have been identified as arising directly from this report.

9 COMMUNITY ENGAGEMENT AND INFORMATION

- 9.1 A consultation exercise was carried out on the proposed amendments to the local Council Tax Support Scheme for the 2020/21 financial year. No amendments have been proposed for 2021/22 therefore any further consultation was not required.

10 EQUALITY IMPACT ASSESSMENT

10.1 No implications have been identified as arising directly from this report.

11 LEGAL IMPLICATIONS

11.1 The Council, as the Billing Authority, is required to determine the Council Tax Base for the next financial year by 31st January 2021 and to notify other precepting authorities of the determination.

11.2 The Council, as the Billing Authority, is required to formally estimate the balance of the Council Tax Collection Fund as at 31 March 2021 and to notify other precepting authorities of this estimate by 15 January 2021.

12 FINANCIAL IMPLICATIONS

12.1 The decrease in the Council Tax Base of 893.27 average Band D properties equates to a decrease in Council Tax income of £1.495m based on the 2020/21 Council Tax charge of £1,692.16 for a Band D property.

12.2 The Tax Base of 55,857.73 band D equivalents has been updated from the Tax Base of 56,031.12 used in the draft budget considered by Policy Committee and issued for consultation in December 2020 in order to reflect revised estimates of new build, the local Council Tax Reduction Scheme and the collection rate.

12.3 The draft Budget 2021/22 & Medium-Term Financial Strategy 2021/22-2023/24 assumed a Council Tax Collection Fund deficit for the Council of £2.759m (£3.225 in total), phased across the period per regulations. The revised declared deficit estimated in this report is a decrease (improvement) of (£0.363m) on the provisional estimate of which the Council's additional share is (£0.308m).

13 BACKGROUND PAPERS

13.1 The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

13.2 The Local Authorities (Collection Fund: Surplus and Deficit) (Coronavirus) (England) Regulations 2020.