



Department for Levelling Up,
Housing & Communities

Council tax levels set by local authorities: England 2022-23

Technical Notes



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National Statistics Status

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality and public value as set out in the [Code of Practice for Statistics](#). It is the Department for Levelling Up, Housing and Communities's statisticians' responsibility to maintain compliance with these standards.

The designation of these statistics as National Statistics was first confirmed in March 2010 following an assessment by the UK Statistics Authority against the previous code.

Since the latest review by the UK Statistics Authority, we have continued to comply with the Code of Practice for Statistics, and have made the following improvements:

- Included details about the known uses of the data
- Annual review of the validations
- Ensuring that the data collected are fit for purpose.

Data collection

During February and March 2022, all 309 billing authorities and all 97 major precepting authorities in England were required to complete the CTR form to show how the level of council tax for their area for 2021-22 had been calculated.

Data quality

The information in this release is based on data returned to the Department for Levelling Up, Housing and Communities (and its predecessor departments) by English local authorities on Budget Requirement (BR) forms, up to and including 2011-12, and the Council Tax Requirement (CTR) forms since then. The data are collected using legislative powers that require all precepting and billing authorities to return completed forms within seven days of the calculation and council agreement of an authority's council tax requirement for the coming year. This effectively ensures a 100 per cent response rate before the release is compiled.

In some cases, there are inconsistencies between figures reported by a major preceptor and a billing authority on which it precepts. These inconsistencies may, in turn, affect national average or aggregate figures. Although work is done to identify and rectify reporting errors and inconsistencies prior to release, often the issue is down to rounding of reported figures, but larger differences may remain as it is not always possible for an authority to amend its figures due to the legislation under which authorities set their level of council tax.

The key financial aggregate reported on the form (council tax requirement) is fixed as part of the budget setting reports that are approved at council meetings. These are then reported on an authority's CTR form and cannot, except in certain exceptional circumstances, be varied during the year. Consequently, local authorities have a very strong financial incentive to report accurate figures on the CTR forms. The form also has to be signed by the Chief Finance Officer of the authority.

There are discontinuities in historic data; this is due to the localisation of the council tax support scheme as explained in the release or due to reorganisations.

Figures are subjected to rigorous pre-defined validation tests both within the form itself, while the form is being completed by the authority and by Department for Levelling Up, Housing and Communities (DLUHC) as the data are received and stored. DLUHC also works closely with CIPFA (the Chartered Institute of Public Finance and Accountancy) who collect similar data at the same time to ensure that discrepancies in the data are resolved quickly.

Finally, the release document, once prepared, is also subject to peer review before being cleared as fit for the purposes of publication.

Things to note on this release

PREVIOUS LOCAL GOVERNMENT REORGANISATIONS

Authorities have previously reorganised (merged) may need to equalise their council tax levels over a number of years, depending on how different the council tax is in the predecessor authorities. Those that are in the process of or completing equalisation are able to apply the referendum principles to the increase in average Band D in each individual predecessor area or to the increase in average Band D across the predecessor areas.

Imputation

No imputation has been required for this release.

Definitions

A list of terms relating to local government finance is given in the glossary at Annex G of the 2015 Local Government Finance Statistics England which is accessible at <https://www.gov.uk/government/collections/local-government-finance-statistics-england>

The most relevant terms for this release are explained below.

Adult social care precept – Introduced for 2016-17, local authorities have been able to increase council tax by an additional amount to fund adult social care only. This is in addition to the usual funding of adult social care through council tax. This applies to London boroughs, county councils, metropolitan districts, and unitary authorities. In 2016-17, this additional flexibility was set as up to 2%. In 2017-18 and 2018-19 it was up to 3%, and then up to 2% in 2019-20, with a maximum of an increase of 6 percentage points over the period 2017-18 to 2019-20. In 2020-21, the flexibility was set as up to 2%. In 2021-22 adult social care authorities are able to increase council tax by an additional 3% over two years to fund adult social care only, with no limitation as to how to split this between the

two years. In 2022-23, all adult social care authorities could increase by up to 1%, plus any flexibility that had been not been used in 2021-22 because the authority had deferred to 2022-23.

Area council tax - The average total amount of council tax payable for a Band D dwelling occupied by two adults within a billing authority's area. It is the sum of the amounts requested: a) by the billing authority; b) by major precepting authorities covering the billing authority's area; and c) by parish or town councils within the billing authority's area. The amount at c) is the total amount requested by parish and town councils, averaged across the whole of the billing authority's area.

Table 6 presents the area council tax for London boroughs, metropolitan areas, unitary areas and shire areas. For London, this is determined by the sum of the council tax requirement in all London boroughs and from the Greater London Authority divided by aggregated London tax base; for Metropolitan Areas this reflects all Metropolitan Districts, Police Authority, Fire and Rescue Authorities and Combined Authorities covering these metropolitan districts; for Unitary areas this reflects all unitary authorities, Police Authorities, Fire and Rescue Authorities and Combined Authorities covering these unitary authorities; and for Shire areas, this reflects all shire districts, county councils, police authorities, fire and rescue authorities and combined authorities covering the shire districts.

Average council tax per dwelling - The total council tax payable in an area divided by the total number of chargeable dwellings in the area. The number of chargeable dwellings is reported in the Council Tax Base figures collected in October of the previous year, and are different to the Band D equivalent taxbase determined for the council tax setting process.

Band D council tax - This is the council tax payable on a Band D dwelling occupied as a main residence by two adults, before any reductions due to discounts, exemptions, or council tax benefit. This definition is widely regarded as a benchmark when comparing council tax levels in different areas or over time.

The example below shows the difference between the calculation of the average council tax per Band D and the average council tax per dwelling for England for 2022-23:

Average council tax per Band D:

Council tax requirement (including adult social care and parish precepts)	£36,313 million
Council tax base used for tax-setting (as at Jan 2022)	18.473 million
Average Band D council tax	£1,966

Council tax requirement	£36,313 million
Total number of chargeable dwellings (as at Sept 2021)	24.326 million
Average council tax per dwelling	£1,493

Billing Authorities - Billing authorities are the 309 authorities that are empowered to set and collect council taxes, and manage a Collection Fund, on behalf of themselves and other local authorities in their area. In England, district councils (metropolitan and shire), the Council of the Isles of Scilly, unitary authorities, London boroughs, and the City of London are billing authorities. Shire district councils are also sometimes known as lower-tier authorities.

Chargeable dwellings - Those domestic dwellings in an area for which council tax is payable. It excludes dwellings on the valuation list which are exempt from paying council tax. Each chargeable dwelling is counted as one dwelling, whether or not a full council tax bill is payable for it. The total number of chargeable dwellings in an area is the denominator used to calculate the average council tax per dwelling. In April 2013 council tax exemptions for short term empty properties and properties undergoing major structural repairs were abolished and replaced with a flexible discount rate for all empty properties. This change significantly increased the number of chargeable dwellings in England.

Charter Trustee - A body of councillors charged with preserving the historic property, privileges, rights, status, and traditions of areas which have been subsumed within larger

authorities as a result of local government reform. Charter Trustees cease to exist when a parish council is formed for the area.

Collection Fund - The fund administered by a billing authority into which council taxes are paid, and from which payments were made to the general fund of billing and precepting authorities.

Combined Authorities - Six elected combined authority Mayors took office in May 2017. These are the Mayors for Cambridge & Peterborough Combined Authority, Greater Manchester Combined Authority, Liverpool City Region Combined Authority, Tees Valley Combined Authority, West of England Combined Authority and West Midlands Combined Authority. Of these, all but the West of England Mayor have the powers to set a council tax precept for the financial years 2018-19 onwards. Since then, South Yorkshire Mayoral Combined Authority (previously known as Sheffield City Region Combined Authority), North of Tyne Combined Authority and West Yorkshire Mayoral Combined Authority have come into existence, and can set a council tax precept. The Greater Manchester Combined Authority Mayor also has the responsibility for police and fire and rescue services, which he inherited from the former police and crime commissioner and fire authority for the area. From 2022-23, the West Yorkshire Combined Authority also has responsibility for setting the police precept. The Greater Manchester and West Yorkshire mayoral precept is split into two distinct, separately-identified components: one for police functions and one for 'general' mayoral functions. The 'general' component precept, for Greater Manchester Combined Authority, covers fire and rescue services and a range of other mayoral functions specified in legislation.

Council tax - This is a local charge (or charges) set by the billing authority in order to collect sufficient revenue to meet their demand on the collection fund and the precepts issued by the precepting authorities. It replaced the community charge on 1 April 1993 and is calculated based on the council tax band assigned to the dwelling. The Valuation Office Agency assesses the properties in each district area and assigns each dwelling to one of eight valuation bands; A to H. Council tax is set on the basis of the number of Band D equivalent properties. Tax levels for dwellings in other bands are set relative to the Band D baseline.

Council tax band - There are eight council tax bands, A to H. Each domestic dwelling is assigned a council tax band by the Valuation Office Agency (VOA). Council tax bands are based on the value of the dwelling as at 1 April 1991. Any dwelling built after this date is given a notional 1991 value for council tax purposes.

Dependent on their assigned council tax band dwellings pay a proportion of the Band D council tax set for the authority. The bands and the proportion of band D council tax they will pay are:

Band	Value of dwelling (estimated at April 1991)	Proportion of the tax due for a Band D dwelling
A	£40,000 and under	6 / 9
B	£40,001 - £52,000	7 / 9
C	£52,001 - £68,000	8 / 9
D	£68,001 - £88,000	9 / 9
E	£88,001 - £120,000	11 / 9
F	£120,001 - £160,000	13 / 9
G	£160,001 - £320,000	15 / 9
H	Over £320,000	18 / 9

Local authorities set their council tax on the basis of the number of Band D equivalent properties in their area.

Council tax base - This is the number of Band D equivalent dwellings in a local authority area. To calculate the tax base for an area, the number of dwellings in each council tax band is reduced to take account of discounts and exemptions. The resulting figure for each band is then multiplied by its proportion relative to Band D (from 6/9 for Band A to 18/9 for Band H) and the total across all eight bands is calculated. An adjustment is then made for the collection rate. The tax base figure that is used by a local authority when it sets its council tax uses an adjustment for the collection rate, the actual discount for second homes and any premium applicable to empty homes. A local authority will determine a tax base for tax setting purposes in order to determine their council tax requirement and average Band D increase. This means that this will be different to the council tax base figures collected by DLUHC and published in the previous November.

Council tax discounts – These are subject to local discretion and based partly on the dwelling and partly based on the occupants of the dwelling and therefore not every

dwelling in an authority area is liable to pay the full council tax amount. The full council tax bill assumes that there are at least two adults living in a dwelling but if, for example, only one adult lives in a dwelling (as their main home), the council tax bill is reduced by a quarter (25 per cent). In addition to discounts there are 20 categories of “Disregards” that can be applied to adults living in a dwelling which reduce the amount of council tax payable. Where all but one of the residents are “disregarded for council tax purposes” the discount is 25 per cent and 50 per cent where all residents are disregarded. These categories range from persons being in detention, students (including student nurses) and apprentices to people associated with visiting armed forces or diplomats.

Council tax exemptions - There are 21 classes of exemption from council tax which range from a dwelling which is only occupied by persons under the age of 18 to a number of types of vacant dwellings including unoccupied clergy dwellings and dwellings left empty by deceased persons. A full list of the exemption classes that can be applied can be found in Table 5 accompanying this statistical release:

<https://www.gov.uk/government/statistics/council-taxbase-2020-in-england>

In April 2013 council tax exemptions for short term empty properties and properties undergoing major structural repairs were abolished and replaced with a flexible discount rate for all empty properties. This change significantly increased the number of chargeable dwellings in England, the denominator used in the average per dwelling measure.

Council tax freeze grant – A scheme introduced in 2011-12 to pay a grant to local authorities that froze or reduced their council tax in that year. Further schemes have been offered to authorities that froze or reduced their council tax in all subsequent years up to and including 2015-16. There has been no freeze grant since 2016-17.

Council tax referendums - The Localism Act 2011 abolished central government capping and made provision for binding referendums to be held on excessive council tax increases. A referendum must be held where an authority’s council tax increase is higher than the principles proposed annually by the Secretary of State and approved by the House of Commons. No referendums have been triggered for 2022-23.

Council tax requirement - This is an amount calculated, in advance of each year, by each billing authority and by each major precepting authority. It is the amount of revenue

to be met from council tax and is equivalent to an authority's Band D council tax multiplied by its council tax base.

Council Tax Requirement (CTR) forms - A return completed by all billing and precepting authorities in England giving details of how their council tax requirement is calculated and what council tax a Band D two-adult dwelling should pay.

CTR1 forms are completed by billing authorities, CTR2 forms by precepting authorities, the CTR3 form is completed by the Greater London Authority and the CTR4 form is completed by the Greater Manchester Combined Authority and West Yorkshire Combined Authority.

Localisation of council tax support – This replaced council tax benefit from 1 April 2013. Support to low-income council taxpayers is no longer a benefit (where claimants are liable for the full charge but it is paid by government) but a locally set discount (claimants are only liable for part of the charge, but have to pay it themselves). Local authorities are now required to design their own scheme.

The pensioner scheme is set nationally and replicates the level of support under council tax benefit (i.e. the lowest-income pensioners do not have to pay any council tax).

This reform has reduced the amount of council tax local authorities have to raise but has also reduced the size of the tax base for council tax-setting purposes.

Local precepting authority – Parish or town councils, chairmen of parish meetings, charter trustees and the treasurers of the Inner and Middle Temples are all local precepting authorities. These local authorities make a precept on the billing authority's general fund.

Major precepting authority - These are county councils in two-tier areas, police authorities, fire and rescue authorities, combined authorities, and the Greater London Authority. These local authorities make a precept on the billing authority's Collection Fund. Including the Greater London Authority, there are 97 major precepting authorities in England.

Parish - The term parish means an English civil parish. A parish may be represented by a parish council or parish meeting. A parish council can resolve to have the status of a town and can have city status conferred on it by royal prerogative. A parish council or parish

meeting may resolve to adopt the style of a community, neighbourhood or village. They are local precepting authorities.

Parish precepts – Parish councils can raise a precept on the principal council (the billing authority). This is the main source of a parish council's income and the level of the precept is at the discretion of the parish. Parishes and Charter Trustees are local precepting authorities.

Precept - The amount of money (council tax) that a local or major precepting authority has instructed the billing authority to collect and pay over to it in order to finance its net expenditure.

Relevant basic amount of council tax – It is used as the basis for deciding if a referendum is required to approve or reject a local authority's level of council tax for the year.

Temples of London – The Inner and Middle Temples are self-governing bodies located in the west of the City of London. The Temples were defined as local authorities with many of the same powers and responsibilities, except in relation to housing, as the Inner London boroughs, under the London Government Act 1963. The Inner Temple and Middle Temple, through powers vested in the Under Treasurer and Sub-Treasurer of the Middle and Inner Temple respectively, exercise a small number of local authority functions. All other functions fall under the responsibility of the City of London.

Revisions policy

This policy has been developed in accordance with the UK Statistics Authority's Code of Practice for Statistics and the Department for Levelling Up, Housing and Communities Revisions Policy and can be found at

<https://www.gov.uk/government/publications/statistical-notice-dclg-revisions-policy>

It covers two types of revisions that the policy covers, as follow:

Non-Scheduled Revisions

Where a substantial error has occurred as a result of the compilation, imputation or

dissemination process, the statistical release, live tables, and other accompanying releases will be updated with a correction notice as soon as is practical.

Scheduled Revisions

At time of publication there are no scheduled revisions for this series. However, individual parish level data are still to be validated, ahead of their publication in May 2022. As a result of this validation work, the aggregations relating to parishes shown in this release may be revised.

Revisions in this release

Revisions have been made to the 2021 figures following minor corrections received affecting 5 authorities .

Revisions have also been made to 2018-19 to 2020- data for Rossendale. These amendments affect the Band D council tax and Average council tax per dwelling tables.

Other information

Uses of the data

The data in this Statistical Release are used to inform government policy on council tax and monitor existing schemes.

The data include the council tax level (council tax requirement), which forms the basis of financial assessments of local government spending. Users can therefore look at how local authorities' council tax requirement relates to other elements that finance their revenue expenditure. Since the statistical release includes data for individual authorities, it enables the public (including council tax payers) to compare their own authority with others in the same type of authority or in the surrounding area. This can be done on the basis of Band D council tax - the normal benchmark when comparing council tax levels in different areas or over time - or council tax per dwelling, a more direct measure of the impact on council tax payers in an area.

Users can also examine the contribution of the local parish precept on their council tax bill and compare that with other local authority areas. It is also possible for users to check if an authority's reported relevant basic amount of council tax exceeds the principles approved annually by the House of Commons that determine whether a council tax referendum should be held.

The council tax requirement figure is also used by the Office for National Statistics and HM Treasury for the Public Sector Finances statistics and the National Accounts. Information from this release is also used to answer parliamentary, ministerial, and ad hoc questions.

Related Statistics

The Statistical Release can be found at the following web address:

<https://www.gov.uk/government/collections/council-tax-statistics>

Timings of future releases are regularly placed on the Department's website:

<https://www.gov.uk/search/research-and-statistics>

For a fuller picture of recent trends in local government finance, readers are directed to the latest edition of *Local Government Finance Statistics England* which is available from the Department for Levelling Up, Housing and Communities website:

<https://www.gov.uk/government/collections/local-government-finance-statistics-england>

Devolved administration statistics

Both the Scottish Government and the Welsh Assembly Government also collect council tax data. Their information can be found at the following websites:

Scotland: <https://www.gov.scot/publications/council-tax-datasets/>

Wales:

In English: <https://gov.wales/council-tax-levels>

In Welsh: <https://llyw.cymru/lefelaur-dreth-gyngor>

User engagement

Users are encouraged to provide feedback on how these statistics are used and how well they meet user needs. Comments on any issues relating to this statistical release are welcomed and encouraged and should be sent to ctr.statistics@levellingup.gov.uk

The Department's engagement strategy to meet the needs of statistics users is published here: <https://www.gov.uk/government/publications/engagement-strategy-to-meet-the-needs-of-statistics-users>