

Guide to Council Tax & Non Domestic Rates



2021/22

Council Tax & Non Domestic Rates 2021/22

Explanatory information about Council Tax & Non Domestic Rates and financial information from Rhondda Cynon Taf County Borough Council.

This leaflet forms part of the statutory demand notice and is available in other formats on request.

Contents

Background Information	3
How the Council's budget is funded	4
Comparison of 2020/21 and 2021/22 estimated net expenditure	6
Other Financial Information	7
Major Precepts and Community Council Precepts 2021/22	8
Council Tax - General information	9
Council Tax - Discounts, Reliefs and Exemptions	10
How to pay, check your account or notify us of changes	11
Your Non Domestic Rates Bill	12

1 Background Information

Information has to be provided to you by law on the Council's spending plans and your Council Tax bill. Your Council Tax bill for the financial year 2021/22 shows what you have to pay and how much each organisation listed below will receive:

A) Rhondda Cynon Taf County Borough Council

B) The Police and Crime Commissioner for South Wales

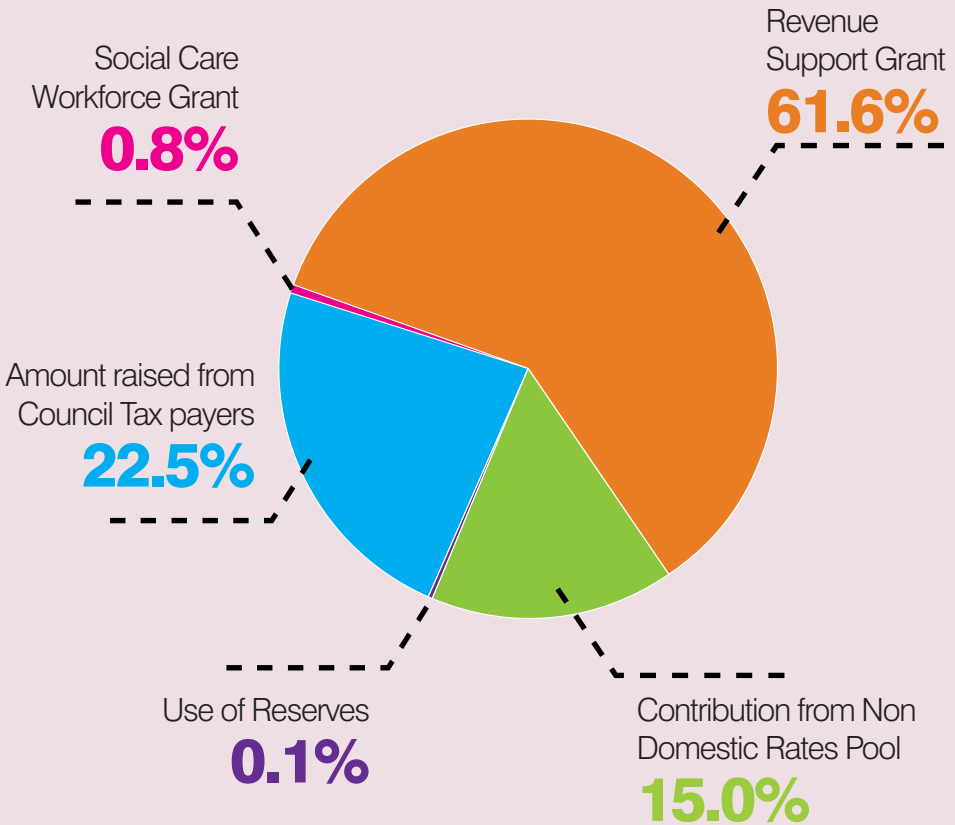
C) Your Community Council (if applicable)

Council Tax income is a contribution to the provision of Council services, and those services provided by precepting authorities such as The Police and Crime Commissioner for South Wales (who do not collect Council Tax themselves).

Council Tax is only part of how local government is financed. Other income includes Central Government Grants such as Revenue Support Grant and contributions from the Non Domestic Rates Pool (rates paid by local businesses). Only 22.5% of the Council's budget is funded by Council Tax payers.

2

How the Council's budget is funded



£M

Revenue Support Grant	£325.125
Contribution from Non Domestic Rates Pool	£79.250
Use of Reserves	£0.711
Social Care Workforce Grant	£4.075
Amount raised from Council Tax payers	£118.742

The County Borough has approved a net budget of £527.903m for 2021/22.

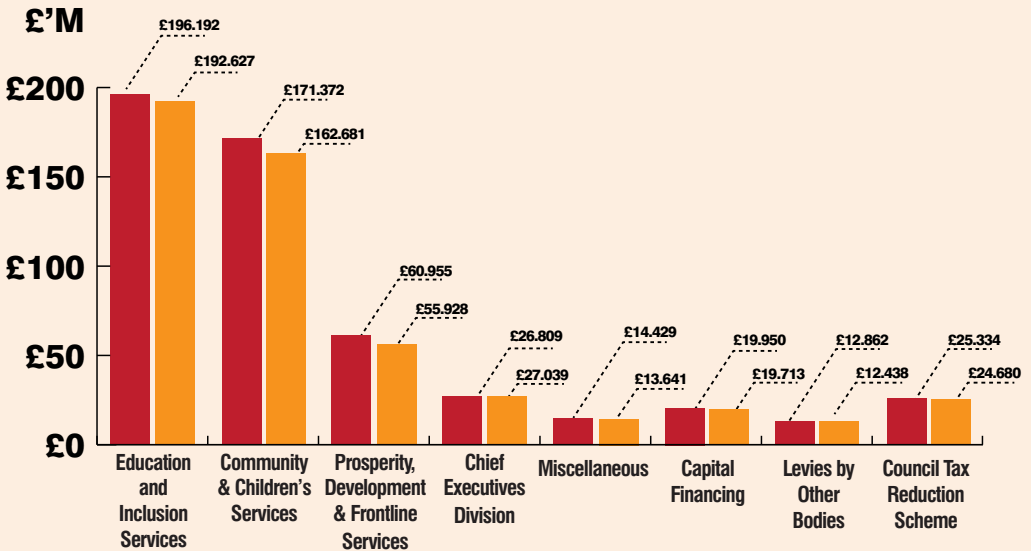
A number of services are supported by this, including;

- Education (nursery, primary, secondary and special schools)
- Children's services
- Highways
- Transportation Services
- Emergency planning
- Trading standards
- Youth services
- Fire services
- Leisure Services
- Streetcare Services
- Adult Social Care Services

3

Comparison of 2020/21 and 2021/22 estimated net expenditure

Budget 2021/22
Budget 2020/21



4 Other Financial Information

Local Government Financial Settlement:

The Welsh Government's assessment of what the Council needs to spend on services, its Standard Spending Assessment (S.S.A), is £515.847M.

Capital Investment:

A programme of capital investment totalling £116.024m is planned over 3 years – 2021/22 to 2023/24.

Financial Reserves:

Revenue Reserves - working balances are forecast to be around £9m at 31st March 2022, increasing to £10m by 31st March 2024.

Overall Revenue Budget Summary

	Budget 2020/21 £M	Budget 2021/22 £M
Education and Inclusion Services	£192.627	£196.192
Community & Children's Services	£162.681	£171.372
Prosperity, Development & Frontline Services	£55.928	£60.955
Chief Executives Division	£27.039	£26.809
Miscellaneous	£13.641	£14.429
Capital Financing	£19.713	£19.950
Levies By Other Bodies	£12.438	£12.862
Council Tax Reduction Scheme	£24.680	£25.334
Totals	£508.747	£527.903

5

Major Precepts and Community Council Precepts 2021/22

Precept 2020/21 (£)	Council Tax Band D 2020/21 (£)	Precepting Body/Community Council	Precept 2021/22 (£)	Council Tax Band D 2021/22 (£)
£21,090,253.00	£272.72	Police & Crime Commissioner for South Wales	£22,211,354.00	£287.72
£56,000.00	£55.57	Gilfach Goch	£21,000.00	£20.80
£61,281.47	£37.56	Hirwaun	£64,345.54	£39.16
£199,427.00	£64.56	Llanharan	£198,735.69	£64.56
£127,787.00	£80.00	Llanhary	£111,594.00	£70.00
£230,409.91	£43.00	Llantrisant	£230,841.00	£43.00
£254,813.28	£38.76	Llantwit Fardre	£254,313.00	£38.76
£122,100.00	£34.97	Pontyclun	£128,105.00	£36.84
£736,618.72	£70.27	Pontypridd	£745,903.34	£71.57
£15,500.00	£55.54	Rhigos	£16,000.00	£56.70
£37,599.00	£26.29	Taffs Well	£35,854.00	£26.29
£241,072.95	£60.51	Tonyrefail	£241,073.00	£60.54
£57,000.00	£39.81	Ynysybwl & Coed y Cwm	£57,000.00	£40.48

Council Tax - General Information

Every March, the Council issues new Council Tax bills for over 110,000 properties in Rhondda Cynon Taf. To help answer any queries you may have with regards to your bill and other matters the Council has prepared some frequently asked questions which can be found at:
www.rctcbc.gov.uk/aboutcounciltax

If you require this booklet in hardcopy it is available on request (quoting Handy Guide) by Email: revenues@rctcbc.gov.uk

The amount of tax you pay will vary according to the valuation band in which your home is placed and the area of Rhondda Cynon Taf in which your home is located.

Your home has been placed in one of nine bands according to its market value at 1 April 2003.

Can I appeal against my property's valuation band?

The Valuation Office Agency (VOA) values domestic properties for council tax. This valuation is used to set your council tax band. You might need to contact the VOA if you think your council tax band is wrong.

You can find out more about when you can challenge your band and what you need to do at gov.uk/challenge-council-tax-band. If you challenge your band, you must continue to pay council tax at your current band until your appeal is decided.

There are some areas of Rhondda Cynon Taf that have different Council Tax levels to the rest of the county borough. This is because they are areas with a Community Council, which places a precept (charge) on the Council Tax bill. These precepts can be seen on your Council Tax bill.

A full list of the Council Tax charges for all communities within Rhondda Cynon Taf can be found at:

www.rctcbc.gov.uk/HowMuchIsMyCouncilTax

Council Tax - Discounts, Reliefs and Exemptions

Discounts, Reliefs and Exemptions from Council Tax

The actual amount you are due to pay may be reduced by discounts or benefit. Your bill will show these if they are applicable. Details of how to claim reductions can be found at:

www.rctcbc.gov.uk/counciltaxdiscounts

Single Person Discount

If you are the only adult resident in a property, you may be entitled to a 25% reduction in your council tax bill.

Long Term Empty Properties

Any properties which are empty for six months or more and which are not exempt for another reason, will be liable to pay 100% council tax.

Severely Mentally Impaired

If you suffer from a mental impairment, which has been certified by a medical practitioner, and you are in receipt of a qualifying state benefit you may be entitled to a reduction in your council tax bill.

Statement on Discounts

If you are in receipt of any form of relief, discount or exemption and you are no longer entitled to it because your circumstances have changed, you have a legal responsibility to inform the Council within 21 days of that change occurring. If you fail to advise the Council of any relevant changes concerning a relief, discount or exemption you are receiving, you can receive a financial penalty of £50.00 or even be prosecuted under the Fraud Act 2006.

How to pay, check your account or notify us of changes

How to pay your Council Tax and Business Rates:

Set up a Direct Debit: www.rctcbc.gov.uk/directdebit

Go online: www.rctcbc.gov.uk/payit

Call the 24 hour automated payment line: **01443 425000**

Pay with your council tax bill at post offices and outlets that display the Payzone sign.

My Account

You can manage your Council tax, business rates or benefits account online at www.rctcbc.gov.uk/eaccount. Choose to receive your bills by email, see a full statement of your account, a list of your payments and your discount and exemption details as well as find out when your instalments are due.

Self Serve

A quick, easy and secure way to tell us if you move house, change your name, claim single person's discount or set up a direct debit – visit www.rctcbc.gov.uk/eaccount

Your Non Domestic Rates Bill

The information given below explains some of the terms which may be used on a non-domestic rate demand and in the supporting information. Further information about liability to non-domestic rates may be obtained from billing authorities.

Non-Domestic Rates

The non domestic rates collected by billing authorities are paid into a central pool for Wales and redistributed to county borough councils and police and crime commissioners. Your council and police and crime commissioner use their shares of redistributed rate income, together with income from their council tax payers, revenue support grant provided by the Welsh Ministers and certain other sums, to pay for the services they provide. Further information about the non domestic rates system, including what reliefs are available may be obtained at <https://businesswales.gov.wales/>

Rateable Value

The rateable value of non-domestic property is fixed in most cases by an independent valuation officer of the Valuation Office Agency which is an Executive Agency of Her Majesty's Revenue and Customs (HMRC). They compile and maintain a full list of the rateable values of all non domestic properties in Wales, available on their website at www.gov.uk/government/organisations/valuation-office-agency. All non domestic property is normally revalued every 5 years. From 1 April 2017 the rateable value of a property represents its annual open market rental value as at 1 April 2015.

For composite properties which are partly domestic and partly non domestic the rateable value relates to the non domestic part only. The values of all property in respect of which rates are payable to your authority are shown in the local rating list, a copy of which may be obtained by contacting the Valuation Office Agency at gov.uk/contact-voa or e-mailing revenues@rctcbc.gov.uk.

Revaluation

All rateable values are reassessed at a general revaluation to ensure rates paid by any one ratepayer reflect changes over time in the value of their property relative to others. This helps maintain fairness in the rating system by updating valuations in line with changes in the market. The current rating list came into effect on 1 April 2017 and is based on values as at 1 April 2015.

In the year a revaluation takes effect, the multiplier is rebased to account for overall changes to total rateable value and to ensure that the revaluation does not raise extra money.

The next revaluation exercise is already underway and will be effective from 1st April 2023. You will be contacted by the Valuation Office Agency and asked to provide rental evidence as part of this revaluation which will help the VOA calculate the rateable value of your business premises.

If you receive a request please complete and submit your up-to-date details. It is important to provide this information to ensure business rates are fair and accurate. You can find more information at gov.uk/voa/revaluation2023

Alteration of Rateable Value

The ratepayer (and certain others who have an interest in the property) may also in certain circumstances propose a change in value. If the ratepayer and the valuation officer do not agree the valuation within 3 months of the proposal being made, the matter is referred by the valuation officer as an appeal by the proposer to the Valuation Tribunal for Wales. Further information about how to propose a change in a rateable value is available from valuation offices.

Non-Domestic Rating Multiplier

This is the rate in the pound by which the rateable value is multiplied to give the annual rate bill for a property. The multiplier is set annually by the Welsh Government (WG) and is the same for the whole of Wales and except in a revaluation year cannot rise by more than the rate of the increase in the consumer price index. For 2021/22, WG have determined to freeze the multiplier at the same level as 2020/21.

Proposals and Appeals

Information about the circumstances in which a change in rateable value may be proposed and how such a proposal may be made is available from the local valuation office. Further information about the appeal arrangements may be obtained from Rhondda Cynon Taf CBC or from the Valuation Office Agency. The Valuation Tribunal for Wales provides a free independent appeals service dealing with appeals about Non Domestic Rates and Council Tax. Their contact details can be found here <http://www.valuation-tribunals-wales.org.uk/>

Unoccupied property rating

Owners of unoccupied non domestic properties may be liable to empty property rates which are charged at 100% of the normal liability. Liability begins after the property has been empty for 3 months or, in the case of certain industrial properties, after the property has been empty for 6 months. Certain types of property are exempt from empty property rates.

Charitable and discretionary relief

Charities and community amateur sports clubs are entitled to 80% relief from rates on any non domestic property where -

- (a) in the case of charities, the property is wholly or mainly used for charitable purposes; or
- (b) in the case of a club, the club is registered with HM Revenue & Customs.

Billing authorities have discretion to remit all or part of the remaining 20% of the bill on such property and can also give relief in respect of property occupied by certain bodies not established or conducted for profit.

For more information regarding clubs you should contact HM Revenue & Customs, Sports Club Unit, St John's House, Merton Road, Liverpool, L75 1BB. (Website is <http://www.hmrc.gov.uk>).

Small Business Rate Relief (SBRR)

The Non Domestic Rating (Small Business Relief)(Wales) Order 2017 makes provision for rates relief for small businesses.

From 1st April 2018 there is a limit on the number of properties eligible for SBRR to two per business in each Council area, thus restricting the relief awarded to larger businesses and national chains under this Scheme.

Under Article 4 of the regulations, where a ratepayer is liable to pay business rates for more than two premises shown on the local Non Domestic Rating list, which satisfy the rateable value conditions, the ratepayer must give notice of those premises to the Council as soon as it is reasonable to do so.

It is the responsibility of the ratepayer to advise the Council if they are currently receiving more than two instances of SBRR in relation to any premises that they are responsible for paying business rates on.

Full details of the scheme including eligibility criteria, the exceptions, the procedural requirements and the relevant rates relief are available at: <https://www.rctcbc.gov.uk/EN/Business/BusinessRates/Businessratesreliefandreductions.aspx>

Child Care Providers

The Non Domestic Rating (Small Business Relief) (Wales) (Amendment) Order 2018 provides for a non-domestic rate relief scheme which applies to certain categories of businesses.

The effect of the amendments made by this order is to exempt all properties meeting the “child care conditions” from the payment of non domestic rates from 1st April 2019.

The Order has been amended to increase the maximum rateable value of properties meeting the childcare conditions to £100,000 (from £20,500). This means that any properties with a rateable value of £100,000 or less, which meet the childcare conditions are eligible for relief under this scheme.

Retail, Leisure and Hospitality Rate Relief (RLH)

The Welsh Government has confirmed that the RLH scheme will continue for the full year 2021/22 and will apply to all eligible ratepayers with a rateable value of £500,000 or less.

The scheme will provide 100% rates relief to all qualifying businesses within the retail, leisure, and hospitality sectors from 1st April 2021 through to 31st March 2022.