

RUSHMOOR BOROUGH COUNCIL RECORD OF EXECUTIVE DECISION



Decision taken by individual ~~Cabinet Member~~/Officer (delete as appropriate)

(All sections must be completed (mark "N/A" as applicable))

DECISION MAKER *(Name and designation)*

David Clifford, Leader of the Council
David Stanley, Executive Head of Finance and S151 Officer

DECISION AND THE REASON(S) FOR IT

Declaration of Council Tax Collection Fund Surplus or Deficit – 2021/22
Statutory Requirement
Report Attached

DATE DECISION TAKEN

18TH January 2022

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

(Those examined by officers and generated by consultation, etc)

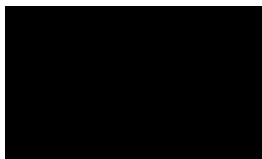
N/A

ANY CONFLICTS OF INTERESTS DECLARED

(conflict of interests of any executive member who is consulted by the officer which relates to the decision. A note of dispensation should be attached).

N/A

Signed



(Decision Maker)

Signed _____



Consultee where applicable)

(Cabinet Member

Designation: Leader of the Council

DELEGATED REPORT

**DAVID STANLEY EXECUTIVE HEAD OF
FINANCE, S151 OFFICER AND
DAVID CLIFFORD
LEADER OF THE COUNCIL**

18th February 2022

REPORT NO. FIN2216

KEY DECISION? YES/NO

**DECLARATION OF COUNCIL TAX COLLECTION FUND SURPLUS OR
DEFICIT – 2021/22**

SUMMARY AND RECOMMENDATIONS:

SUMMARY

Rushmoor Borough Council is required by statute to maintain a Collection Fund separate from the General Fund of the Council.

The Collection fund contains all of the transactions of the billing authority in relation to the collection from taxpayers of Council Tax and National Non-Domestic Rates (NNDR) and its distribution to local government bodies and the Government.

Any surplus or deficit on the Collection Fund, declared by the billing authority, is apportioned to the relevant precepting bodies in the subsequent financial year.

This report sets out the surplus or deficit on the collection fund for Council Tax (any surplus or deficit in respect of National Non-Domestic Rates will be the subject of a separate report).

The Executive Head of Financial Services, Section 151 Officer, in consultation with the Leader of the Council, has delegated powers to agree the Council Tax Surplus or Deficit for the relevant year.

RECOMMENDATIONS

The report declares a total deficit of £101,000 on the Council Tax Collection Fund for 2021/22, to be shared in the relevant proportions between precepting authorities.

The Leader of the Council is recommended to approve a total deficit of £101,000 on the Council Tax Collection Fund for 2021/2022.

1. INTRODUCTION

- 1.1 Each year, the Council is required to declare any surplus or deficit made in respect of its Council Tax Collection Fund Account.
- 2.2 The surplus or deficit is calculated each year by comparing how much tax has actually been collected against the estimate made the previous year and taking into account any surplus or deficit previously declared.

2. DETAILS OF THE SURPLUS

- 2.1 The position on the Council Tax Collection Fund is set out in Appendix 1 (Surplus/Deficit Calculation 2021-22). The impact of tax collected this year means that there will be a deficit totalling £101,000.
- 2.2 Whilst a number of factors contribute to whether a surplus or deficit is achieved in any one year, the principal factor that has been significant in this year's calculation is the inability of Council Taxpayers being able to meet their full liability during the difficult times brought on by Covid-19.

3. RISKS

- 3.1 The key risks associated to this report are financial, in terms of the accuracy of forecasts to arrive at the estimation of the surplus determined for the year 2021/22.
- 3.2 Officers will continue to track and monitor the collection fund performance. The Councils performance on recovery of Council Tax, both in-year and for its overall recovery rate needs careful monitoring. Steps have been put into place to continue to monitor the recovery rate of unpaid Council Tax.

4. LEGAL IMPLICATIONS

- 4.1 The Local Government Finance Act 1992 (as amended) requires the Council as the Billing Authority to establish and maintain a collection fund and report each year on surplus and deficits by the 15th January each year

5 Financial and Resource Implications

- 5.1 The total surplus must be shared between precepting authorities, Hampshire County Council (72.54%), Hampshire Police Authority (12.16%), Hampshire Fire and Rescue Services (3.78%) and Rushmoor Borough Council (11.52%).

- 5.2 This results in the £101,000 deficit being apportioned as follows:

▪ Hampshire County Council	£73,261.56
▪ Rushmoor Borough Council	£11,632.23
▪ Hampshire Police Authority	£12,285.40
▪ Hampshire Fire and Rescue Service	£3,820.81

6. CONCLUSIONS

- 6.1 In conclusion, David Clifford, Leader of the Council is asked to agree that a deficit of £101,000 is declared on the Council Tax Collection Fund for 2021/22.

BACKGROUND DOCUMENTS:

Surplus/Deficit Calculation 2021-22
Local Government Finance Act 1992

CONTACT DETAILS:

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Surplus / Deficit Calculation 2021/22

2021/22 council tax collection fund - 2% loss provision

As at 17.12.21

	Up To 31st March 2020	In Year 1/4 - 31/03	TOTAL
Base debit	71,986,056.69	299389.22	72,285,445.91
Property exemption	-4,412,617.18	-53148.39	-4,465,765.57
Personal disability	-58,955.56	79.39	-58,876.17
Discounts	-5,287,542.71	-177645.39	-5,465,188.10
Costs	0.00	119340.04	119,340.04
Misc debit	0.00	0.00	0.00
			0.00
Payments	-555,003.23	-52241730.49	-52,796,733.72
CTS	-5,193,927.91	39575.34	-5,154,352.57
CTS Over Payment	0.00	0.00	0.00
Trans relief	0.00	0.00	0.00
Write-offs	0.00	-1980.81	-1,980.81
Misc credit	0.00	-8671.61	-8,671.61
Refunds	0.00	471964.52	471,964.52
Transfers	0.00	5862.88	5,862.88
	56,478,010.10	-51546965.30	4,931,044.80
		Arrears	0.08 2020/21 Cash
	Band D		-51772574.70
Fire	70.43	2275529.21	Taxbase
HCC precept (Including	1,350.45	43631810.59	32,309.09
Police	226.46	7316716.52	
RBC precept	214.42	6927715.08	
	1,861.76		60151771.40
Cash - Army		-3402161.30	
other		-52327577.93	
exclude costs cash		110000.00	
			-55619739.23
			4532032.17
Estimated collectable cash o/s:			
current arrears		-4931044.80	
assumed w/offes		300000.00	
current w/offes		-1980.81	
			-4633025.61
Total anticipated surplus for 2021-22			-100993.44

Surplus declared to Cabinet

Jan-22 (101k)

NOTE CTS -5154352.57

Code	Balance	Totals
100	71963903.69	
120	-2286.83	
130	27517.25	
131	-22754.84	
140	362995.25	
151	-14632.19	
160	6912643.09	
171	-6941939.51	
Debit		72285445.91
201	-58876.17	
Disabled		-58876.17
211		
221	-4465765.57	
Exempt		-4465765.57
231	-214636	
241	-5241930.59	
285	-8621.51	
Discount		-5,465,188.10
410		
411		
420		
421		
431	-5154111.68	
441	-240.89	
CTS		-5154352.57
510		
511	-3719.77	
520	1738.96	
521		
Write Off		-1980.81
580		
581		
Misc Dr		0
590	73.23	
591	-8744.84	
Misc Cr		-8671.61
610	97282.76	

621	-91419.88	
660		
661		
670		
Transfers		5862.88
710	261775.01	
711	-52621026.62	
Adj Cash	-437,482.11	
Payments		-52796733.72
760	473598.67	
761	-1634.15	
Refunds		471964.52
810	123025.04	
811	-3515	
812	-170	
813		
860		
Costs		119340.04
Balance		4,931,044.80