

ADDITIONAL INFORMATION

This note provides additional information on council tax. The first section looks at the impact on tax bills of a 4% increase in each of the years 2019/20 to 2021/22, at varying levels of council tax support.

The note also presents a league table of London Council Tax Band D's, the increase in each London borough's council tax in 2019/20, how much income each borough is budgeting to collect from council tax in 2018/19 and the distribution of the council taxbase across bands.

IMPACT ON TAXPAYERS OF A 4% INCREASE

1. Impact on Taxpayers with no Council Tax Support

1.1 The impact of a 4% increase in the tax rate, on taxpayers who do not qualify for any council tax support, over the period 2019/20 to 2021/22, is shown in the tables below. The first table shows the total tax bill by band

Band	A	B	C	D	E	F	G	H
2018/19	720.30	840.34	960.39	1080.44	1320.54	1560.62	1800.74	2160.88
2019/20	749.11	873.95	998.81	1123.66	1373.36	1623.04	1872.77	2247.32
2020/21	779.08	908.91	1038.76	1168.60	1428.30	1687.97	1947.68	2337.21
2021/22	810.24	945.27	1080.31	1215.35	1485.43	1755.49	2025.59	2430.70

1.2 The increases (annual and weekly) in the charge each year are shown below

Band	A	B	C	D	E	F	G	H
2019/20 - Annual	28.81	33.61	38.42	43.22	52.82	62.42	72.03	86.44
2019/20 - Weekly	0.55	0.65	0.74	0.83	1.02	1.20	1.39	1.66
2020/21 - Annual	29.96	34.96	39.95	44.95	54.93	64.92	74.91	89.89
2020/21 - Weekly	0.58	0.67	0.77	0.86	1.06	1.25	1.44	1.73
2021/22 - Annual	31.16	36.36	41.55	46.74	57.13	67.52	77.91	93.49
2021/22 - Weekly	0.60	0.70	0.80	0.90	1.10	1.30	1.50	1.80

1.3 The next table shows how much the charge increases from 2018/19 to 2021/22

Band	A	B	C	D	E	F	G	H
Annual Increase	89.94	104.93	119.92	134.91	164.89	194.87	224.85	269.82
Weekly Increase	1.73	2.02	2.31	2.59	3.17	3.75	4.32	5.19

2. Impact on Taxpayers with maximum Council Tax Support (83%)

2.1 Obviously many taxpayers will receive support through the Council Tax Support scheme. The next set of tables looks at the impact of a 4% increase on tax bills of council tax payers that qualify for maximum CTRS (83%). The first table shows the total tax bill by band

Band	A	B	C	D	E	F	G	H
2018/19	126.05	147.06	168.07	189.08	231.09	273.11	315.13	378.15
2019/20	131.09	152.94	174.79	196.64	240.34	284.03	327.73	393.28
2020/21	136.34	159.06	181.78	204.51	249.95	295.39	340.84	409.01

2021/22	141.79	165.42	189.05	212.69	259.95	307.21	354.48	425.37
---------	--------	--------	--------	--------	--------	--------	--------	--------

2.2 The increases (annual and weekly) in the charge in each year are shown below

Band	A	B	C	D	E	F	G	H
2019/20 - Annual	5.04	5.88	6.72	7.56	9.24	10.92	12.61	15.13
2019/20 - Weekly	0.10	0.11	0.13	0.15	0.18	0.21	0.24	0.29
2020/21 - Annual	5.24	6.12	6.99	7.87	9.61	11.36	13.11	15.73
2020/21 - Weekly	0.10	0.12	0.13	0.15	0.18	0.22	0.25	0.30
2021/22 - Annual	5.45	6.36	7.27	8.18	10.00	11.82	13.63	16.36
2021/22 - Weekly	0.10	0.12	0.14	0.16	0.19	0.23	0.26	0.31

2.3 The next table shows how much the charge increases from 2018/19 to 2021/22

Band	A	B	C	D	E	F	G	H
Annual	15.74	18.36	20.99	23.61	28.86	34.10	39.35	47.22
Weekly	0.30	0.35	0.40	0.45	0.55	0.66	0.76	0.91

And so if there is a 4% increase in council tax in each year, in 2021/22 the charge for a band A property will increase by 30p per week for a taxpayer on maximum CTRS compared to 2018/19, for a band B the charge will increase by 35p a week and for a band C, the charge will increase by 40p per week.

3. Impact on Taxpayers with 70% Council Tax Support

3.1 The next set of tables looks at the impact of a 4% increase on tax bills of council tax payers that qualify for 70% CTRS. The first table shows the total tax bill by band

Band	A	B	C	D	E	F	G	H
2018/19	216.09	252.10	288.12	324.13	396.16	468.19	540.22	648.26
2019/20	224.73	262.19	299.64	337.10	412.01	486.91	561.83	674.19
2020/21	233.72	272.67	311.63	350.58	428.49	506.39	584.30	701.16
2021/22	243.07	283.58	324.09	364.60	445.63	526.65	607.68	729.21

3.2 The increases (annual and weekly) in the charge in each year are shown below

Band	A	B	C	D	E	F	G	H
2019/20 - Annual	8.64	10.08	11.52	12.97	15.85	18.73	21.61	25.93
2019/20 - Weekly	0.17	0.19	0.22	0.25	0.30	0.36	0.42	0.50
2020/21 - Annual	8.99	10.49	11.99	13.48	16.48	19.48	22.47	26.97
2020/21 - Weekly	0.17	0.20	0.23	0.26	0.32	0.37	0.43	0.52
2021/22 - Annual	9.35	10.91	12.47	14.02	17.14	20.26	23.37	28.05
2021/22 - Weekly	0.18	0.21	0.24	0.27	0.33	0.39	0.45	0.54

3.3 The next table shows how much the charge increases from 2018/19 to 2021/22

Band	A	B	C	D	E	F	G	H
Annual	26.98	31.48	35.98	40.47	49.47	58.46	67.45	80.94
Weekly	0.52	0.61	0.69	0.78	0.95	1.12	1.30	1.56

And so if there is a 4% increase in council tax in each year, in 2021/22 the charge for a band A property will increase by 52p per week for a taxpayer on 70% CTRS support compared to 2018/19, for a band B the charge will increase by 61p a week and for a band C, the charge will increase by 69p per week.

4. Impact on Taxpayers with 40% Council Tax Support

4.1 The next set of tables looks at the impact of a 4% increase on tax bills of council tax payers that qualify for 40% CTRS. The first table shows the band charges after the application of maximum CTRS.

Band	A	B	C	D	E	F	G	H
2018/19	432.18	504.20	576.23	648.26	792.32	936.37	1080.44	1296.53
2019/20	449.47	524.37	599.28	674.19	824.02	973.83	1123.66	1348.39
2020/21	467.45	545.35	623.25	701.16	856.98	1012.78	1168.61	1402.32
2021/22	486.14	567.16	648.18	729.21	891.26	1053.29	1215.35	1458.42

4.2 The increases (annual and weekly) in the charge by band in each year are shown below

Band	A	B	C	D	E	F	G	H
2019/20 - Annual	17.29	20.17	23.05	25.93	31.69	37.45	43.22	51.86
2019/20 - Weekly	0.33	0.39	0.44	0.50	0.61	0.72	0.83	1.00
2020/21 - Annual	17.98	20.97	23.97	26.97	32.96	38.95	44.95	53.94
2020/21 - Weekly	0.35	0.40	0.46	0.52	0.63	0.75	0.86	1.04
2021/22 - Annual	18.70	21.81	24.93	28.05	34.28	40.51	46.74	56.09
2021/22 - Weekly	0.36	0.42	0.48	0.54	0.66	0.78	0.90	1.08

4.3 The next table shows how much the charge by band increases from 2018/19 to 2021/22

Band	A	B	C	D	E	F	G	H
Annual	53.96	62.96	71.95	80.94	98.93	116.92	134.91	161.89
Weekly	1.04	1.21	1.38	1.56	1.90	2.25	2.59	3.11

And so if there is a 4% increase in council tax in each year, in 2021/22 the charge for a band A property will increase by £1.04 per week for a taxpayer on 40% CTRS support compared to 2018/19, for a band B the charge will increase by £1.21 a week and for a band C, the charge will increase by £1.38 per week.

COUNCIL TAX BAND D LONDON 2018/19

2018/19 COUNCIL TAX BAND D	Council Tax for the authority (Band D)	Rank
Westminster	416.64	1
Wandsworth	428.42	2
Hammersmith & Fulham	727.81	3
Kensington & Chelsea	845.16	4
City of London	857.31	5
Newham	964.54	6
Tower Hamlets	986.14	7
Southwark	1035.31	8
Hackney	1080.44	9
Lambeth	1092.04	10
Hillingdon	1112.93	11
Islington	1135.22	12
Greenwich	1135.24	13
Ealing	1145.89	14
Bromley	1158.48	15
Hounslow	1167.76	16
Merton	1173.83	17
Barnet	1189.34	18
Camden	1194.48	19
Barking & Dagenham	1199.63	20
Brent	1202.31	21
Lewisham	1203.87	22
Redbridge	1255.75	23
Enfield	1261.17	24
Haringey	1281.57	25
Bexley	1293.81	26
Sutton	1308.52	27
Waltham Forest	1320.74	28
Croydon	1342.73	29
Havering	1363.83	30
Harrow	1394.69	31
Richmond-upon-Thames	1412.71	32
Kingston-upon-Thames	1477.46	33

INCREASES IN COUNCIL TAX IN LONDON 2018/19

Hackney's increase of 3% is in the lowest third amongst boroughs.

Increases in Council Tax in London 2018/19

	% increase in main Council tax %	% increase - Social Care Precept %	Change in Council Tax %
Barking & Dagenham	2.99%	3.00%	5.99%
Islington	2.99%	3.00%	5.99%
Lambeth	2.99%	3.00%	5.99%
Southwark	2.99%	3.00%	5.99%
Ealing	2.99%	3.00%	5.99%
Greenwich	2.99%	3.00%	5.99%
Kensington & Chelsea	2.92%	3.00%	5.92%
Redbridge	2.99%	2.00%	4.99%
Waltham Forest	2.99%	2.00%	4.99%
Enfield	2.99%	2.00%	4.99%
Brent	2.99%	2.00%	4.99%
Croydon	2.99%	2.00%	4.99%
Camden	2.99%	2.00%	4.99%
Hounslow	2.00%	2.00%	4.00%
Bromley	1.99%	2.00%	3.99%
Sutton	1.99%	2.00%	3.99%
Bexley	1.99%	2.00%	3.99%
Lewisham	2.99%	1.00%	3.99%
Richmond-upon-Thames	1.99%	2.00%	3.99%
Havering	1.50%	2.00%	3.50%
Harrow	2.99%	0.50%	3.49%
Hackney	1.00%	2.00%	3.00%
Merton	2.00%	1.00%	3.00%
Barnet	0.00%	3.00%	3.00%
Haringey	0.00%	3.00%	3.00%
Westminster	0.00%	2.00%	2.00%
Tower Hamlets	0.00%	2.00%	2.00%
Wandsworth	0.00%	2.00%	2.00%
City of London	0.00%	0.00%	0.00%
Hammersmith & Fulham	0.00%	0.00%	0.00%
Hillingdon	0.00%	0.00%	0.00%
Newham	0.00%	0.00%	0.00%
Kingston-upon-Thames	0.00%	0.00%	0.00%

LONDON COUNCIL TAX INCOME 2018/19

	CT income Excluding GLA income £m
Barnet	168.8
Croydon	167.4
Bromley	150.6
Ealing	129.6
Richmond-upon-Thames	125.4
Enfield	121.1
Havering	119.1
Harrow	117.8
Lambeth	117.6
Brent	115.0
Hillingdon	110.3
Redbridge	109.9
Camden	106.3
Bexley	105.2
Southwark	104.4
Lewisham	104.1
Waltham Forest	98.8
Haringey	98.8
Hounslow	96.7
Sutton	95.2
Tower Hamlets	93.8
Kingston-upon-Thames	92.1
Greenwich	91.0
Islington	88.7
Merton	87.0
Kensington & Chelsea	81.4
Hackney	76.9
Newham	72.8
Barking & Dagenham	58.5
Hammersmith & Fulham	56.7
Wandsworth	56.0
Westminster	53.7
City of London	6.2

Despite recent taxbase and tax rate increases, our council tax income is still in the bottom quartile in London.

NUMBER OF PROPERTIES IN EACH TAX BAND

Hackney's relatively low council tax income is partly explained by the relatively small number of properties in higher tax bands in the borough (E to H) and by a relatively high number in lower tax bands (A to C). The table below shows the number of properties in each band and the %s.

Tax Band	Number of Properties by Band	% of Properties in each Band
Band A	3,539	4.5%
Band B	18,491	23.5%
Band C	24,780	31.5%
Band D	18,333	23.3%
Band E	9,105	11.6%
Band F	3,385	4.3%
Band G	1,011	1.3%
Band H	43	0.1%
Total	78,687	100.0%

The distribution of properties across bands also results in an average tax payment (total income divided by total number of properties after exemptions, discounts and losses) in Hackney of £1,028 which is £52 lower than the Band D rate of £1,080 in 2018/19.