

## Summary Sheet

### Committee Name and Date of Committee Meeting

Cabinet and Commissioners' Decision Making Meeting – 15 January 2018

### Report Title

Calculation of the Council Tax Base for 2018/19

### Is this a Key Decision and has it been included on the Forward Plan?

Yes

### Strategic Director Approving Submission of the Report

Judith Badger, Strategic Director of Finance and Customer Service

### Report Author(s)

Anne Ellis, Finance Manager  
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### Ward(s) Affected

All

### Summary

This report sets out the calculation of the Council's proposed Council Tax base for the forthcoming financial year 2018/19.

This calculation takes into account: the Council's own Local Council Tax Support Scheme (CTSS), discretionary discounts and premiums on second homes, projected in-year council tax collection rate in 2018/19 and estimates of the changes and adjustments in the tax base that occur during the financial year.

In accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012 governing its calculation, it is determined that the Council's Tax Base for the financial year 2018/19 is 69,240.35 Band D Equivalent Properties.

### Recommendations

That Cabinet recommend to Council:

- That the amount calculated by Rotherham Metropolitan Borough Council as its Council Tax Base and those of the Parish Councils shown at Appendix A for 2018/19 shall be a total of 69,240.35 Band D Equivalent Properties.

### List of Appendices Included

Appendix A - The Council Tax Base for 2017/18

**Background Papers**

Localism Act 2011

Local Government Finance Act 1992.

Local Authorities (Calculation of Council Tax Base) Regulations 2012 (Statutory Instrument 2012 no 2914)

Section 84 of the Local Government Act 2003

The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015

Review of the Council Tax Support Scheme - Report to Cabinet and Commissioner  
Decision Making meeting 11<sup>th</sup> December 2017

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**

Council – 24 January 2018

**Council Approval Required**

Yes

**Exempt from the Press and Public**

No

## Calculation of the Council Tax Base for 2018/19

### 1. Recommendations

That Cabinet recommend to Council that:

- 1.1 That the amount calculated by Rotherham Metropolitan Borough Council as its Council Tax Base and those of the Parish Councils shown at Appendix A for 2018/19 shall be a total of 69,240.35 Band D Equivalent Properties.

### 2. Background

- 2.1 Setting the Tax Base is an integral part of the Budget setting process and the determination of the Council Tax level.
- 2.2 The formula for calculating the Council's Tax Base is set out by the Local Authorities (Calculation of Council Tax Base) Regulations 2012 and the projected Tax Base is shown in Appendix A. The Tax base is set in Band D equivalent properties – that is properties are placed into one of 8 valuation bands (A-H) and these are converted to Band D Equivalent properties using the proportions set out in the 1992 Act which are weighted in relation to the Band D property - Band A is 6/9<sup>ths</sup>, Band B 7/9<sup>ths</sup> etc.

### 3. Key Issues

- 3.1 The calculation of the Tax Base takes into account several factors:
  - The Council's own Local Council Tax Support Scheme (CTSS),
  - Council Tax Discounts and Premiums for example, on second homes and empty properties;
  - The projected level of Council Tax discounts and exemptions awarded;
  - Estimates and projections reflecting the changes and adjustments in the Tax Base that occur during the financial year, in particular, newly built properties;
  - An estimate of the in-year council tax collection rate at 97%
- 3.2 The Local Council Tax Support scheme operates as a discount on claimants' Council Tax bills and its effect is to reduce the Council Tax base. Proposed changes to the CTS Scheme will be considered at the Full Council meeting on 24<sup>th</sup> January 2018. The calculation of the tax base for 2018/19 incorporates the impact of these proposed changes.
- 3.3 Taking account of these factors, Rotherham's Council Tax base for 2018/19 has been calculated to be 69,240.35 Band D Equivalent properties – an increase of 1,005.22 Band D equivalent properties or just under 1.5% over the 2017/18 Tax base. This is in line with the budget assumptions within the updated Medium Term Financial Strategy as presented to Cabinet in December 2017.

## **Council Tax Base**

- 3.4 The Tax Base for the Council as a whole (both parished and unparished areas) is comprised as follows:

<b>Tax Band</b>	<b>Band D Equivalent Properties</b>
Band A	26,563.14
Band B	14,441.54
Band C	11,606.32
Band D	8,079.34
Band E	5,103.26
Band F	2,279.26
Band G	1,104.99
Band H	62.50
<b>TOTAL</b>	<b>69,240.35</b>

Details of the Council Tax Base by Band for parish Councils are set out in the attached Appendix.

- 3.5 The calculation of the Council Tax Base is a mostly technical calculation made in accordance with the Local Authorities (Calculation of Council Tax Base) Regulations 2012.

## **4. Options considered and recommended proposal**

- 4.1 The Council Tax Base calculation takes account of the proposed changes to the Local Council Tax Scheme recommended to the Full Council by the Cabinet and Commissioners' Decision Making meeting of 11<sup>th</sup> December.
- 4.2 The estimated level of losses on collection was considered, particularly in light of the Council's record of good performance in Council Tax collection and 3.0% provision for losses is considered prudent and realistic.

## **5. Consultation**

- 5.1 The South Yorkshire Police and Crime Commissioner and the South Yorkshire Fire and Rescue Authority will be notified of their Council Tax Bases for 2018/19 by the end of January 2018 in line with the Statutory Deadline. Details of the proposed Council Tax base have been circulated to Parish and Town Councils to assist them in preparing their budgets.

## **6. Timetable and Accountability for Implementing this Decision**

- 6.1 Rotherham's Council Tax Support Scheme (CTSS) must be approved annually by Full Council by the end of January and as the CTSS affects the calculation of the Council Tax Base the proposed changes are being considered elsewhere on the agenda for the current Council meeting.

- 6.2 Regulations under the Local Government Finance Act 1992 require the Council to have determined and approved the Council's annual Council Tax Base before 31 January in the preceding financial year and to notify both major and local precepting authorities of their tax base.

## **7. Financial and Procurement Implications**

- 7.1 Determining the Council Tax Base is a fundamental part of the Council's budget setting process. The Tax Base is central in determining the amount of Council Tax income to be raised, which represents a significant proportion of the Council's resources for the coming financial year.
- 7.2 The increase in the Council's Tax Base is in line with the financial planning assumptions within the updated Medium Term Financial Strategy.

## **8. Legal Implications**

- 8.1 The legal implications are set out in the body of this report.

## **9. Human Resources Implications**

- 9.1 None directly from this report

## **10. Implications for Children and Young People and Vulnerable Adults**

- 10.1 None directly from this report.

## **11. Equalities and Human Rights Implications**

- 11.1 The Council must be mindful of the potential impact on service users. Section 149 of the Equality Act 2010 in particular imposes an obligation on Members to have due regard to protecting and promoting the welfare and interests of persons who share a relevant protected characteristic (such as: age; disability; gender re-assignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation).

## **12. Implications for Partners and Other Directorates**

- 12.1 None directly.

## **13. Risks and Mitigation**

- 13.1 As the Council Tax Base must be set by the 31 January 2018, it contains projections in respect of the additions, adjustments, discounts and reliefs to be granted before the 31 March 2018 and during the financial year 2018/19, including the projected cost of the Council's CTSS and an estimate of future collection rates. These assumptions are in line with the Council's collection performance in recent years and are considered to be robust.

## **14. Accountable Officer(s)**

Graham Saxton, Assistant Director – Financial Services  
Anne Ellis, Finance Manager

Approvals obtained from:-

	<b>Named Officer</b>	<b>Date</b>
Strategic Director of Finance & Customer Services	Judith Badger	21/12/17
Director of Legal Services	Dermot Pearson	21/12/17
Head of Procurement (if appropriate)	N/A	N/A
Head of Human Resources (if appropriate)	N/A	N/A

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