

Officer Decision Making

Tuesday, 16th January, 2018
at 1.00 pm

PLEASE NOTE TIME OF MEETING

Office of the Service Director - Finance
and Commercialisation

This meeting is not open to the public

Decision Maker

Service Director - Finance and
Commercialisation

Contacts

Judy Cordell
Senior Democratic Support Officer
Tel: 023 8083 2766
Email: judy.cordell@southampton.gov.uk

AGENDA

Agendas and papers are available via the Council's website

1 COUNCIL TAX AND NNDR BASE 2018-19 (Pages 1 - 6)

Report of the Service Director, Finance and Commercialisation detailing the Council Tax and NNDR Base 2018-19.

Monday, 8 January 2018

Service Director, Legal and Governance

DECISION-MAKER:	SERVICE DIRECTOR FINANCE AND COMMERCIALISATION		
SUBJECT:	COUNCIL TAX 2018-19		
DATE OF DECISION:	16th January 2018		
REPORT OF:	Service Lead - Corporate Planning & Commercialisation		
<u>CONTACT DETAILS</u>			
AUTHOR:	Name:	Sue Cuerden	Tel: 023 8083 4153
	E-mail:	Sue.cuerden@southampton.gov.uk	
Director	Name:	Mel Creighton	Tel: 023 8083 4897
	E-mail:	Mel.creighton@southampton.gov.uk	

STATEMENT OF CONFIDENTIALITY	
Not applicable	
BRIEF SUMMARY	
<u>THE SETTING OF THE COUNCIL TAX BASE FOR THE CITY OF SOUTHAMPTON FOR 2018/19</u>	
Council Tax legislation sets out a procedure to be followed to set the Council Tax each year. The stages are	
<ul style="list-style-type: none"> i. Calculate the tax base; ii. Calculate the amount to be raised from the council tax; and iii. Divide the amount to be raised by the tax base to calculate the council tax rate for the year. 	
It is a legal requirement that the tax base is calculated and approved by 31st January each year	
RECOMMENDATIONS:	
	(i) It is recommended that the Chief Financial Officer: Approves the amount calculated by Southampton City Council as its Council Tax base for the year commencing 1st April 2018 as 64,345 equivalent Band D dwellings
REASONS FOR REPORT RECOMMENDATIONS	
1.	The report and recommendation has been prepared as part of the statutory requirement to set the Council Tax Base for the year commencing 1st April 2018.
ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	
2.	No alternative options are relevant to this report.

DETAIL (Including consultation carried out)	
3.	Council Tax legislation sets out a procedure to be followed to set the council tax each year. The stages are <ul style="list-style-type: none"> i) Calculate the tax base; ii) Calculate the amount to be raised from the council tax; and iii) Divide the amount to be raised by the tax base to calculate the council tax rate for the year.
4	This report deals with the first of those stages. The Council has delegated authority to the Chief Financial Officer following consultation with the Cabinet Member for Finance to approve the Council Tax Base for the City Council. It is a legal requirement that the tax base is calculated and approved by 31st January each year.
5	The Council Tax Base has two components. The first is an estimate of the number of equivalent Band D dwellings within the city that will be subject to a Council Tax charge in 2018/19, adjusted to reflect local Council Tax Reduction Scheme and the resulting changes in funding which took effect from 2013/14.
6	The second component is an estimate of the proportion of those charges that the City Council expects to collect, both during the year and in future years.
7	The higher the collection rate, the lower the level of tax. This calculation needs to allow for both bad debts eventually written off and variations in the estimates for exemptions, discounts, new and demolished properties.
8	The Council Tax collection rate for 2018/19 is 97.40%, which is static compared to 2017/18.
9	The calculations in Appendix 1 set out the total level of discounts and exemptions that are expected to be granted in the year in order to come to a total equivalent number of dwellings. The Council then makes assumptions about the number of new and demolished properties during the year to give a revised total number of properties that equates to 91,308 for 2018/19.
12	The Council Tax Base needs to be adjusted for the local Council Tax Reduction Scheme, which has been analysed across the property Bands accordingly to give a reduced Council Tax Base of 79,929.
13	This figure is then converted into a Band D equivalent figure by applying the ratios shown in Appendix 1. This equates to 66,062. The Collection Rate percentage outlined in Paragraph 9 is then applied to this figure to give the final Council Tax Base of 64,345.
RESOURCE IMPLICATIONS	
<u>Capital/Revenue</u>	
14	The revenue implications are contained in the main report and there are no capital implications
<u>Property/Other</u>	
15	None.

LEGAL IMPLICATIONS	
Statutory power to undertake proposals in the report:	
16	The Local Authorities (Funds) (England) Regulations 1992, and The Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.
Other Legal Implications:	
17	None
RISK MANAGEMENT IMPLICATIONS	
18	Not applicable.
POLICY FRAMEWORK IMPLICATIONS	
19	The report has been prepared in accordance with the statutory requirements with respect to the setting of the Council Tax Base for 2018/19.

KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Council Tax Base 2018/19
Documents In Members' Rooms	
1.	None
Equality Impact Assessment	
Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
Privacy Impact Assessment	
Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.	No
Other Background Documents	
Other Background documents available for inspection at:	
Title of Background Paper(s)	Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)
1.	

This page is intentionally left blank

Council Tax Base 2018/19

	A Reduced	A	B	C	D	E	F	G	H	Total
Total number of Dwellings on the Valuation List	0	35,381	34,929	23,220	9,533	3,152	1,390	437	33	108,075
Number of New Dwellings expected in 2018/19	0	300	291	185	79	26	0	0	0	881
Total number of Exempt, Demolished and Disabled Relief Dwellings on the Valuation List	57	(2,949)	(1,777)	(1,900)	(715)	(232)	(52)	(33)	(30)	(7,631)
No. of Chargeable Dwellings	57	32,732	33,443	21,505	8,897	2,946	1,338	404	3	101,325
Less: Estimated discounts, exemptions and disabled relief	(21)	(4,850)	(2,820)	(1,514)	(543)	(187)	(64)	(17)	(2)	(10,017)
Total equivalent number of dwellings after discounts, exemptions and disabled relief	36	27,882	30,624	19,991	8,354	2,759	1,274	387	2	91,309
Factor stipulated in regulations	1	1	1	1	1	1	1	2	2	
Band D equivalent	20	18,588	23,818	17,770	8,354	3,372	1,840	645	3	74,411
Net effect of Local Council Tax Support Scheme (LCTSS) and other adjustments	(12)	(4,236)	(2,805)	(957)	(256)	(65)	(16)	(3)	0	(8,348)
Additional Net Dwellings in 2018/19 based on known regeneration within the Borough and reductions in the levels of discounts and exemptions										
TOTAL AFTER LCTSS AND OTHER ADJUSTMENTS	8	14,353	21,014	16,813	8,098	3,308	1,824	643	3	66,062
Multiplied by estimated collection rate										97.40%
TOTAL BAND D EQUIVALENTS										64,345

This page is intentionally left blank