

Appendices: 2



NORTHAMPTON
BOROUGH COUNCIL

CABINET REPORT

Report Title	COUNCIL TAX BASE 2018 -2019
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AGENDA STATUS: PUBLIC

Cabinet Meeting Date:	13 th December 2017
Key Decision:	Yes
Within Policy:	Yes
Policy Document:	No
Directorate:	Finance & Resources
Accountable Cabinet Member:	Brandon Eldred
Ward(s)	All

1. Purpose

- 1.1 The report sets out the calculation of Northampton Borough Council's Tax Base for the year 2018/19 under the Local Authorities (Calculation of Council Tax Base) (Amendment) (England) regulations 2003 (SI 2003/3012) and amendments made in the Local Government Act 2012.

2. Recommendations

- 2.1 That Cabinet recommend to Council to approve the tax base for 2018/19 at 66,873.95 Band D equivalent properties and associated parish tax bases within this report.

	2017/18	2018/19	Change
Billing	2,678.57	2,761.23	82.66
Collingtree	513.75	522.77	9.02
Duston	5,471.83	5,521.83	50.00
Great Houghton	288.21	290.30	2.10
Hardingstone	795.44	804.99	9.55
Upton	2,993.14	3,015.72	22.59
Wootton, Wootton Fields & Simpson Manor	2,940.72	2,958.24	17.51
East Hunsbury	3,408.98	3,462.75	53.77
West Hunsbury	1,645.76	1,650.38	4.61
Hunsbury Meadow	501.41	505.45	4.05
Northampton (Unparished)	44,471.48	45,380.28	908.81
Total tax base	65,709.29	66,873.95	1,164.66

- 2.2 That Cabinet delegate to the Section 151 Officer in consultation with the Cabinet member for Finance to make any technical adjustments necessary arising out of the Local Government draft settlement which impacts on the tax base, and to confirm, and inform the relevant authorities, the estimated surplus/deficit on the Collection Fund and how much would be attributable to each council, including NBC, after the statutory date of the 15th January 2018.
- 2.3 The detailed breakdown of how the tax base and the associated parish tax bases are calculated is shown as a band D equivalent in appendix 1.

3. Issues and Choices

3.1 Report Background

- 3.1.1 The tax base changes each year due to the movement in property type and how they are used. The key areas to review when making the estimate for next year are:
- The actual growth in the tax base as compared to the planning assumptions from the previous year.
 - The planning assumptions for the rest of the current year and the next financial year
 - The estimated movement in exemptions and discounts
 - The estimated movement in the Council Tax Reduction Scheme
 - The estimated non-collection in the tax base as a whole.

3.1.2 A summary of movement in the tax base is summarised below.

2017/18		2018/19
73,671.15	Tax Base (Band "D" equivalent)	74,486.26
156.62	Growth in tax base (note 1)	-204.83
740.05	Planning Assumptions (note 2)	535.33
-81.56	Exemptions & Discounts (note 3)	-165.40
-6,744.73	Council Tax Reduction Scheme (note 4)	-6,273.09
-2,032.25	Non-Collection (note 5)	-1,504.32
65,709.29	Tax base for Council Tax	66,873.95

3.1.3 Note 1 – Fewer properties have been completed by the builders than they estimated in October 2016. However any properties which have not been completed to date, but will be by the end of the financial year are included in the 18/19 Planning Assumptions. There has been an increase of 612 properties from the 2017/18 tax base to the 2018/19 tax base.

3.1.4 Note 2 – This is an estimate of the properties that the builders expect to complete in the next financial year, plus any that are due to be completed between the 1st December 2017 and the 31st March 2018. There is currently a reduction of 50% of the potential banding applied to the estimated new build figures to allow for part year liability.

3.1.5 Note 3 – The main changes to exemptions, discounts and disregards are increases in awards for Severe Mental Impairment and Carer cases. This is primarily due to a greater awareness, more customers remaining in their homes for longer and the reduction in awards for CTRS. There has also been an increase in Single Person Discount awards, in the past NCC has funded a countywide review, which has resulted in a significant reduction in claims. Please see appendix 2 for a list of all breakdown of all exemptions, discounts and disregards, as at the 30th November, used for the 2017/18 and 2018/19 tax bases.

3.1.6 Note 4 – The current Council tax Reduction Scheme is due to stay at the same level, but there is expected to be a reduction in caseload, therefore the expenditure will reduce.

3.1.7 Note 5 - The collection rate of council tax has been increased from 97.1% to 97.8% for the 2018/19 tax base setting. Collection rates have improved in recent years, especially against arrears, to a level where a surplus has been declared in the Collection Fund. The collection rate is reviewed each year as part of the tax base setting process.

3.1.8 There is an estimated surplus to be apportioned on the Collection Fund, as detailed in the draft budget report to the December Cabinet, of £351,944 for NBC (which would equate to £1,790,688 for NCC and £320,871 for NPCC).

3.2 Issues

3.2.1 The report represents the application of a prescribed process.

3.3 Choices (Options)

3.3.1 To not set a tax base would render the authority unable to set a council tax.

3.3.2 The methodology used to calculate the tax base, has taken into account the previous decision by Council in 2013/14 in relation to the level of reductions awarded for Exemptions and Discounts.

3.3.3 The methodology used to calculate the tax base, has taken into account the recommendation to Council with respect to the Local Council Tax Reduction Scheme.

3.3.4 Each of these previous decisions, either individually or as a whole, could be reconsidered by Full Council and the discounts reinstated. Any decision to change the current position would have a negative financial impact on the budget report and tax base.

3.3.5 To approve the recommendations in the report

4. Implications (including financial implications)

4.1 Policy

4.1.1 None

4.2 Resources and Risk

4.2.1 No resource required. The base has to be determined by the 31st January 2018 by Full Council

4.2.2 That the above policy position in respect of the Local Council Tax Reduction Scheme be kept under review in respect of future years

4.2.3 That the above policy position in respect of discretionary discounts and exemptions be kept under review in respect of future years

4.3 Legal

4.3.1 These are covered within the body of the report.

4.4 Equality

4.4.1 No direct impact on equality context, however any resulting impact on options/ consultations for budgets will have to be considered individually.

4.5 Consultees (Internal and External)

4.5.1 Internal: Finance & Support – Section 151 Officer
Legal Services – Solicitor to the Council

4.5.2 External: None

4.6 How the Proposals deliver Priority Outcomes

4.6.1 None

4.7 Other Implications

4.7.1 None

5. Background Papers

None

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