### PLYMOUTH CITY COUNCIL

**Subject:** Council Tax Base Setting 2015/16 and Council Tax Support

Scheme 2015/16

Committee: Cabinet

Date: 13 January 2015
Cabinet Member: Councillor Lowry

**CMT Member:** Malcolm Coe (Assistant Director for Finance)

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Ref:

Key Decision: No Part:

### Purpose of the report:

The report provides Members with a Council Tax Base for tax setting purposes in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012.

### The Brilliant Co-operative Council Corporate Plan 2013/14 -2016/17:

The correct calculation of the Council Tax Base will ensure the Council maximizes its financial resources to meet its corporate priorities.

## Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:

A collection rate of 98.5% has been used in calculating the Council Tax base. This Council Tax base setting report together with Appendix A which details the tax base calculations, shows the tax base is 68,460 which will give us a Council Tax requirement of £90,407,129 assuming a 1.99% increase. This is in line with the resource modelling within the budget papers being presented to Council in February 2015.

# Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

None – this report sets out the base for the Council Tax resource for 2015/16 and all implications from resource allocation are set out in the four year sustainable budget report.

Equality and Diversity:								
None								
Recommendations and Reasons for recommended action:								
<ol> <li>That Cabinet recommend to Council the approval of the Council Tax Base for 2015/16         Tax Setting as 68,460 Band D equivalents, which is the tax base after allowing for an estimated collection rate of 98.5%.     </li> </ol>								
2. That Cabinet recommend to Council the approval of the 2014/15 Council Tax Support Support scheme continuing for the 2015/16 financial year and that all elements of the scheme remain the same.								
Alternative options considered and rejected:								
Not applicable – calculation of the tax base is a statutory function.								
Published work / information:								
None								
Background papers:								
None								
Sign off:								
Fin         djn141         Leg         21995         Mon Off         21995/DVS         HR DVS         Assets         IT         Strat Proc								
Originating SMT Member: Malcolm Coe								
Has the Cabinet Member(s) agreed the content of the report? Yes								

### I INTRODUCTION

- 1.1 The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 establishes arrangements for the setting of Council Taxes. The arrangements include the valuation of the Council Tax Base for tax setting for which a Council resolution is necessary. The result must be notified to the major precepting authorities.
- 1.2 For the year commencing I April 2015 the major precepting authorities will be Devon and Cornwall Police and Crime Commissioner, Devon and Somerset Fire and Rescue Authority and Plymouth City Council.
- 1.3 Regulations require the Council to determine its Tax Base for Council Tax purposes for 2015/16 during the period 1 December 2014 to 31 January 2015. The level of Council Tax subsequently set must use this base figure. A Tax Base calculation is provided in Appendix A.
- 1.4 The calculation of the Tax Base includes the impact of the Council Tax Support Scheme which significantly reduces income from Council Tax which is then offset, in part, by a Council Tax Support Grant which is included within the Settlement Funding Allocation.

#### 2 PURPOSE OF THE REPORT

- 2.1 The purpose of this report is to present Cabinet with the calculation of the Council Tax Base of 68,460 for tax setting for the financial year 2015/16. For purposes of comparison, the Council Tax Base for tax setting in the financial year 2014/15 was 67.066.
- 2.2 The Tax Base calculation includes the impact of the Council Tax Support Scheme. This report assumes that all elements of the scheme remain the same for the 2015/16 financial year.

### 3 TAX BASE CALCULATIONS

3.1 Tax base figures are calculated by the billing authority as the aggregate of the "relevant amounts" calculated for each property valuation band multiplied by the estimated "collection rate" for the year.

### 3.2 Relevant amounts are:

- (a) The number of chargeable dwellings in that band shown in the valuation list as it stands on the relevant day.
- (b) The number of discounts, disabled reductions and exemptions which apply to those dwellings on the relevant day;
- (c) Estimated changes in (a) and (b) above between the relevant day and the last day of the charging period to which the estimate applies;

- (d) Impact of the Council Tax Support scheme which is linked to claimants, is converted to an equivalent number of dwellings per band by dividing the estimated cost per band of the reductions by the estimated Council Tax for that band;
- (e) The number of Band D equivalents within each different band.
- (f) The relevant day is 30 November in the financial year preceding that for which the relevant amounts are calculated.
- 3.3 The collection rate for the year is the billing authority's estimate of the total amounts of Council Tax which will ultimately be paid or transferred into the Collection Fund.
- 3.4 This report assumes a collection rate for Council Tax of 98.5%.
- 3.5 A summary of the actual calculation of the 2015/16 Council Tax Base for Plymouth is shown in the Appendices to this report. Appendix A shows the tax base calculation, Appendix B shows the tax base used for the previous three years for comparison.

Council Tax base calculation 2015/16

Appendix A

	BAND A with disabled releif	BAND A	BAND B	BAND C	BAND D	BAND E	BAND F	BAND G	BAND H	Total
Number of dwellings in valuation list as at 30th November 2014	-	46,694	31,618	22,046	9,194	4,711	1,648	578	60	116,549
Number of exempt dwellings (including demolished)	-	2,874	1,862	1,105	612	206	43	39	21	6,762
Reductions to lower band due to disabled relief	-	117	157	116	90	64	25	31	11	611
Additions to band due to disabled relief	117	157	116	90	64	25	31	11	-	611
CHARGEABLE DWELLINGS FOR BAND	117	43,860	29,715	20,915	8,556	4,466	1,611	519	28	109,787
Total discounts at 25%	47	22,858	10,249	5,662	1,970	862	282	74	1	42,005
Total discounts at 50%	2	279	208	98	50	26	33	26	17	739
Total discounts at 100% one months only	-	670	360	167	81	36	17	10	-	1,341
TOTAL DISCOUNTS	13	5,910	2,696	1,478	524	232	88	32	9	10,983
Long Term Empty Premium at 50%	-	120	26	13	3	-	4	4	2	172
LONG TERM EMPTY PREMIUM	-	60	13	7	2	-	2	2	1	86
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Estimated number of dwellings not listed but which will be										
listed in the band for the whole or any part of the financial year	-	248	168	117	49	25	9	3	0	620
Estimated number of reductions to lower band due to										
successcful appeals	-	-	9	2	1	4	3	1	-	20
Estimated number of additions to lower band due to successful										
appeals	-	9	2	1	4	3	1	-	-	20
TOTAL ADJUSTMENTS	-	257	161	116	52	24	7	2	0	620
LOCAL COUNCIL TAX SUPPORT SCHEME REDUCTIONS	39	11,054	3,771	1,205	294	75	21	3	-	16,461
								<b>.</b>		
Family annexes discount at 50%	-	7	5	9	6	4	4	2	-	35
FAMILY ANNEXES		4	2	4	3	2	2	1	-	18
			1							
TOTAL DWELLINGS	65	27,210	23,420	18,351	7,788	4,182	1,509	487	21	83,032
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RATIO TO BAND D	5	6	7	8	9	11	13	15	18	
	9	9	9	9	9	9	9	9	9	
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RELEVANT AMOUNTS FOR 2015/16	36	18,140	18,216	16,312	7,788	5,111	2,179	812	41	68,634
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COLLECTION RATE										98.50%
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ADJUSTED RELEVANT AMOUNT	36	17,868	17,942	16,067	7,671	5,035	2,146	799	41	67,605
MOD CONTRIBUTION										056
MOD CONTRIBUTION										856
TAX BASE										68,460
IAV DASE										08,460

Council Tax base in previous years

Appendix B

		2014/15			2013/14			2012/13	
Band	Number of	Estimated	Adjusted Band D	Number of	Estimated	Adjusted Band	Number of	Estimated	Adjusted Band D
Dallu	properties	Collection Rate	Equivalent	properties	Collection Rate	D Equivalent	properties	Collection Rate	Equivalent
Α	46,657	97.50%	17,428	46,555	97.50%	17,613	46,363	98.50%	24,443
В	31,379	97.50%	17,501	31,134	97.50%	17,431	30,914	98.50%	19,901
С	21,986	97.50%	15,771	21,800	97.50%	15,637	21,734	98.50%	16,580
D	9,123	97.50%	7,570	8,922	97.50%	7,499	8,903	98.50%	7,683
E	4,679	97.50%	5,001	4,539	97.50%	4,891	4,493	98.50%	4,836
F	1,657	97.50%	2,131	1,673	97.50%	2,199	1,675	98.50%	2,192
G	578	97.50%	780	578	97.50%	798	567	98.50%	761
Н	60	97.50%	39	59	97.50%	37	58	98.50%	32
Total	116,119		66,221	115,260		66,105	114,707	98.50%	76,428
MOD			845			853			843
Tax Base			67,066			66,958			77,271