

MEETING BEING SUBMITTED TO: CABINET

1. **HEADING** Calculation of the Council Tax Base 2016/17

Submitted by: Revenues Manager

Portfolio: Finance IT and Customer

Ward(s) affected: All

Purpose of the Report

To approve the Council Tax Base to be used to calculate the 2016/17 levies for the Borough Council, Staffordshire County Council, the Office of the Police and Crime Commissioner, Stoke-on-Trent and Staffordshire Fire and Rescue Authority and each Town and Parish Council.

To delegate the responsibility for the calculation in future years to the Executive Director (Resources and Support Services) in consultation with the relevant portfolio holder.

Recommendations

- a.) That, in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amounts calculated as the Council Tax Base for 2016/17 shall be as follows:-

	<u>Band D equivalent properties</u>
Newcastle Borough Council	36,078
Kidsgrove Town Council	6,536
Loggerheads	1,878
Audley	2,510
Balterley, Betley and Wrinehill	576
Chapel and Hill Chorlton	192
Keele	332
Madeley	1,445
Maer	260
Whitmore	814
Silverdale	1,457

- b.) That approval be given to delegate responsibility for the calculation of the Council Tax Base in future years to the Executive Director (Resources and Support Services) and that the Council's Scheme of Delegation be amended accordingly.

Reasons

To enable the Borough Council, Staffordshire County Council, the Office of the Police and Crime Commissioner, Stoke-on-Trent and Staffordshire Fire and Rescue Authority and each Town and Parish Council to calculate the Council Tax applicable to their approved budgetary requirements.

1. **Background**

Legislation requires that the “Council Tax Base” for the Authority and for each of the areas covered by Town and Parish Councils is calculated and notified to these precepting bodies, before 31st January for the following new financial year.

2. **Issues**

Sections 33 and 34 of the Local Government Finance Act 1992 formerly required the Council to calculate the “Council Tax Base” for the Authority and for each of the areas covered by Town and Parish Councils. These regulations were replaced for the financial years 2013/14 onwards by The Local Authorities (Calculation of Tax Base) (England) Regulations 2012.

The “Council Tax Base” represents the number of properties in the area concerned, expressed as if all properties were valued at Band “D” and now takes account of discounts under section 11 and 11A, certain increases due to the application of the empty homes premium under section 11B and in other reduced amounts payable under section 13 and 13A.

For 2016/17 the “Council Tax Base” continues to be calculated with a reduced discount rate of 0% in respect of Class A, B and C dwellings (second homes, furnished unoccupied dwellings and long term empty dwellings), locally determined discount rates of 0% in respect of properties formally entitled to Class A exemptions (properties undergoing or having recently completed major structural repair) and a locally determined discount rate of 100% for 56 days, followed by a locally determined discount rate of 0% thereafter in respect of properties formally entitled to Class C exemptions (properties that are unoccupied and unfurnished for up to six months), and an empty home premium of 50% in respect of Class C properties that have been empty for two years or longer.

For 2016/17 the “Council Tax Base” should be calculated by multiplying the total of the “relevant amounts” for each tax band by the estimated collection rate.

Calculations have been made for the Borough Council and for each Town and Parish Council and attached at Appendix A to this report is a schedule which shows the effect of applying the Estimated Collection Rate of 97.5%.

The Council’s approved budget requirement will be divided by the Council Tax Base to produce a Council Tax Rate for the Borough to which the various proportions (i.e. $\frac{6}{9}$ ths to $\frac{18}{9}$ ths) will be applied to produce the tax applicable for each Council Tax Band. A similar exercise will be carried out in relation to Staffordshire County Council, the Office of the Police and Crime Commissioner, Stoke-on-Trent and Staffordshire Fire and Rescue Authority and Town and Parish Council’s precept requirements.

Approval of the Council Tax Base is not required by Council or Cabinet and can be delegated. A number of other local authorities have delegated the responsibility to their Chief Financial Officers (Section 151 Officers) which for this authority is the Executive Director (Resources and Support Services). It is proposed that for future years’ calculations responsibility is delegated to the Executive Director (Resources and Support Services) and that the Council’s Scheme of Delegation is amended to this effect.

3. **Options Considered**

Not applicable

4. **Proposal**

That the Council Tax Base calculations set out in the attached appendix be approved.

5. **Reasons for Preferred Solution**

Legislation directs the method of calculation of the Council Tax Base.

6. **Outcomes Linked to Corporate Priorities**

The Council's approved budget covers all corporate priorities. Calculating the Council Tax Base enables the level of Council Tax to be determined to meet these budgetary requirements.

7. **Legal and Statutory Implications**

The Local Authorities (Calculation of Tax Base) (England) Regulations 2012 requires the Council to calculate the "Council Tax Base" for the Authority and for each of the areas covered by Town and Parish Councils.

8. **Equality Impact Assessment**

Not applicable

9. **Financial and Resource Implications**

Calculating the Council Tax Base enables the level of Council Tax to be determined to meet the Council's budgetary requirements.

10. **Major Risks**

Failure to set the Council Tax Base will leave the Council in breach of its statutory duty and unable to determine the appropriate level of Council Tax.

11. **Key Decision Information**

Not applicable

12. **Earlier Cabinet/Committee Resolutions**

Not applicable

13. **Recommendations**

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14. **List of Appendices**

Appendix A - Council Tax Base calculation

15. **Background Papers**

Not applicable