

PLYMOUTH CITY COUNCIL

Subject: Council Tax Base Setting 2017/18

Committee: Cabinet

Date: 17 January 2017

Cabinet Member: Cllr Darcy

CMT Member: Lesa Annear

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Ref:

Key Decision: **No**

Part: **I**

Purpose of the report:

To recommend the 2017/18 Council Tax base to Council in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012.

The Corporate Plan 2016/19:

The 2017/18 Draft Budget sets out the resources available to deliver the Corporate Plan 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. Appendix A details the Tax Base calculations. The tax base is 70,778 band D equivalent properties.

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

None

Equality and Diversity:

None

Recommendations and Reasons for recommended action:

I. That Cabinet recommend to Council the approval of the Council Tax Base for 2017/18 as set out in the report

It is a statutory requirement for Council to approve the Council Tax Base for the forthcoming financial year.

Alternative options considered and rejected:

Not applicable

Published work / information:

None

Background papers:

None

Sign off:

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Originating SMT Member: Lesa Annear													
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 make arrangements for the setting of the Council Tax. The arrangements include the determination of the Council Tax Base. A Council resolution is necessary. The decision must be notified to the major precepting authorities.
- 1.2 For the year commencing 1 April 2017 the major precepting authorities will be Devon and Cornwall Police and Crime Commissioner and Devon and Somerset Fire and Rescue Authority.
- 1.3 The Council must determine its Council Tax Base for 2017/18 during the period 1 December 2016 to 31 January 2017. The Council Tax Base is the measure of the taxable capacity of an area, for the purpose of calculating an authority's Council Tax. It represents the estimated number of Band D equivalent chargeable dwellings for the year. It also takes into account the authority's estimated Council Tax collection rate. The level of Council Tax subsequently set must be determined using the Council Tax Base figure. The Council Tax Base calculation is attached in Appendix A.
- 1.4 The calculation of the Council Tax Base allows for discounts under the Council Tax Support Scheme.

2 PURPOSE OF THE REPORT

- 2.1 The purpose of this report is to inform Cabinet of the Council Tax Base of 70,775. The Council Tax Base for 2016/17 was 69,846.

3 TAX BASE CALCULATIONS

- 3.1 Council 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 30 November 2016.
 - (b) The number of discounts, disabled reductions and exemptions which apply to those dwellings;
 - (c) Estimated changes in the number of chargeable properties between 30 November 2016 and 31 March 2018
 - (d) Impact of the Council Tax Support scheme;

(e) The number of Band D equivalents within each different band.

3.3 The collection rate is the billing authority's estimate of the total amounts of 2017/18 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%. This rate reflects recent arrears collection performance and the pattern of write offs. It is the same level used in setting the 2016/17 Council Tax Base. Analysis of collection rates across the age profile of debts suggests that an eventual collection rate of 98.5% remains realistic and prudent in the current economic climate.

3.5 Appendix B shows the tax base used for the previous three years for comparison.

Council Tax Base - Previous Years

Appendix B

	2014/15			2015/16			2016/17		
Band	Number of propertie	Estimated Collection Rate	Adjusted Band D Equivalent	Number of propertie	Estimated Collection Rate	Adjusted Band D Equivale	Number of propertie	Estimated Collection Rate	Adjusted Band D Equivale
A	46,657	97.5%	17,428	46,694	98.5%	17,904	46,908	98.5%	18,260
B	31,379	97.5%	17,501	31,618	98.5%	17,942	31,876	98.5%	18,452
C	21,986	97.5%	15,771	22,046	98.5%	16,067	22,217	98.5%	16,287
D	9,123	97.5%	7,570	9,194	98.5%	7,671	9,316	98.5%	7,816
E	4,679	97.5%	5,001	4,711	98.5%	5,035	4,770	98.5%	5,147
F	1,657	97.5%	2,131	1,648	98.5%	2,146	1,686	98.5%	2,183
G	578	97.5%	780	578	98.5%	799	591	98.5%	826
H	60	97.5%	39	60	98.5%	41	59	98.5%	34
Total	116,119		66,221	116,549		67,605	117,423		69,004
MOD			845			856			842
Tax Base			67,066			68,460			69,846