

DECISION-MAKER:	INTERIM DIRECTOR OF FINANCE AND COMMERCIALISATION		
SUBJECT:	COUNCIL TAX 2019-20		
DATE OF DECISION:	31st January 2019		
REPORT OF:	Service lead – Corporate Planning & Commercialisation		
<u>CONTACT DETAILS</u>			
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STATEMENT OF CONFIDENTIALITY	
Not applicable	
BRIEF SUMMARY	
<u>THE SETTING OF THE COUNCIL TAX BASE FOR THE CITY OF SOUTHAMPTON FOR 2019/20</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) To approve the amount calculated by Southampton City Council as its Council Tax base for the year commencing 1st April 2019 as 64,959 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 2019.
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 2019/20, 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 2019/20 is 97.40%, which is static compared to 2018/19.
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 92,123 for 2019/20.
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 80,686.
13	This figure is then converted into a Band D equivalent figure by applying the ratios shown in Appendix 1. This equates to 66,693. The Collection Rate percentage outlined in Paragraph 9 is then applied to this figure to give the final Council Tax Base of 64,959.
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	
<u>Statutory power to undertake proposals in the report:</u>	
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 2019/20.

KEY DECISION?	Yes
WARDS/COMMUNITIES AFFECTED:	All
<u>SUPPORTING DOCUMENTATION</u>	
Appendices	
1.	Council Tax Base 2019/20

Documents In Members' Rooms

1.	None
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Equality Impact Assessment

Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.	No
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Privacy Impact Assessment

Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.	No
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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.	