Committee Name and Date of Committee Meeting
Cabinet – 21 January 2019

Report Title
Calculation of the Council Tax Base for 2019/20

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 Services

Report Author(s)
Anne Ellis, Finance Manager
01709 822019 or anne.ellis@rotherham.gov.uk

Ward(s) Affected
Borough-Wide

Report Summary
This report sets out the calculation of the Council Tax Base for the 2019/20 financial year. This calculation takes into account:

- the total number of dwellings in the Borough and their banding;
- the Council’s own Local Council Tax Support Scheme (CTSS);
- other discounts, exemptions and premiums on second homes and empty properties;
- the projected in-year tax collection rate in 2019/20 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 2019/20 is 70,279.97 Band D Equivalent Properties.

Recommendations

1. That Cabinet recommend to Council that:

   (a) The amount calculated by the Council as its Council Tax Base and those of the Parish Councils shown at Appendix 1 for 2019/20 shall be a total of 70,279.97 Band D Equivalent Properties.

   (b) The creation of a new Parish of Waverley is noted.
(c) The Local Council Tax Support Scheme for 2019/20 remains unchanged from 2018/19.

**List of Appendices Included**
Appendix 1 The Council Tax Base for 2019/20

**Background Papers**
The Localism Act 2011
Local Authorities (Calculation of Council Tax Base) Regulations 2012 (Statutory Instrument 2012 no 2914)
Section 84 of the Local Government Act 2003

**Consideration by any other Council Committee, Scrutiny or Advisory Panel**
Council – 23 January 2019

**Council Approval Required**
Yes

**Exempt from the Press and Public**
No
1. Background

1.1 Setting the Tax Base is an integral part of the Budget setting process and the determination of the Council Tax level.

1.2 The Tax Base must be calculated in accordance with regulations under Section 33(5) of the Local Government Finance Act 1992 and the Local Authorities (Calculation of Council Tax Base) Regulations 2012. The period for the calculation of the tax, between 1 December and 31 January in the financial year preceding that for which the calculation of the Council Tax Base is made, is set by the regulations. 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 $\frac{6}{9}$, Band B $\frac{7}{9}$ etc. up to Band H which is $\frac{18}{9}$.

1.3 Waverley Parish Council

1.3.1 At its meeting on 25 July 2018, Council approved the Reorganisation of Community Governance Order in respect of Waverley. As a result, the new Waverley Parish Council will come into effect on 1st April 2019 and the new Parish is included in the detailed Tax Base in Appendix 1.

1.4 Council Tax Support Scheme

1.4.1 The Council Tax Support Scheme operates as a discount on claimants’ Council Tax bills with the effect of reducing the Council Tax base. The scheme was reviewed and updated for 2018/19. No further changes are proposed for the 2019/20 financial year; however, the Council is required to confirm the scheme each year. Therefore, it is proposed that the scheme is retained in its present format for 2019/20.

2. Key Issues

2.1 The calculation of the Tax Base takes into account several factors:
- The total number of dwellings in the Borough and their banding;
- The Council’s own Local Council Tax Support Scheme (CTSS),
- Council Tax discounts, exemptions and premiums;
- 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; and
- An estimate of the future tax collection rate at 97%.

2.2 The Local Council Tax Support Scheme operates as a discount on claimant’s Council Tax bills and its effect is to reduce the Council Tax Base. The current scheme, applicable from 2018/19, was approved by Council on 24th January 2018.
2.3 The new Parish of Waverley has been included in the Council Tax base calculations with properties being transferred from Catcliffe and Orgreave Parishes as appropriate to give a Tax Base of 784.22 Band D Equivalent Properties.

2.4 Taking account of the above factors, the Council’s Tax Base for 2019/20 has been calculated as 70,279.97 Band D equivalent properties – an increase of 1,039.62 Band D equivalent properties, or 1.5% compared to 2018/19. The Tax Base for the Council as a whole (both Parished and Unparished areas) is summarised in the table below.

<table>
<thead>
<tr>
<th>Tax Band</th>
<th>Band D Equivalent Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Band A</td>
<td>27,209.47</td>
</tr>
<tr>
<td>Band B</td>
<td>14,606.98</td>
</tr>
<tr>
<td>Band C</td>
<td>11,686.83</td>
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<tr>
<td>Band D</td>
<td>8,161.72</td>
</tr>
<tr>
<td>Band E</td>
<td>5,125.23</td>
</tr>
<tr>
<td>Band F</td>
<td>2,320.73</td>
</tr>
<tr>
<td>Band G</td>
<td>1,109.85</td>
</tr>
<tr>
<td>Band H</td>
<td>59.16</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>70,279.97</strong></td>
</tr>
</tbody>
</table>

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

3. **Options considered and recommended proposal**

3.1 The Council Tax Base calculation takes account of the Local Council Tax Support Scheme, Empty Property Premiums and the new Waverley Parish Council.

3.2 The estimated council tax collection rate was considered, particularly in light of the Council’s record of good performance in Council Tax collection and maintaining the estimated collection rate at 97% is considered prudent and realistic.

4. **Consultation on proposal**

4.1 The South Yorkshire Police and Crime Commissioner and the South Yorkshire Fire and Rescue Authority have been notified of the proposed Council Tax Bases for 2019/20 and, subject to Council approval, these will be confirmed by the end of January 2019 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.

4.2 As there are no proposed changes to the current Council Tax Support Scheme, further public consultation is not required.
5. **Timetable and Accountability for Implementing this Decision**

5.1 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 by that date.

6. **Financial and Procurement Advice and Implications**

6.1 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 that will be raised, representing a significant proportion of the Council’s revenue resources for the coming financial year.

7. **Legal Advice and Implications**

7.1 The legal implications are set out in the body of the report.

8. **Human Resources Advice and Implications**

8.1 None directly from this report.

9. **Implications for Children and Young People and Vulnerable Adults**

9.1 Rotherham’s Council Tax Support Scheme includes support for Care Leavers resident within Rotherham, whilst support for Care Leavers outside the Borough (estimated to cost up to £5,000 annually) is met by service budgets.

10. **Equalities and Human Rights Advice and Implications**

10.1 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).

10.2 Prior to the introduction of the Local Council Tax support scheme in April 2013 the Council undertook an extensive public consultation exercise and a detailed Equalities Impact Assessment and these were repeated in respect of the revisions to the local scheme implemented in April 2018, which it is not proposed to change for 2019/20.

11. **Implications for Partners**

11.1 The respective Council Tax Bases will affect the Council Tax Precept determined by the South Yorkshire Police and Crime Commissioner, the South Yorkshire Fire and Rescue Authority and, Parish and Town Councils.
12. Risks and Mitigation

12.1 As the Council Tax Base must be set by the 31 January 2019, it contains projections in respect of the additions, adjustments, discounts and reliefs to be granted before 31 March 2019 and during the 2019/20 financial year, including the projected cost of the Council’s CTSS and an estimate of future collection rates. As, however, the Council has over several years continued to maintain its position as one of the best performing metropolitan authorities nationally for Council Tax collection, these assumptions are considered to be robust and performance in Council Tax collection rates will continue to be closely monitored.

13. Accountable Officer(s)
Paul Stone Head of Corporate Finance
Anne Ellis, Finance Manager

Approvals obtained on behalf of:-

<table>
<thead>
<tr>
<th>Named Officer</th>
<th>Date</th>
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<tbody>
<tr>
<td>Chief Executive</td>
<td>Sharon Kemp</td>
</tr>
<tr>
<td>Strategic Director of Finance &amp; Customer Services (S.151 Officer)</td>
<td>Graham Saxton</td>
</tr>
<tr>
<td>Assistant Director of Legal Services (Monitoring Officer)</td>
<td>Stuart Fletcher</td>
</tr>
<tr>
<td>Assistant Director of Human Resources (if appropriate)</td>
<td>N/A</td>
</tr>
<tr>
<td>Head of Procurement (if appropriate)</td>
<td>N/A</td>
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