



Mrs P O'Hagan  
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Date: 19<sup>th</sup> December 2019

My Ref: JW/NH/SD

Your Ref

Dear Mrs O'Hagan

## 2020/21 COUNCIL TAX PRECEPT

Shropshire Council is currently preparing the Revenue Estimates for 2020/21 prior to the calculation of the Council Tax which will be levied in April 2020.

In order to achieve this Council Tax taxbases for all parish and town councils within Shropshire Council have recently been determined for the year 2020/21. The Council Tax taxbase figure approved by Council on 19<sup>th</sup> December 2019 for your Council is 117.74 Band D equivalents.

The determination of your Parish Council's taxbase for 2020/21 once again includes the impact of the Welfare Reform Act 2012 which abolished Council Tax Benefit from 31<sup>st</sup> March 2013 and introduced localised Council Tax Support (CTS) schemes. Billing authorities are required to express localised council tax support schemes in terms of a reduction in the Council Tax taxbase.

This reduction in the Council Tax taxbase is partially offset by the inclusion of Council Tax Support Grant (CTSG) within Shropshire Council's Settlement Funding Assessment determined by Government although this amount is not separately identified as it is not ring-fenced.

The Council Tax policy in relation to the premium on properties which have been unoccupied and substantially unfurnished for more than five years has been revised for 2020/21 and these changes have been reflected in the taxbase.

The Council Tax taxbase, as you may know, is a measure of the number of chargeable properties within your area expressed as Band D equivalents. Your Council's charge is calculated by dividing your precept by the Council Tax taxbase figure.

I would be grateful, therefore, if you could notify me of your Council's precept requirement for 2020/21 as soon as possible and by 31<sup>st</sup> January 2020 at the latest by completing the enclosed "Council Tax Precept Requirement 2020/21" form.

A local council's precept requirement is the amount of income the council is requesting Shropshire Council to collect from Council Tax taxpayers on their behalf and is effectively the council's net budget requirement. The net budget requirement is determined by deducting total budgeted income (including any use of reserves) from total budgeted expenditure for the year.

Councils whose precept requirement exceeds £140,000 are required to provide income and expenditure information with the Council Tax demand notice. Therefore, if your precept is greater than £140,000 please also complete part (b) of the "Council Tax Precept Requirement 2020/21" form, i.e. total expenditure, a breakdown of expenditure by service, transfer from reserves and income. This information will be included in Shropshire Council's 2020/21 Council Tax information available on the Internet.

Please submit a "Nil" return if it is anticipated that no precept will be called for during the year.

### **Some Useful Information**

When determining your Council's 2020/21 precept requirement you may find the information in the table below useful. The table summarises your Council's Council Tax taxbase, precept requirement and Band D Council Tax charge in 2019/20 and your Council's provisional Council Tax taxbase for 2020/21. Between 2019/20 and 2020/21 your Council's Council Tax taxbase has increased by 2.69%.

Following information provided in previous years which you may have found useful the table below also shows the resulting Band D Council Tax charge if your Council requests the same precept in 2020/21 as it levied in 2019/20 and the annual effect on the Council Tax taxpayer in your Council's area for every £100 or £1,000 increase or decrease in the precept requirement.

	<b>Council Tax Taxbase (Band D Equivalents)</b>	<b>Precept Requirement (£)</b>	<b>Band D Council Tax Charge (£)</b>
<b>2019/20</b>	<b>114.66</b>	<b>10,875</b>	<b>94.85</b>
<b>2020/21</b>	<b>117.74</b>	<b>10,875</b>	<b>92.36</b>
		<b>+ / - 100</b>	<b>+ / - 0.85</b>
		<b>+ / - 1,000</b>	<b>+ / - 8.49</b>

You may find it useful to know that in order to show a 0% increase in the Band D Council Tax charge on the 2020/21 Council Tax Demand Notices your Council's precept requirement for 2020/21 would need to be £11,167 compared to £10,875 requested in 2019/20.

It is anticipated that 100% of all precepts will be paid over in April 2020 and I would also, therefore, be grateful if you could provide your Council's banking details by completing the "Banking Details for Precept Payment" section of the enclosed form.

I would be grateful if in future you could notify Wendy Robert either by telephone (01743 258962) or e-mail ([wendy.robert@shropshire.gov.uk](mailto:wendy.robert@shropshire.gov.uk)) of any changes to your Council's contact details.

Thank you for your assistance. If you require any further information or clarification, please do not hesitate to contact Nicola Higgins either by telephone (01743 258953) or e-mail ([nicola.higgins@shropshire.gov.uk](mailto:nicola.higgins@shropshire.gov.uk)).

Yours sincerely



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 Director of Finance, Governance & Assurance  
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